

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)

2008

Department of the Treasury
Internal Revenue Service

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

Open to Public Inspection

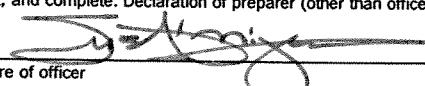

For the 2008 calendar year, or tax year beginning 9/01, 2008, and ending 8/31, 2009

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	Please use IRS label or print or type. See specific instruc- tions.	EASTER SEALS TENNESSEE, INC. 3011 ARMORY DRIVE #100 NASHVILLE, TN 37204	D Employer Identification Number 62-0504893
			E Telephone number (615) 292-6640
F Name and address of principal officer: SUSAN ARMIGER SAME AS C ABOVE			G Gross receipts \$ 10,510,288.
I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (3) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'No,' attach a list. (see instructions)
J Website: ▶ WWW.EASTERSEALSTN.COM			H(c) Group exemption number ▶
K Type of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶			L Year of Formation: 1923 M State of legal domicile: TN

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>THE MISSION OF EASTER SEALS</u> <u>TENNESSEE IS TO PROVIDE EXCEPTIONAL SERVICES TO ENSURE THAT ALL PEOPLE WITH</u> <u>DISABILITIES OR SPECIAL NEEDS AND THEIR FAMILIES HAVE EQUAL OPPORTUNITIES TO LIVE.</u> <u>LEARN, WORK AND PLAY IN THEIR COMMUNITY.</u>			
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.			
	3	Number of voting members of the governing body (Part VI, line 1a)	4	
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	
	5	Total number of employees (Part V, line 2a)	459	
	6	Total number of volunteers (estimate if necessary)	60	
	7a	Total gross unrelated business revenue from Part VIII, line 12, column (C)	-3,873.	
7b	Net unrelated business taxable income from Form 990-T, line 34	-3,873.		
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year 6,238,465.	Current Year 5,600,489.
	9	Program service revenue (Part VIII, line 2g)	240,363.	143,797.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,171.	-843,762.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-64,656.	28,844.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	6,415,343.	4,929,368.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	25,067.	11,700.
	14	Benefits paid to or for members (Part IX, column (A), line 4)		
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	6,371,142.	5,094,050.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)		
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 182,842.		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	2,716,675.	1,983,919.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	9,112,884.	7,089,669.
19	Revenue less expenses. Subtract line 18 from line 12	-2,697,541.	-2,160,301.	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Year 6,838,939.	End of Year 954,014.
	21	Total liabilities (Part X, line 26)	15,863,664.	12,139,040.
	22	Net assets or fund balances. Subtract line 21 from line 20	-9,024,725.	-11,185,026.

Part II Signature Block

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  SUSAN ARMIGER Type or print name and title.	Date 12/2/10 PRESIDENT & CEO	
Paid Preparer's Use Only	Preparer's signature  Firm's name (or yours if self-employed), address, and ZIP + 4 FRASIER, DEAN & HOWARD, PLLC 3310 WEST END AVENUE, STE. 550 NASHVILLE, TN 37203	Date 2-1-10	Check if self-employed <input checked="" type="checkbox"/> X Preparer's identifying number (see instructions) N/A
	EIN ▶ N/A		Phone no. ▶ (615) 383-6592
	May the IRS discuss this return with the preparer shown above? (see instructions) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission:

THE MISSION OF EASTER SEALS TENNESSEE IS TO PROVIDE EXCEPTIONAL SERVICES TO ENSURE
 THAT ALL PEOPLE WITH DISABILITIES OR SPECIAL NEEDS AND THEIR FAMILIES HAVE EQUAL
 OPPORTUNITIES TO LIVE, LEARN, WORK AND PLAY IN THEIR COMMUNITY.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If 'Yes,' describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☒ Yes ☐ No

If 'Yes,' describe these changes on Schedule O.

SEE SCHEDULE O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 5,960,875. including grants of \$) (Revenue \$)

SEE SCHEDULE O

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services. (Describe in Schedule O.)

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

4e Total program service expenses ▶ \$ 5,960,875. (Must equal Part IX, Line 25, column (B).)

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If 'Yes,' complete Schedule A.	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I.		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If 'Yes,' complete Schedule C, Part II.		X
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If 'Yes,' complete Schedule C, Part III.		
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If 'Yes,' complete Schedule D, Part I.		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' complete Schedule D, Part II.		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III.		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If 'Yes,' complete Schedule D, Part IV.		X
10 Did the organization hold assets in term, permanent, or quasi-endowments? If 'Yes,' complete Schedule D, Part V.		X
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If 'Yes,' complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.	X	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If 'Yes,' complete Schedule D, Parts XI, XII, and XIII.	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E.		X
14a Did the organization maintain an office, employees, or agents outside of the U.S.?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If 'Yes,' complete Schedule F, Part I.		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If 'Yes,' complete Schedule F, Part II.		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If 'Yes,' complete Schedule F, Part III.		X
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If 'Yes,' complete Schedule G, Part I.		X
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If 'Yes,' complete Schedule G, Part II.	X	
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If 'Yes,' complete Schedule G, Part III.		X
20 Did the organization operate one or more hospitals? If 'Yes,' complete Schedule H.		X
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If 'Yes,' complete Schedule I, Parts I and II.		X
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If 'Yes,' complete Schedule I, Parts I and III.	X	
23 Did the organization answer 'Yes' to Part VII, Section A, questions 3, 4, or 5? If 'Yes,' complete Schedule J.		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, and that was issued after December 31, 2002? If 'Yes,' answer questions 24b-24d and complete Schedule K. If 'No,' go to question 25.		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If 'Yes,' complete Schedule L, Part I.		X
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If 'Yes,' complete Schedule L, Part I.		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If 'Yes,' complete Schedule L, Part II.		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If 'Yes,' complete Schedule L, Part III.		X

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Part IV Checklist of Required Schedules (continued)

	Yes	No
28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If 'Yes,' complete Schedule L, Part IV.</i>	28a	X
b Have a family member who had a direct or indirect business relationship with the organization? <i>If 'Yes,' complete Schedule L, Part IV.</i>	28b	X
c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If 'Yes,' complete Schedule L, Part IV.</i>	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M.</i>	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If 'Yes,' complete Schedule M.</i>	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I.</i>	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If 'Yes,' complete Schedule N, Part II.</i>	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If 'Yes,' complete Schedule R, Part I.</i>	33	X
34 Was the organization related to any tax-exempt or taxable entity? <i>If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1.</i>	34	X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If 'Yes,' complete Schedule R, Part V, line 2.</i>	35	X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If 'Yes,' complete Schedule R, Part V, line 2.</i>	36	X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If 'Yes,' complete Schedule R, Part VI.</i>	37	X

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Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1 a	Enter the number reported in Box 3 of form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable.		
1 a	8		
1 b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.		
1 b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
2 a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.		
2 a	459		
2 b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	X	
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)			
3 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	X	
3 b	If 'Yes' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O.	X	
4 a	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)?		X
b	If 'Yes,' enter the name of the foreign country: ▶ See the instructions for exceptions and filing requirements for Form TD F 90-22.1 , Report of Foreign Bank and Financial Accounts.		
5 a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5 b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5 c	If 'Yes,' to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
6 a	Did the organization solicit any contributions that were not tax deductible?		X
6 b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?		X
7 b	If 'Yes,' did the organization notify the donor of the value of the goods or services provided?		
7 c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7 d	If 'Yes,' indicate the number of Forms 8282 filed during the year.		
7 e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7 f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7 g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	X	
7 h	For all contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required? ..	X	
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.		
9 a	Did the organization make any taxable distributions under section 4966?		
9 b	Did the organization make any distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
10 a	Initiation fees and capital contributions included on Part VIII, line 12		
10 b	Gross Receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter:		
11 a	Gross income from other members or shareholders		
11 b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
12 a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12 b	If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year.		

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Part VI Governance, Management and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)**Section A. Governing Body and Management**

For each 'Yes' response to lines 2-7b below, and for a 'No' response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

	Yes	No
1 a Enter the number of voting members of the governing body. 1 a 4		
b Enter the number of voting members that are independent 1 b 4		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?	2	X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	X
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? SEE. SCH. O.	4 X	
5 Did the organization become aware during the year of a material diversion of the organization's assets?	5	X
6 Does the organization have members or stockholders?	6	X
7 a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7 a	X
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7 b	X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8 a X	
b Each committee with authority to act on behalf of the governing body?	8 b X	
9 a Does the organization have local chapters, branches, or affiliates?	9 a	X
b If 'Yes,' does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	9 b	
10 Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990. SEE. SCHEDULE. O.	10 X	
11 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O.	11	X

Section B. Policies

	Yes	No
12 a Does the organization have a written conflict of interest policy? If 'No,' go to line 13.	12 a X	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12 b X	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done. SEE. SCHEDULE. O.	12 c X	
13 Does the organization have a written whistleblower policy?	13 X	
14 Does the organization have a written document retention and destruction policy?	14 X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision:		
a The organization's CEO, Executive Director, or top management official?	15 a X	
b Other officers of key employees of the organization? . SEE. SCHEDULE. O.	15 b X	
Describe the process in Schedule O. (see instructions)		
16 a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16 a	X
b If 'Yes,' has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16 b	

Section C. Disclosures

- 17** List the states with which a copy of this Form 990 is required to be filed ▶ TN
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
- ☐ Own website ☒ Another's website ☒ Upon request
- 19** Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. SEE SCHEDULE O
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization:
- ▶ FREDERICK DOWLING 3011 ARMORY DRIVE, SUITE 100 NASHVILLE TN 37204 (615) 292-6640

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS	1a Federated campaigns	1a				
	b Membership dues	1b 76,174.				
	c Fundraising events	1c 54,735.				
	d Related organizations	1d				
	e Government grants (contributions)	1e 5,149,618.				
	f All other contributions, gifts, grants, and similar amounts not included above.	1f 319,962.				
	g Noncash contribns included in lns 1a-1f: \$					
h Total. Add lines 1a-1f. ▶			5,600,489.			
PROGRAM SERVICE REVENUE	2a WORKSHOP REVENUE		Business Code			
				54,750.	54,750.	
	b CAMP FEES			89,047.	89,047.	
	c					
	d					
	e					
	f All other program service revenue.					
	g Total. Add lines 2a-2f. ▶			143,797.		
OTHER REVENUE	3 Investment income (including dividends, interest and other similar amounts)					
	4 Income from investment of tax-exempt bond proceeds. ▶					
	5 Royalties					
			(i) Real	(ii) Personal		
	6a Gross Rents		5,652.			
	b Less: rental expenses		9,525.			
	c Rental income or (loss) ...		-3,873.			
	d Net rental income or (loss)			-3,873.		-3,873.
			(i) Securities	(ii) Other		
	7a Gross amount from sales of assets other than inventory.			4,689,831.		
	b Less: cost or other basis and sales expenses.			5,533,593.		
	c Gain or (loss)			-843,762.		
	d Net gain or (loss)			-843,762.		-843,762.
	8a Gross income from fundraising events (not including \$ 54,735. of contributions reported on line 1c). See Part IV, line 18.		a	62,400.		
	b Less: direct expenses		b	37,802.		
	c Net income or (loss) from fundraising events. ▶			24,598.		24,598.
	9a Gross income from gaming activities. See Part IV, line 19.		a			
	b Less: direct expenses		b			
	c Net income or (loss) from gaming activities. ▶					
	10a Gross sales of inventory, less returns and allowances		a			
b Less: cost of goods sold.		b				
c Net income or (loss) from sales of inventory. ▶						
Miscellaneous Revenue		Business Code				
11a MISCELLANEOUS			8,119.		8,119.	
b						
c						
d All other revenue.						
e Total. Add lines 11a-11d. ▶			8,119.			
12 Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e. ▶			4,929,368.	143,797.	-3,873.	-811,045.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21.				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22.	11,700.	11,700.		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16.				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	260,000.	188,000.	72,000.	0.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1) and persons described in section 4958(c)(3)(B).	0.	0.	0.	0.
7 Other salaries and wages	3,893,105.	3,680,412.	72,552.	140,141.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	339,705.	319,680.	18,651.	1,374.
9 Other employee benefits	222,578.	212,899.	1,205.	8,474.
10 Payroll taxes	378,662.	366,350.	1,304.	11,008.
11 Fees for services (non-employees)				
a Management				
b Legal				
c Accounting	13,899.	9,197.	4,443.	259.
d Lobbying				
e Prof fundraising svcs. See Part IV, ln 17.				
f Investment management fees				
g Other	6,935.	4,588.	2,217.	130.
12 Advertising and promotion	4,034.	3,677.	357.	
13 Office expenses	95,328.	79,398.	10,868.	5,062.
14 Information technology				
15 Royalties				
16 Occupancy	301,530.	270,966.	25,857.	4,707.
17 Travel	148,007.	143,385.	4,244.	378.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	7,383.	5,645.	1,738.	
20 Interest	503,474.		503,474.	
21 Payments to affiliates	172,075.	172,075.		
22 Depreciation, depletion, and amortization	105,000.	95,550.	7,350.	2,100.
23 Insurance	146,496.	144,014.	231.	2,251.
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a PROFESSIONAL FEES - REORG.	139,146.		139,146.	
b CONTRACTED SERVICES	110,776.	73,268.	35,439.	2,069.
c SUPPLIES	76,109.	67,188.	8,103.	818.
d RENTAL AND MAINT. OF EQUIPMENT	63,657.	56,729.	5,350.	1,578.
e BUILDING & GROUNDS MAINTENANCE	59,122.	50,761.	6,286.	2,075.
f All other expenses	30,948.	5,393.	25,137.	418.
25 Total functional expenses. Add lines 1 through 24f	7,089,669.	5,960,875.	945,952.	182,842.
26 Joint Costs. Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

BAA

Form 990 (2008)

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
ASSETS	1 Cash — non-interest-bearing	229,106.	1	19,279.
	2 Savings and temporary cash investments	1,903.	2	
	3 Pledges and grants receivable, net	316,578.	3	341,031.
	4 Accounts receivable, net	142,754.	4	136,447.
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	18,397.	9	8,213.
	10a Land, buildings, and equipment: cost basis	10a 2,219,984.		
	b Less: accumulated depreciation. Complete Part VI of Schedule D	10b 1,770,940.	10c	449,044.
	11 Investments — publicly-traded securities		11	
	12 Investments — other securities. See Part IV, line 11		12	
	13 Investments — program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	135,894.	15	
16 Total assets. Add lines 1 through 15 (must equal line 34)	6,838,939.	16	954,014.	
LIABILITIES	17 Accounts payable and accrued expenses	2,681,780.	17	404,650.
	18 Grants payable		18	
	19 Deferred revenue	2,229,165.	19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	10,234,128.	23	
	24 Unsecured notes and loans payable		24	
	25 Other liabilities. Complete Part X of Schedule D	718,591.	25	11,734,390.
	26 Total liabilities. Add lines 17 through 25	15,863,664.	26	12,139,040.
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29 and lines 33 and 34.			
	27 Unrestricted net assets	-9,024,725.	27	-11,185,026.
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, and equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances.	-9,024,725.	33	-11,185,026.
34 Total liabilities and net assets/fund balances.	6,838,939.	34	954,014.	

Part XI Financial Statements and Reporting

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	X
b Were the organization's financial statements audited by an independent accountant?	2b	X
c If 'Yes' to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	X
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	X
b If 'Yes,' did the organization undergo the required audit or audits?	3b	

BAA

Form 990 (2008)

Public Charity Status and Public Support

To be completed by all section 501 (c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

2008

Open to Public Inspection

Name of the organization

EASTER SEALS TENNESSEE, INC.

Employer identification number

62-0504893

Part I Reason for Public Charity Status (All organizations must complete this part.) (see instructions)		02-0001059
--	--	------------

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

- 1 ☐ A church, convention of churches or association of churches described in **section 170(b)(1)(A)(i).**
- 2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
- 3 ☐ A hospital or cooperative hospital service organization described in **section 170(b)(1)(A)(iii).** (Attach Schedule H.)
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 ☐ 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 exempt 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).** (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).** (see instructions)
- 11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.
- a ☐ Type I b ☐ Type II c ☐ Type III – Functionally integrated d ☐ Type III – Other
- e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f ☐ If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization, check this box _____
- g ☐ Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i)	a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11 g (i)	
(ii)	a family member of a person described in (i) above?	11 g (ii)	
(iii)	a 35% controlled entity of a person described in (i) or (ii) above?	11 g (iii)	

h Provide the following information about the organizations the organization supports.

[illegible]

Total

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

Schedule A (Form 990 or 990-EZ) 2008

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions and membership fees received. (Do not include 'unusual grants.') ..	8,268,120.	9,250,656.	7,067,522.	6,331,761.	5,600,489.	36,518,548.
2 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf.						0.
3 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.
4 Total. Add lines 1-3.	8,268,120.	9,250,656.	7,067,522.	6,331,761.	5,600,489.	36,518,548.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f). ..						0.
6 Public support. Subtract line 5 from line 4.						36,518,548.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4.	8,268,120.	9,250,656.	7,067,522.	6,331,761.	5,600,489.	36,518,548.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources.	146,230.	163,458.	82,301.	82,858.	5,652.	480,499.
9 Net income from unrelated business activities, whether or not the business is regularly carried on.						0.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.). SEE PART IV.	-9.	-1,519.	-644.	13,851.	8,119.	19,798.
11 Total support. Add lines 7 through 10.						37,018,845.
12 Gross receipts from related activities, etc. (see instructions)					12	5,865,313.

13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here. ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f)).	14	98.7 %
15 Public support percentage for 2007 Schedule A, Part IV-A, line 26f.	15	98.1 %

16a 33-1/3 support test – 2008. If the organization did not check the box on line 13, and the line 14 is 33-1/3 % or more, check this box and stop here. The organization qualifies as a publicly supported organization. ☒

b 33-1/3 support test – 2007. If the organization did not check a box on line 13, or 16a, and line 15 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization. ☐

17a 10%-facts-and-circumstances test – 2008. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ☐

b 10%-facts-and-circumstances test – 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ☐

18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions. ☐

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

(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions and membership fees received. (Do not include "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in a activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1-5						
7a Amounts included on lines 1, 2, 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (add lns 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here. <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f)).	15	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f)).	17	%
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h.	18	%
19a 33-1/3 support tests – 2008. If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and stop here. The organization qualifies as a publicly supported organization. <input type="checkbox"/>		
b 33-1/3 support tests – 2007. If the organization did not check a box on line 14 or 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and stop here. The organization qualifies as a publicly supported organization. <input type="checkbox"/>		
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions. <input type="checkbox"/>		

Part IV **Supplemental Information.** Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. (see instructions)

[illegible]

PART II, LINE 10 - OTHER INCOME

<u>NATURE AND SOURCE</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
MISCELLANEOUS	8,119.	13,851.	-644.	-1,519.	-9.
TOTAL	<u>\$ 8,119.</u>	<u>\$ 13,851.</u>	<u>\$ -644.</u>	<u>\$ -1,519.</u>	<u>\$ -9.</u>

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

Supplemental Financial Statements

Attach to Form 990. To be completed by organizations that
answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11, or 12.

OMB No. 1545-0047

2008

Open to Public
Inspection

EASTER SEALS TENNESSEE, INC.

Employer identification number

62-0504893

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Part II Conservation Easements Complete if the organization answered 'Yes' to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06.	2d

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easement it holds?

☐ Yes ☐ No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ▶

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?

☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets
Complete if the organization answered 'Yes' to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1. ▶ \$

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

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:

a Revenues included in Form 990, Part VIII, line 1. ▶ \$

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

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a ☐ Public exhibition
 b ☐ Scholarly research
 c ☐ Preservation for future generations
 d ☐ Loan or exchange programs
 e ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Trust, Escrow and Custodial Arrangements Complete if organization answered 'Yes' to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If 'Yes,' explain the arrangement in Part XIV and complete the following table:

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

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If 'Yes,' explain the arrangement in Part XIV.

Part V Endowment Funds Complete if organization answered 'Yes' to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment ▶ _____ %
 b Permanent endowment ▶ _____ %
 c Term endowment ▶ _____ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

	Yes	No
(i) unrelated organizations	3a(i)	
(ii) related organizations	3a(ii)	
b If 'Yes' to 3a(ii), are the related organizations listed as required on Schedule R?	3b	

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book Value
1a Land	26,283.			26,283.
b Buildings	1,051,703.		889,447.	162,256.
c Leasehold improvements	44,755.	2,737.	47,492.	0.
d Equipment	283,353.	811,153.	834,001.	260,505.
e Other				
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				449,044.

BAA

Schedule D (Form 990) 2008

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	4,929,368.
2	Total expenses (Form 990, Part IX, column (A), line 25)	7,089,669.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	-2,160,301.
4	Net unrealized gains (losses) on investments	
5	Donated services and use of facilities	
6	Investment expenses	
7	Prior period adjustments	
8	Other (Describe in Part XIV)	
9	Total adjustments (net). Add lines 4-8	
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	-2,160,301.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	4,938,893.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV) SEE PART XIV	2d	9,525.
e	Add lines 2a through 2d	2e	9,525.
3	Subtract line 2e from line 1	3	4,929,368.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investments expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue. Add lines 3 and 4c. (This should equal Form 990, Part I, line 12.)	5	4,929,368.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	7,099,194.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV) SEE PART XIV	2d	9,525.
e	Add lines 2a through 2d	2e	9,525.
3	Subtract line 2e from line 1	3	7,089,669.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investments expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses. Add lines 3 and 4c. (This should equal Form 990, Part I, line 18.)	5	7,089,669.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b.

Part XIV Supplemental Information *(continued)*

2008

SCHEDULE D, PART XIV - SUPPLEMENTAL INFORMATION PAGE 6

EASTER SEALS TENNESSEE, INC.

62-0504893

SCHEDULE D, PART XII, LINE 2D

OTHER REVENUE INCLUDED IN F/S BUT NOT INCLUDED ON FORM 990

RENTAL EXPENSES NETTED AGAINST INCOME.....	\$	9,525.
TOTAL	\$	<u>9,525.</u>

SCHEDULE D, PART XIII, LINE 2D

OTHER EXPENSES AND LOSSES PER AUDITED F/S

RENTAL EXPENSES NETTED AGAINST INCOME.....	\$	9,525.
TOTAL	\$	<u>9,525.</u>

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

▶ Must be completed by organizations that answer 'Yes' to Form 990, Part IV, lines 17, 18, or 19, and by organizations that enter more than \$15,000 on Form 990-EZ, line 6a.

OMB No. 1545-0047

2008

Open to Public Inspection

Name of the organization

EASTER SEALS TENNESSEE, INC.

Employer identification number

62-0504893

Part I Fundraising Activities. Complete if the organization answered 'Yes' to Form 990, Part IV, line 17.
--

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- | | |
|--|--|
| <input type="checkbox"/> Mail solicitations | <input type="checkbox"/> Solicitation of non-government grants |
| <input type="checkbox"/> Email solicitations | <input type="checkbox"/> Solicitation of government grants |
| <input type="checkbox"/> Phone solicitations | <input type="checkbox"/> Special fundraising events |
| <input type="checkbox"/> In-person solicitations | |

2a Did the organization have written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ Yes ☒ No

b If 'Yes,' list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization. Form 990EZ filers are not required to complete this table.

(i) Name of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col.(i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
Total..... ▶						0.

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing.

[illegible]

Part II Fundraising Events. Complete if the organization answered 'Yes' to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

REVENUE		(a) Event #1 <u>NASHVILLIAN</u> (event type)	(b) Event #2 <u>FISHING TOURNA</u> (event type)	(c) Other Events <u>1</u> (total number)	(d) Total Events (Add col. (a) through col. (c))
	1 Gross receipts	83,600.	28,370.	5,165.	117,135.
	2 Less: Charitable contributions	26,365.	28,370.		54,735.
	3 Gross revenue (line 1 minus line 2)	57,235.		5,165.	62,400.
DIRECT EXPENSES	4 Cash prizes				
	5 Non-cash prizes				
	6 Rent/facility costs				
	7 Other direct expenses	36,624.	1,110.	68.	37,802.
	8 Direct expense summary. Add lines 4- through 7 in column (d)				37,802.
	9 Net income summary. Combine lines 3 and 8 in column (d)				24,598.

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

REVENUE		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col. (a) through col. (c))
	1 Gross revenue				
DIRECT EXPENSES	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
	7 Direct expense summary. Add lines 2 through 5 in column (d)				
	8 Net gaming income summary. Combine lines 1 and 7 in column (d)				

9 Enter the state(s) in which the organization operates gaming activities: _____

a Is the organization licensed to operate gaming activities in each of these states?

b If 'No,' Explain:

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?

b If 'Yes,' Explain:

11 Does the organization operate gaming activities with nonmembers?

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?

	YES	NO
9a		
10a		
11		
12		

		YES	NO
13 Indicate the percentage of gaming activity operated in:			
a The organization's facility.....	13a %		
b An outside facility.....	13b %		
14 Provide the name and address of the person who prepares the organization's gaming/special events books and records:			
Name: ▶ _____			
Address: ▶ _____			
15a Does the organization have a contact with a third party from whom the organization receives gaming revenue?.....		15a	
b If 'Yes,' enter the amount of gaming revenue received by the organization \$ _____ and the amount of gaming revenue retained by the third party \$ _____.			
c If 'Yes,' enter name and address:			
Name: ▶ _____			
Address: ▶ _____			
16 Gaming manager information			
Name: ▶ _____			
Gaming manager compensation ▶ \$ _____			
Description of services provided: ▶ _____			
<input type="checkbox"/> Director/officer <input type="checkbox"/> Employee <input type="checkbox"/> Independent contractor			
17 Mandatory distributions			
a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?.....		17a	
b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year: ▶ \$ _____			

OMB No. 1545-0047

2008

▶ Complete if the organization answered 'Yes,' on Form 990, Part IV, lines 21 or 22.
▶ Attach to Form 990.

Open to Public Inspection

Employer identification number

62-0504893

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

2	Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.	SEE PAGE 77	yes	NO
---	---	-------------	-----	----

SEE PART IV

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered 'Yes' on Form

990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed.

[illegible]

2 Enter total number of section 501(c)(3) and government organizations.

3 Enter total number of other organizations.

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

TEEA3901L 12/19/08

Schedule I (Form 990) 2008

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
SUPPORTED LIVING	5	11,700.			

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

PART I, LINE 2 - GRANTMAKER'S DESCRIPTION OF HOW GRANTS ARE USED

EASTER SEALS WRITES A CHECK PAYABLE TO THE SERVICE RECIPIENT FOR RENT. THE RECIPIENT DEPOSITS THE CHECK IN HIS/HER CHECKING AND THEN MAKES OUT A CHECK TO PAY THE RENT.

EASTER SEALS THEN GETS REIMBURSED FROM THE STATE THROUGH THE SERVICE RECIPIENT'S COST PLAN. THE HOME MANAGER VERIFIES THAT HIS/HER SERVICE RECIPIENT HAS MADE HIS/HER MONTHLY RENT PAYMENT.

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

► Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008

Open to Public
Inspection

Name of the organization

EASTER SEALS TENNESSEE, INC.

Employer identification number

62-0504893

FORM 990, PART III, LINE 3 - CEASED CONDUCTING OR SIGNIFICANT CHANGES TO SERVICE

THE TURNER FAMILY CENTER WAS CLOSED DURING THE FISCAL YEAR.

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

OUR MISSION:

EASTER SEALS HAS BEEN HELPING INDIVIDUALS WITH DISABILITIES AND SPECIAL NEEDS, AND THEIR FAMILIES, LIVE BETTER LIVES FOR MORE THAN 85 YEARS. YEARLY, EASTER SEALS TN PROVIDES DIRECT SERVICES TO OVER 2,000 CHILDREN AND ADULTS ACROSS THE STATE. OUR MULTIPLE EASTER SEALS LOCATIONS THROUGHOUT THE STATE OF TENNESSEE OFFER THIS WIDE VARIETY OF SERVICES.

EASTER SEALS CAMP:

SINCE 1959, EASTER SEALS TENNESSEE HAS ENJOYED GREAT SUCCESS IN ATTRACTING CHILDREN AND ADULTS WITH VIRTUALLY ANY TYPE OF DISABILITY TO ENJOY THE GREAT OUTDOORS AT OUR EASTER SEALS CAMP. WITH MULTIPLE LOCATIONS IN LEBANON, CROSSVILLE, AND COLUMBIA, TN, EASTER SEALS PARTNERS WITH OTHER SERVICE ORGANIZATIONS TO UTILIZE THEIR FACILITIES. ON THESE LOVELY SURROUNDINGS, CHILDREN AND ADULTS ALIKE ARE ABLE TO REST, HAVE FUN, AND BEST OF ALL, TAKE SATISFACTION IN THE FACT THAT EACH AND EVERY PERSON IS ACCEPTED FOR HIS OR HER INDIVIDUAL ABILITIES.

EASTER SEALS CAMP OFFERS A VARIETY OF ACTIVITIES SUCH AS SWIMMING, CANOEING, ARTS AND CRAFTS, FISHING, BOATING, TENNIS AND MUCH, MUCH MORE. EACH CAMPER IS ASSESSED AT THE BEGINNING OF CAMP AND A PROGRAM IS DESIGNED TO WORK ON SKILLS THAT WILL BENEFIT THAT INDIVIDUAL BASED ON THE NATURE OF THE DISABILITY. SOME EXAMPLES OF SKILLS ADDRESSED FOR EACH PERSON INCLUDE: FINE MOTOR, GROSS MOTOR, SENSORY, AND SOCIAL. CAMP IS A SUPPORTIVE ENVIRONMENT THAT STIMULATES CHILDREN AND ADULTS LIVING WITH DISABILITIES TO BE SELF-RELIANT, INDEPENDENT, AND MOTIVATED.

Name of the organization

EASTER SEALS TENNESSEE, INC.

Employer identification number

62-0504893

FORM 990, PART III, LINE 4A - PROGRAM SERVICE ACCOMPLISHMENTS (CONTINUED)**WEST TENNESSEE ADULT SERVICES:**

EASTER SEALS WEST TENNESSEE OPERATIONS PROVIDE A WIDE RANGE OF PROGRAMS HELPING ADULTS LIVING WITH DISABILITIES RESIDING IN THE COUNTIES OF WEST TENNESSEE ACHIEVE THEIR GREATEST DEGREE OF INDEPENDENCE POSSIBLE. THE ORGANIZATION'S GOAL IS TO HELP PEOPLE WITH DISABILITIES AND OTHER SPECIAL NEEDS ATTAIN THEIR GREATEST DEGREE OF EQUALITY AND INDEPENDENCE.

EASTER SEALS HAS BEEN MEETING THE NEEDS OF WEST TENNESSEE CLIENTS AND THEIR FAMILIES FOR OVER 20 YEARS BY SETTING NEW STANDARDS AND CREATING INNOVATIVE PROGRAMS. THE ORGANIZATION IS LICENSED BY THE STATE OF TENNESSEE DEPARTMENT OF HEALTHCARE FACILITIES AND CONTRACTED WITH DIDS. THE STAFF IS COMPOSED OF COMMITTED, CARING INDIVIDUALS WHO EMBRACE THE MISSION, VISION, AND VALUES OF EASTER SEALS. THIS PROGRAM CURRENTLY SERVES 76 INDIVIDUALS WITH SUPPORTED LIVING PROGRAMS, VOCATIONAL EDUCATIONAL PROGRAMS, AS WELL AS JOB OPPORTUNITIES. OUR SERVICE RECIPIENTS ENJOY THE OPPORTUNITY TO BE INDEPENDENT MEMBERS OF THEIR COMMUNITY.

AGRABILITY:

THROUGH A GRANT FROM THE UNIVERSITY OF TENNESSEE AGRICULTURAL SERVICES, EASTER SEALS WORKS WITH FARMERS WHO HAVE BEEN DISABLED RETAIN THEIR ABILITY TO CONTINUE FARMING. THIS IS ACCOMPLISHED THROUGH ADAPTIVE EQUIPMENT OR REHABILITATION REFERRALS. THIS PROGRAM IS ACTIVE THROUGHOUT THE STATE WITH TWO STAFF MEMBERS, ONE IN WEST TENNESSEE AND ONE IN EAST TENNESSEE, WHO PROVIDE SUPPORT IN THE MOST RURAL AREAS OF TENNESSEE.

FORM 990, PART VI, LINE 4 - SIGNIFICANT CHANGES TO ORGANIZATIONAL DOCUMENTS

IN MAY 2009, EASTER SEALS (THE "DEBTOR") FILED PETITIONS FOR RELIEF UNDER CHAPTER 11 OF THE FEDERAL BANKRUPTCY LAWS IN THE UNITED STATES BANKRUPTCY COURT FOR THE MIDDLE

Name of the organization

EASTER SEALS TENNESSEE, INC.

Employer identification number

62-0504893

FORM 990, PART VI, LINE 4 - SIGNIFICANT CHANGES TO ORGANIZATIONAL DOCUMENTS (C

DISTRICT OF TENNESSEE.

FORM 990, PART VI, LINE 10 - FORM 990 REVIEW PROCESS

THE BOARD TREASURER WILL REVIEW THE 990 PRIOR TO FILING.

FORM 990, PART VI, LINE 12C - EXPLANATION OF MONITORING AND ENFORCEMENT OF C

AN ANNUAL REVIEW AND SIGNING OF THE POLICY IS CONDUCTED WITH ALL BOARD MEMBERS.

FORM 990, PART VI, LINE 15B - COMPENSATION REVIEW & APPROVAL PROCESS FOR OFFICERS & KEY EMPLOYEE

NO SALARY INCREASES HAVE OCCURRED FOR ANY POSITION IN THE PAST 3 YEARS.

SALARIES FOR TOP MANAGEMENT POSITIONS ARE DETERMINED USING THE FOLLOWING:

COMPARABILITY DATA, DISCUSSIONS WITH BOARD MEMBERS, AND INPUT FROM NATIONAL EASTER SEALS.

FORM 990, PART VI, LINE 19 - OTHER ORGANIZATION DOCUMENTS PUBLICLY AVAILABLE

THE DOCUMENTS ARE NOT MADE AVAILABLE TO THE PUBLIC.

Form **990-T****Exempt Organization Business Income Tax Return**
(and proxy tax under section 6033(e))

OMB No. 1545-0687

For calendar year 2008 or other tax year beginning 9/01, 2008,
and ending 8/31, 2009
▶ See separate instructions.**2008**Department of the Treasury
Internal Revenue ServiceOpen to Public Inspection for
501(c)(3) Organizations Only

A <input type="checkbox"/> Check box if address changed B Exempt under section <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408(e) <input type="checkbox"/> 530(a) <input type="checkbox"/> 408A <input type="checkbox"/> 529(a)	Print or Type	EASTER SEALS TENNESSEE, INC. 3011 ARMORY DRIVE #100 NASHVILLE, TN 37204	D Employer identification number (Employees' trust, see instructions for Block D.) 62-0504893 E Unrelated business activity codes (See instructions for Block E.)
C Book value of all assets at end of year 954,014.		F Group exemption number (See instructions for Block F.) ▶ G Check organization type . . . ▶ <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust	

H Describe the organization's primary unrelated business activity.▶ **FACILITY RENTAL**
I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidary controlled group? . . . ▶ ☐ Yes ☒ No
 If 'Yes,' enter the name and identifying number of the parent corporation. . . ▶

J The books are in care of. ▶ **FREDERICK DOWLING** Telephone number. ▶ **(615) 292-6640**

Part I Unrelated Trade or Business Income	(A) Income	(B) Expenses	(C) Net
1 a Gross receipts or sales.			
b Less returns and allowances. c Balance ▶	1 c		
2 Cost of goods sold (Schedule A, line 7).	2		
3 Gross profit. Subtract line 2 from line 1c.	3		
4 a Capital gain net income (attach Schedule D).	4 a		
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797).	4 b		
c Capital loss deduction for trusts.	4 c		
5 Income (loss) from partnerships and S corporations (attach statement).	5		
6 Rent income (Schedule C).	6	5,652.	9,525.
7 Unrelated debt-financed income (Schedule E).	7		-3,873.
8 Interest, annuities, royalties, and rents from controlled organizations (Schedule F).	8		
9 Investment income of a section 501(c)(7), (9), or (17) organization (Sch G)	9		
10 Exploited exempt activity income (Schedule I).	10		
11 Advertising income (Schedule J).	11		
12 Other income (See instructions; attach schedule.)	12		
13 Total. Combine lines 3 through 12.	13	5,652.	9,525.
			-3,873.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.)
 (Except for contributions, deductions must be directly connected with the unrelated business income.)

14 Compensation of officers, directors, and trustees (Schedule K).	14	
15 Salaries and wages.	15	
16 Repairs and maintenance.	16	
17 Bad debts.	17	
18 Interest (attach schedule).	18	
19 Taxes and licenses.	19	
20 Charitable contributions (See instructions for limitation rules.)	20	
21 Depreciation (attach Form 4562).	21	
22 Less depreciation claimed on Schedule A and elsewhere on return.	22 a	22 b
23 Depletion.	23	
24 Contributions to deferred compensation plans.	24	
25 Employee benefit programs.	25	
26 Excess exempt expenses (Schedule I).	26	
27 Excess readership costs (Schedule J).	27	
28 Other deductions (attach schedule).	28	
29 Total deductions. Add lines 14 through 28.	29	
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13.	30	-3,873.
31 Net operating loss deduction (limited to the amount on line 30). SEE STATEMENT 1	31	
32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30.	32	-3,873.
33 Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions).	33	
34 Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32.	34	-3,873.

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation. Controlled group members (sections 1561 and 1563) check here <input type="checkbox"/> . See instructions and:		
a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order): (1) \$ (2) \$ (3) \$		
b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750)..... \$ (2) Additional 3% tax (not more than \$100,000)..... \$		
c Income tax on the amount on line 34.....		35 c 0.
36 Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 34 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041).....		36
37 Proxy tax. See instructions.....		37
38 Alternative minimum tax		38
39 Total. Add lines 37 and 38 to line 35c or 36, whichever applies.....		39 0.

Part IV Tax and Payments

40 a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116).....	40 a	
b Other credits (see instructions).....	40 b	
c General business credit. Check here and indicate which forms are attached: <input type="checkbox"/> Form 3800 <input type="checkbox"/> Form(s) (specify) ▶	40 c	
d Credit for prior year minimum tax (attach Form 8801 or 8827).....	40 d	
e Total credits. Add lines 40a through 40d.....	40 e	0.
41 Subtract line 40e from line 39.....	41	0.
42 Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611.. <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule).....	42	
43 Total tax. Add lines 41 and 42.....	43	0.
44 a Payments: A 2007 overpayment credited to 2008.....	44 a	
b 2008 estimated tax payments.....	44 b	
c Tax deposited with Form 8868.....	44 c	
d Foreign organizations: Tax paid or withheld at source (see instructions).....	44 d	
e Backup withholding (see instructions).....	44 e	
f Other credits and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Other Total.....	44 f	
45 Total payments. Add lines 44a through 44f.....	45	0.
46 Estimated tax penalty (see instructions). Check if Form 2220 is attached..... <input type="checkbox"/>	46	
47 Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed.....	47	
48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid.....	48	
49 Enter the amount of line 48 you want: Credited to 2009 estimated tax ▶ Refunded ▶	49	

Part V Statements Regarding Certain Activities and Other Information (see instructions.)

1 At any time during the 2008 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here.....	Yes	No
2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see the instructions for other forms the organization may have to file.		X
3 Enter the amount of tax-exempt interest received or accrued during the tax year ▶ \$ 0.		

Schedule A – Cost of Goods Sold. Enter method of inventory valuation ▶

1 Inventory at beginning of year.....	1		6 Inventory at end of year.....	6	
2 Purchases.....	2		7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2.....	7	
3 Cost of labor.....	3				
4 a Additional section 263A costs (attach schedule).....	4 a				
b Other costs (attach sch).....	4 b		8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?.....	Yes	No
5 Total. Add lines 1 through 4b.....	5				X

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 taxpayer) is based on all information of which preparer has any knowledge.	
	Signature of officer <i>[Signature]</i> Date <i>12/2/10</i>	Title PRESIDENT & CEO

Paid Preparer's Use Only	Preparer's signature <i>Bob Weathers</i> Date <i>2-1-10</i>	Check if self-employed <input checked="" type="checkbox"/>	Preparer's SSN or PTIN P00167048
	Firm's name (or yours if self-employed), address, and ZIP code FRASIER, DEAN & HOWARD, PLLC	EIN 62-1073578	
	3310 WEST END AVENUE, STE. 550	Phone no. (615) 383-6592	

Schedule C – Rent Income (From Real Property and Personal Property Leased With Real Property) (see instructions)**1** Description of property

(1) CAMP

(2)

(3)

(4)

2 Rent received or accrued(a) From personal property
(if the percentage of rent for personal
property is more than 10% but
not more than 50%)(b) From real and personal property
(if the percentage of rent for
personal property exceeds 50% or
if the rent is based on profit or income)**3(a)** Deductions directly connected
with the income in columns 2(a) and 2(b)
(attach schedule)
SEE STATEMENT 2

(1) 5,652. 9,525.

(2)

(3)

(4)

Total 5,652.

(c) **Total income.** Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A). 5,652. (b) **Total deductions.** Enter here and on page 1, Part I, line 6, column (B). 9,525.**Schedule E – Unrelated Debt-Financed Income** (see instructions)**1** Description of debt-financed property**2** Gross income from
or allocable to
debt-financed property**3** Deductions directly connected with or allocable to
debt-financed property(a) Straight line
depreciation (attach sch)(b) Other deductions
(attach schedule)

(1)

(2)

(3)

(4)

4 Amount of average
acquisition debt on or
allocable to debt-financed
property (attach schedule)**5** Average adjusted basis of
or allocable to debt-financed
property (attach schedule)**6** Column 4
divided by
column 5**7** Gross income
reportable
(column 2 x column 6)**8** Allocable deductions
(column 6 x total of
columns 3(a) and 3(b))

(1) %

(2) %

(3) %

(4) %

Enter here and on page 1, Part I, line 7, column (A). Enter here and on page 1, Part I, line 7, column (B).

Totals ▶**Total dividends-received deductions** included in column 8 ▶**Schedule F – Interest, Annuities, Royalties, and Rents from Controlled Organizations** (see instructions)**1** Name of Controlled
Organization**2** Employer
Identification
Number**Exempt Controlled Organizations****3** Net unrelated
income (loss)
(see instructions)**4** Total of specified
payments made**5** Part of column 4
that is included
in the controlling
organization's
gross income**6** Deductions directly
connected with income
in column 5

(1)

(2)

(3)

(4)

Nonexempt Controlled Organizations**7** Taxable Income**8** Net unrelated
income (loss)
(see instructions)**9** Total of specified
payments made**10** Part of column 9 that is
included in the controlling
organization's gross income**11** Deductions directly
connected with income
in column 10

(1)

(2)

(3)

(4)

Add columns 5 and 10. Enter
here and on page 1, Part I, line
8, column (A).Add columns 6 and 11. Enter
here and on page 1, part I, line
8, column (B).**Totals** ▶

Schedule G – Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions)

1 Description of income	2 Amount of income	3 Deductions directly connected (attach schedule)	4 Set-asides (attach schedule)	5 Total deductions and set-asides (column 3 plus column 4)
(1)				
(2)				
(3)				
(4)				
	Enter here and on page 1, Part I, line 9, column (A).			Enter here and on page 1, Part I, line 9, column (B).
Totals				

Schedule I – Exploited Exempt Activity Income, Other Than Advertising Income (see instructions)

1 Description of exploited activity	2 Gross unrelated business income from trade or business	3 Expenses directly connected with production of unrelated business income	4 Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute columns 5 through 7.	5 Gross income from activity that is not unrelated business income	6 Expenses attributable to column 5	7 Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
	Enter here and on page 1, Part I, line 10, column (A).	Enter here and on page 1, Part I, line 10, column (B).				Enter here and on page 1, Part II, line 26.
Totals						

Schedule J – Advertising Income (See instructions.)**Part I Income From Periodicals Reported on a Consolidated Basis**

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (column 2 minus column 3). If a gain, compute columns 5 through 7.	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5))						

Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (column 2 minus column 3). If a gain, compute columns 5 through 7.	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
(5) Totals from Part I						
	Enter here and on page 1, Part I, line 11, column (A).	Enter here and on page 1, Part I, line 11, column (B).				Enter here and on page 1, Part II, line 27.
Totals, Part II (lines 1-5)						

Schedule K – Compensation of Officers, Directors, and Trustees (see instructions)

1 Name	2 Title	3 Percent of time devoted to business	4 Compensation attributable to unrelated business
		%	
		%	
		%	
		%	
Total . Enter here and on page 1, Part II, line 14.			

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

OMB No. 1545-1709

► **File a separate application for each return.**

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

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.**Part I Automatic 3-Month Extension of Time.** Only submit original (no copies needed).A corporation required to file Form 990-T and requesting an automatic 6-month extension — check this box and complete Part I only. ☒*All other corporations (including 1120-C filers), partnerships, REMICS, and trusts must use Form 7004 to request an extension of time to file income tax returns.***Electronic Filing (e-file).** Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Type or print	Name of Exempt Organization	Employer identification number
	EASTER SEALS TENNESSEE, INC.	62-0504893
File by the due date for filing your return. See instructions.	Number, street, and room or suite number. If a P.O. box, see instructions.	
	3011 ARMORY DRIVE #100	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	NASHVILLE, TN 37204	

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

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

- The books are in the care of. ► **FREDERICK DOWLING**

Telephone No. ► **(615) 292-6640** FAX No. ►

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

- 1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 7/15, 20 10, to file the exempt organization return for the organization named above.
The extension is for the organization's return for:

- ☐ calendar year 20__ or
► ☒ tax year beginning 9/01, 20 08, and ending 8/31, 20 09.

- 2 If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a \$	0.
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b \$	0.
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c \$	0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.**BAA For Privacy Act and Paperwork Reduction Act Notice, see instructions.**Form **8868** (Rev. 4-2009)pf mailed
11/11/09

2008

FEDERAL STATEMENTS

PAGE 1

EASTER SEALS TENNESSEE, INC.

62-0504893

STATEMENT 1
FORM 990-T, PART II, LINE 31
NET OPERATING LOSS DEDUCTION

LOSS YEAR ENDING	ORIGINAL LOSS	LOSS PREVIOUSLY USED	LOSS AVAILABLE
8/31/03	\$ 54,166.	\$ 0.	\$ 54,166.
8/31/04	14,991.	0.	14,991.
8/31/05	18,582.	0.	18,582.
8/31/06	16,469.	0.	16,469.
8/31/07	29,307.	0.	29,307.
8/31/08	24,175.	0.	24,175.
NET OPERATING LOSS AVAILABLE.....			\$ 157,690.
TAXABLE INCOME.....			\$ -3,873.
NET OPERATING LOSS DEDUCTION (LIMITED TO TAXABLE INCOME).....			\$ 0.

STATEMENT 2
FORM 990-T, SCHEDULE C, LINE 3
DEDUCTIONS DIRECTLY CONNECTED WITH INCOME

CAMP

AUTO AND TRAVEL.....	\$ 112.
CLEANING AND MAINTENANCE.....	174.
INSURANCE.....	271.
LEGAL AND PROFESSIONAL FEES.....	2.
REPAIRS.....	42.
SUPPLIES.....	182.
TELEPHONE.....	46.
UTILITIES.....	498.
WAGES AND SALARIES.....	3,966.
PENSION PLAN CONTRIBUTIONS.....	43.
OTHER EMPLOYEE BENEFITS.....	268.
PAYROLL TAXES.....	376.
PRINTING.....	25.
POSTAGE.....	13.
RENTAL EXPENSES.....	3,419.
CONTRACTED SERVICES.....	88.
TOTAL	\$ 9,525.