



Family Promise[®] of Greater Chattanooga

January 4, 2012

Mr. Randy Burns, Management Analyst
City Council Office
1000 Lindsay Street
Chattanooga, TN 37402

Dear Mr. Burns:

The mission of Family Promise of Greater Chattanooga (FPGC) is to help families with children achieve and sustain independence through community partnerships. FPGC is located at 1184 Baldwin Street, Chattanooga, Tennessee 37403, (423)756-3891.

As I mentioned in my email to you on January 4, 2013, FPGC contracts with DeMoss Accounting to prepare monthly financial information. The December 2012 financial information has not been completed yet.

FPGC does not have an audit each year. Our budget is \$192,000 and since it is under \$500,000, the State of Tennessee does not require an annual audit. The last audit was performed in 2010.

Questions regarding the funding request and requests to review corporate minutes can be addressed to Mary Ellen Galloway, Executive Director at the above address and telephone number.

FPGC is requesting \$50,000 from the City of Chattanooga to continue the operations of its family day and overnight shelter and programs to serve homeless and near homeless families' transition to stable housing, employment, supportive and follow-up services and return to self-sufficiency.

Sincerely,

Mary Ellen Galloway, M.Ed., LPC, NCC
Executive Director

EXECUTIVE SUMMARY

Homeless families are the fastest growing segment of the homeless population nationally and locally. "According to the Chattanooga Regional Homeless Coalition, during both the 2011 and 2012 point in time (PIT) counts, a period of 24 hours in which the Chattanooga Regional Homeless Coalition seeks out and counts homeless families and individuals within the community, a troubling rise in family homelessness was reported throughout the region. In comparison to the 2010 PIT count, family homelessness has risen by 51%."

The proposed usage for the financial assistance appropriated by the City of Chattanooga to Family Promise of Greater Chattanooga (FPGC) is to help homeless and near homeless families become stable, employed, housed, securely connected to existing community resources and return to self-sufficiency. FPGC provides its client families with one year of follow-up case management services to ensure stability and self-sustainability. The benefit to the residents of the City is a reduction in family homelessness and a cost savings to the local hospitals, courts, library, and jail which serve homeless individuals and families daily.

FPGC has five programs serving homeless families with children: 1) Day Center/Day Shelter providing meals, transportation, life skills classes, case management, supportive services, laundry and shower facilities, nap room, indoor and outdoor play areas, library, computers and internet service to apply for employment and housing; 2) Overnight Shelter Program located in area congregations providing transportation, meals, tutoring, hospitality and overnight shelter; 3) Centralized Intake Program a one-stop location for homeless and near homeless families at the FPGC day center to receive an intake and assessment and secure linkage to existing resources with follow case management services; 4) Going Home Program, a partnership between Family Promise, the Chattanooga Housing Authority, and local builders and property owners where Family Promise screens and selects families for placement in public housing and renovated and newly constructed housing for rapid re-housing. The program includes one year of case management services, where property owners can access assistance and guidance from a case manager for family issues; 5) Theraplay Program delivered by a licensed clinical social worker and registered play therapist that improves the child's behavior and emotional state by strengthening the parent-child relationship through play. Life skills classes such as nutrition, shopping and cooking on a budget, financial

management, parenting, yoga, and GED tutoring are offered to current and former families graduated to permanent housing.

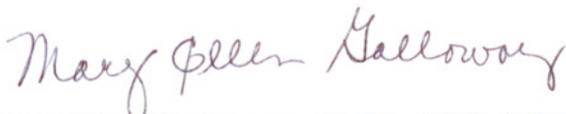
FPGC follows research and best practices to reduce and end family homelessness by following the Housing First or Rapid Rehousing Model to quickly transition homeless families to stability, permanent housing with employment and or income supports if disabled, supportive and follow-up services.

In 2012, the Family Promise Centralized Intake Program served 598 homeless or near homeless individuals, 218 adults and 380 children in 197 families. All families received an intake and assessment, follow-up contact and case management as needed.

In 2012, the Family Promise Overnight Shelter Program served 126 homeless individuals, 82 children and 44 adults in 39 families. Eighty percent (80%) exited the program to stable housing, 100% exited the program with income supports, 36% existed the program employed, 100% existed the program connected to supportive services and 75% received follow-up contact and or services.

Family Promise of Greater Chattanooga assures the City of Chattanooga that the agency will provide a detailed accounting of how and for what purpose municipal funds were spent, prior to the close of the City of Chattanooga's fiscal budget year and at the close of each succeeding fiscal budget year until all municipal funds have been spent by the organization.

Family Promise of Greater Chattanooga assures the City of Chattanooga that the agency will provide the city of Chattanooga with copies of current annual audits or reviews for each year that it spend funds appropriated to it by the City of Chattanooga.



Mary Ellen Galloway, M.Ed., LPC, NCC
Executive Director
Family Promise of Greater Chattanooga

Attachment F: Budget Format

CITY OF CHATTANOOGA
FY2014 Agency Funding Financial Form

Account Category	Actual FY2009	Actual FY2010	Actual FY2011	Actual FY2012 (as of 11/30)	Budget FY2012	Request FY2014	Incr (Decr) Request vs. FY12 Bud	% Change Request vs FY12 Bud
REVENUES								
Contributions								
Individuals/Private	208,156	114,138	92,553	70,250	89,378		(89,378)	-100.0%
Corporate/Organizations/Churches	89,210	89,114	55,590	52,614	60,500		(60,500)	-100.0%
Fees/Grants from Governmental Agencies								
Federal								N/A
State								N/A
Hamilton County				24,226				N/A
City of Chattanooga	4,818	24,000	17,662	24,226	20,000	50,000.0	30,000	150.0%
Private Grant	23,585	60,500	28,000	6,500	7,000		(7,000)	-100.0%
United Way								N/A
Foundations (including grants)								N/A
Gross Proceeds Special Events								N/A
Other UWs/Federations								N/A
CFC/Designations received thru UWGC								N/A
UWGC Program Allocation								N/A
UWGC Special Funding								N/A
Membership Dues								N/A
Program Income								N/A
Governmental Insurance								N/A
Private Insurance								N/A
Contracted Services								N/A
Fee for Services								N/A
Other Program Income								N/A
Sales to Public								N/A
Investment Income	3,835	150	43	86	50		(50)	-100.0%
Miscellaneous	1,480		530		3,450		(3,450)	-100.0%
Special Events	19,688			2,150	12,000		(12,000)	-100.0%
Transfers in from other internal budgets								N/A
Income from Previous Year								N/A
TOTAL REVENUES	350,772	287,902	194,378	180,052	192,378	\$ 50,000.00	\$ (142,378.00)	-74.0%
OPERATIONS								
Personnel Expenses								
Salaries	100,773	113,634	109,836	96,229	100,921	10,000	-86,229	-89.6%
Fringe Benefits							0	N/A
Employee Health							0	N/A
Pension/Retirement							0	N/A
Payroll Taxes, etc.	7,709	9,665	9,599	8,328	6,423		-8328	-100.0%
Other (unemployment, life insurance, etc)								
Total Personnel Expenses	108,482	123,299	119,435	104,557	107,344	\$ 10,000.00	(94,557.00)	-90.4%
OPERATING EXPENSES								
Administration								
Services								
Professional Fee & Contract servc	3,395	12,885	13,658	10,462	500	3,500	3,000	600.0%
Utilities								N/A
Other								N/A
Rent								N/A
Travel/Transportation								
Local		656	656	830	750	1,000	250	33.3%
Out of Town								N/A
Insurance (not employee health)	7,575	11,728	11,237	9,255	12,096	3,000	(9,096)	-75.2%
Materials & Supplies	2,374	4,799			3,000	3,000		0.0%
Telephone, Fax, ISP	5,858	6,100	5,165	3,898	5,600	2,000	(3,600)	-64.3%
Postage and Shipping		3,163	3,366	2,178	4,000	2,000	(2,000)	-50.0%
Occupancy/Building/Utilities	6,655	14,572	10,958	8,171	11,600	3,000	(8,600)	-74.1%
Program Expenses	29,648	31,297	29,965	21,047	26,000	5,000	(21,000)	-80.8%
Outside Printing, Art Work, etc.		549	3,378	2,395	3,250	1,500	(1,750)	-53.8%
Conferences, Conventions, etc.	282	1,354	1,407	778		1,000	1,000	N/A
Special Assistance to Individuals								N/A
National Dues/Support Payments		292	885	662	7,738	7,500	(238)	-3.1%
Organization Dues (other than above)	2,732							N/A
Property Taxes				28,312				N/A
Fund Raising/Self-Support Activities	10,609	1,759	6,473	3,094	7,000	5,000	(2,000)	-28.6%
Miscellaneous expenses)	3,003	996	1,925	1,248	100	1,000	900	900.0%
Depreciation	5,589	24,157	24,611	22,121	1,250		(1,250)	-100.0%
Office expenses	14,385		3,077	2,984	1,600	1,500	(100)	-6.3%
Interest		1,827	505	150	550		(550)	-100.0%
Operating Expenses Total	97,963	117,923	118,313	118,036	85,034	\$ 40,000.00	(78,036.00)	-91.8%
TOTAL OPERATIONS	206,445	241,222	237,748	222,593	192,378	\$ 50,000.00	(172,593.00)	-89.7%
REVENUE OVER/ (UNDER) OPERATION	144,327	46,680	(43,370)	(42,541)	-	\$ -	42,541.00	N/A



APR 26 2012

STATE OF TENNESSEE
Tre Hargett, Secretary of State
Division of Business Services
William R. Snodgrass Tower
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102

file

Mail Family Promise of Greater Chattanooga, Inc.
PO BOX 1146
CHATTANOOGA, TN 37401-1146

April 23, 2012

Filing Acknowledgment

Please review the filing information below and notify our office immediately of any discrepancies.

Control # : 317649 Status: Active

Filing Type: Corporation Non-Profit - Domestic

Document Receipt

Receipt # : 740398

Filing Fee: \$20.00

Payment-Check/MO - Interfaith Homeless Network, CHATTANOOGA, TN

\$20.00

Amendment Type: Articles of Amendment

Image # : 7039-2684

Filed Date: 04/12/2012 11:06 AM

This will acknowledge the filing of the attached articles of amendment with an effective date as indicated above. When corresponding with this office or submitting documents for filing, please refer to the control number given above.

You must also file this document in the office of the Register of Deeds in the county where the entity has its principal office if such principal office is in Tennessee.

Tre Hargett
Secretary of State

Processed By: Kathy Sherrell

Field Name	Changed From	Changed To
Filing Name	INTERFAITH HOMELESS NETWORK	Family Promise of Greater Chattanooga, Inc.
Principal Address 1	1184 BALDWIN STREET	1184 BALDWIN ST
Principal Postal Code	37403	37403-3112
Mail Postal Code	37401	37401-1146

Instrument: 2012050300038
Book and Page: GI 96.36 42
CHARTER FEE \$5.00
DATA PROCESSING FEE \$2.00
Total Fees: \$7.00
User: MNS
Date: 5/3/2012
Time: 10:19:45 AM
Contact: Pam Hurst, Register
Hamilton County, Tennessee

700 CA

Secretary of State
Division of Business Services
312 Eighth Avenue North
6th Floor, William R. Snodgrass Tower
Nashville, Tennessee 37243

DATE: 01/25/07
REQUEST NUMBER: 5924-2417
TELEPHONE CONTACT: (615) 741-2286
FILE DATE/TIME: 01/24/07 0853
EFFECTIVE DATE/TIME: 01/24/07 1630
CONTROL NUMBER: 0317649

mal
TO:
INTERFAITH HOSPITALITY NETWORK OF
GREATER CHATT. INC. *PO 1146*
711 E. 11TH ST
CHATTANOOGA, TN 37403

Instrument: 2007020100262
Book and Page: GI 8228 621
Charter Fee \$5.00
Data Processing F \$2.00
Hamilton County Register \$7.00

RE:
INTERFAITH HOMELESS NETWORK
ARTICLES OF AMENDMENT TO THE CHARTER

THIS WILL ACKNOWLEDGE THE FILING OF THE ATTACHED DOCUMENT WITH AN
EFFECTIVE DATE AS INDICATED ABOVE.

or
WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR
FILING, PLEASE REFER TO THE CORPORATION CONTROL NUMBER GIVEN ABOVE.

PLEASE BE ADVISED THAT THIS DOCUMENT MUST ALSO BE FILED IN THE OFFICE
OF THE REGISTER OF DEEDS IN THE COUNTY WHEREIN A CORPORATION HAS ITS
PRINCIPAL OFFICE IF SUCH PRINCIPAL OFFICE IS IN TENNESSEE.

Instrument: 2007020100262
Book and Page: GI 8228 621
Charter Fee \$5.00
Data Processing F \$2.00
Total Fees: \$7.00
User: IFREUDENBERG
Date: 01-FEB-2007
Time: 01:52:18 P
Contact: Pam Hurst, Register
Hamilton County Tennessee

FOR: ARTICLES OF AMENDMENT TO THE CHARTER

ON DATE: 01/10/07

FROM:
MARY ELLEN GALLOWAY
711 E. 11TH ST

CHATTANOOGA, TN 37401-0000

	FEE	
RECEIVED:	\$20.00	\$0.00
TOTAL PAYMENT RECEIVED:		\$20.00

RECEIPT NUMBER: 00004067490
ACCOUNT NUMBER: 00546190



SS-4453

Riley C. Darnell

RILEY C. DARNELL
SECRETARY OF STATE

p

State of Tennessee



Department of State

Corporate Filings
312 Eighth Avenue North
6th Floor, William R. Snodgrass Tower
Nashville, TN 37243

RECEIVED STATE OF TENNESSEE
ARTICLES OF AMENDMENT TO THE CHARTER (Nonprofit)

2007 JAN 24 AM 9:25

RILEY DARNELL SECRETARY OF STATE

For Office Use Only

RECEIVED STATE OF TENNESSEE
2007 JAN 10 AM 8:53
SECRETARY OF STATE

FILED

CORPORATE CONTROL NUMBER (IF KNOWN) 0317649

PURSUANT TO THE PROVISIONS OF SECTION 48-60-105 OF THE TENNESSEE NONPROFIT CORPORATION ACT, THE UNDERSIGNED CORPORATION ADOPTS THE FOLLOWING ARTICLE OF AMENDMENT TO ITS CHARTER:

1. PLEASE INSERT THE NAME OF THE CORPORATION AS IT APPEARS OF RECORD:

Interfaith Hospitality Network of Greater Chattanooga, Inc.

IF CHANGING THE NAME, INSERT THE NEW NAME ON THE LINE BELOW:

Interfaith Homeless Network

2. PLEASE MARK THE BLOCK THAT APPLIES:

- AMENDMENT IS TO BE EFFECTIVE WHEN FILED BY THE SECRETARY OF STATE.
AMENDMENT IS TO BE EFFECTIVE. (MONTH, DAY, YEAR)
(NOT TO BE LATER THAN THE 90TH DAY AFTER THE DATE THIS DOCUMENT IS FILED.) IF NEITHER BLOCK IS CHECKED, THE AMENDMENT WILL BE EFFECTIVE AT THE TIME OF FILING.

3. PLEASE INSERT ANY CHANGES THAT APPLY:

- A. PRINCIPAL ADDRESS: 711 East 11th Street
Chattanooga TN/Hamilton 37401 37403
B. REGISTERED AGENT:
C. REGISTERED ADDRESS:
D. OTHER CHANGES:

4. THE CORPORATION IS A NONPROFIT CORPORATION.

5. THE MANNER (IF NOT SET FORTH IN THE AMENDMENT) FOR IMPLEMENTATION OF ANY EXCHANGE, RECLASSIFICATION, OR CANCELLATION OF MEMBERSHIPS IS AS FOLLOWS:

6. THE AMENDMENT WAS DULY ADOPTED ON SEPTEMBER 11, 2006 (MONTH, DAY, YEAR) BY (Please mark the block that applies):

- THE INCORPORATORS WITHOUT MEMBER APPROVAL, AS SUCH WAS NOT REQUIRED.
THE BOARD OF DIRECTORS WITHOUT MEMBER APPROVAL, AS SUCH WAS NOT REQUIRED.
THE MEMBERS

7. INDICATE WHICH OF THE FOLLOWING STATEMENTS APPLIES BY MARKING THE APPLICABLE BLOCK:

- ADDITIONAL APPROVAL FOR THE AMENDMENT (AS PERMITTED BY §48-60-301 OF THE TENNESSEE NONPROFIT CORPORATION ACT) WAS NOT REQUIRED.
ADDITIONAL APPROVAL FOR THE AMENDMENT WAS REQUIRED BY THE CHARTER AND WAS OBTAINED.

Executive Director

SIGNER'S CAPACITY
January 4, 2007
DATE:

Mary Ellen Galloway SIGNATURE

Mary Ellen Galloway NAME OF SIGNER (TYPED OR PRINTED)

5912.1631
5924.2417

Secretary of State
Corporations Section
James K. Polk Building, Suite 1800
Nashville, Tennessee 37243-0306

BOOK 4790 PAGE 136

DATE: 12/03/96
REQUEST NUMBER: 3246-1821
TELEPHONE CONTACT: (615) 741-0537
FILE DATE/TIME: 11/22/96 1334
EFFECTIVE DATE/TIME: 11/22/96 1334
CONTROL NUMBER: 0317649

TO: *Mail En*
MARK T YOUNG & ASSOCIATES
PO BOX 909
HIXSON, TN 37343-0909

RE:
THE INTERFAITH HOSPITALITY NETWORK OF GREATER CHATTANOOGA, INC.
CHARTER AMENDMENT

THIS WILL ACKNOWLEDGE THE FILING OF THE ATTACHED DOCUMENT WITH AN EFFECTIVE DATE AS INDICATED ABOVE.

WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR FILING, PLEASE REFER TO THE CORPORATION CONTROL NUMBER GIVEN ABOVE.

PLEASE BE ADVISED THAT THIS DOCUMENT MUST ALSO BE FILED IN THE OFFICE OF THE REGISTER OF DEEDS IN THE COUNTY WHEREIN A CORPORATION HAS ITS PRINCIPAL OFFICE IF SUCH PRINCIPAL OFFICE IS IN TENNESSEE.

EX 5057

FOR: CHARTER AMENDMENT

ON DATE: 11/25/96

FROM:
MARK T YOUNG & ASSOCIATES (BX 909/HIXSON)
P.O. BOX 909
HIXSON, TN 37343-0000

RECEIVED: FEES \$10.00 \$: J.00
TOTAL PAYMENT RECEIVED: \$20.00

RECEIPT NUMBER: 00002035261
ACCOUNT NUMBER: 00144588



SS-4458

Riley C. Darnell

RILEY C. DARNELL
SECRETARY OF STATE

FILED

ARTICLES OF AMENDMENT TO THE CHARTER

OF

THE INTERFAITH HOSPITALITY NETWORK, INC.

Pursuant to the provisions of Section 48-60-15 of the Tennessee Nonprofit Corporation Act, the undersigned corporation adopts the following articles of amendment to its charter:

- 1. The name of the corporation is The Interfaith Hospitality Network, Inc.
- 2. The text of each amendment adopted is:

Paragraph one of the charter shall be amended by deleting it in its entirety and substituting therefor the following:

"The name of the corporation shall be The Interfaith Hospitality Network of Greater Chattanooga, Inc."

- 3. The corporation is a nonprofit corporation.
- 4. The manner (if not set forth in the amendment) for implementation of any exchange, reclassification or cancellation of membership is as follows:

Not applicable

- 5. The amendment was duly adopted on November 13, 1996 by the incorporator.

- 6. Additional approval for the amendment (as permitted by Section 48-60-301 of the Tennessee Nonprofit Corporation Act) was not required.

- 7. If the amendment is not to be effective when these articles are filed by the Secretary of State, the date/time it will be effective is:

Not applicable

11-18-96
Signature date

The Interfaith Hospitality Network, Inc.
Name of Corporation

Incorporator
Signer's Capacity

Mark T. Young
Signature

Mark T. Young
Name

ARTICLES OF AMENDMENT TO THE CHARTER
OF
THE INTERFAITH HOSPITALITY NETWORK, INC.

12/12/96 MISC 5.00 **5.00 B

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Not applicable

11-18-96
Signature date

The Interfaith Hospitality Network, Inc.
Name of Corporation

Incorporator
Signer's Capacity

Mark T. Young
Signature

364823

Mark T. Young
Name

RECEIVED
HAMILTON COUNTY
STATE OF TENNESSEE

ref 174: interfaith.com

'96 DEC 12 AM 7 53

K. Lima
DEPUTY
8866546



Department of the Treasury
Internal Revenue Service

P.O. Box 2508, Room 4010
Cincinnati OH 45201

JUN 29 2012

In reply refer to: 4077550279
June 27, 2012 LTR 4168C 0
31-1529222 000000 00
00040105
BODC: TE

FAMILY PROMISE OF GREATER
CHATTANOOGA INC
PO BOX 1146
CHATTANOOGA TN 37401-1146

Employer Identification Number: 31-1529222
Person to Contact: Sophia Brown
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your May 08, 2012, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(3) of the Internal Revenue Code in a determination letter issued in November 1997.

Our records also indicate that you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Please refer to our website www.irs.gov/eo for information regarding filing requirements. Specifically, section 6033(j) of the Code provides that failure to file an annual information return for three consecutive years results in revocation of tax-exempt status as of the filing due date of the third return for organizations required to file. We will publish a list of organizations whose tax-exempt status was revoked under section 6033(j) of the Code on our website beginning in early 2011.

INTERFAITH HOMELESS NETWORK

FINANCIAL STATEMENTS

Year Ended December 31, 2010

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WILKINS, CREWS & ASSOCIATES, P.C.
Certified Public Accountants and Consultants

Members
American Institute of Certified Public Accountants
Tennessee Society of Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Interfaith Homeless Network

We have audited the accompanying statement of financial position of Interfaith Homeless Network (a nonprofit organization) as of December 31, 2010, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Interfaith Homeless Network as of December 31, 2010, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Wilkins, Crews & Associates, P.C.

February 15, 2012

INTERFAITH HOMELESS NETWORK
STATEMENT OF FINANCIAL POSITION
December 31, 2010

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 158,911
Grants receivable	1,378
Pledges receivable	33,050
Unconditional promise to give	82,771
Prepaid expenses	2,750
Other current assets	<u>10,335</u>
Total current assets	289,195
PROPERTY AND EQUIPMENT, net	<u>672,609</u>
TOTAL ASSETS	<u>\$ 961,804</u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts payable and accrued expenses	\$ 9,959
Current maturities of long-term debt	<u>39,663</u>
Total current liabilities	49,622
NET ASSETS	
Unrestricted	760,737
Temporarily restricted	<u>151,445</u>
Total net assets	<u>912,182</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 961,804</u>

The Notes to Financial Statements are an integral part of this statement.

INTERFAITH HOMELESS NETWORK
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUE AND SUPPORT			
Contributions	\$ 122,468	\$ 55,060	\$ 177,528
Fundraising events	10,154	-	10,154
Private grants	21,767	70,000	91,767
Governmental grants	24,000	-	24,000
Other	3,120	-	3,120
	<u>181,509</u>	<u>125,060</u>	<u>306,569</u>
CAPITAL CAMPAIGN FUNDS RELEASED FROM RESTRICTION			
	73,231	(73,231)	-
EXPENSES			
Program costs	169,038	2,533	171,571
Administrative costs	34,875	25,184	60,059
Event costs	24,702	585	25,287
	<u>228,615</u>	<u>28,302</u>	<u>256,917</u>
CHANGE IN NET ASSETS	26,125	23,527	49,652
NET ASSETS, beginning of year	<u>734,612</u>	<u>127,918</u>	<u>862,530</u>
NET ASSETS, end of year	<u>\$ 760,737</u>	<u>\$ 151,445</u>	<u>\$ 912,182</u>

The Notes to Financial Statements are an integral part of this statement.

INTERFAITH HOMELESS NETWORK
STATEMENT OF FUNCTIONAL EXPENSE
Year Ended December 31, 2010

	Program Costs	Administrative Costs	Event Costs	Total
Depreciation	\$ 16,928	\$ 4,789	\$ 2,440	\$ 24,157
Dues and subscriptions	-	292	-	292
Education and training	750	604	-	1,354
Equipment expenses	749	2,248	-	2,997
Event expenses	-	-	2,419	2,419
Insurance	6,620	2,920	1,528	11,068
Interest	-	1,826	-	1,826
Office maintenance	1,302	400	300	2,002
Rent expense	2,533	779	585	3,897
Other expenses	-	823	-	823
Payroll taxes	6,511	1,984	1,170	9,665
Postage and delivery	22	1,920	1,221	3,163
Professional fees	-	12,885	-	12,885
Program expenses	49,910	-	-	49,910
Salaries and wages	75,697	24,035	13,902	113,634
Supplies	3,089	2,259	-	5,348
Telephone	3,180	978	734	4,892
Utilities	4,280	1,317	988	6,585
	<u>\$ 171,571</u>	<u>\$ 60,059</u>	<u>\$ 25,287</u>	<u>\$ 256,917</u>

The Notes to Financial Statements are an integral part of this statement.

INTERFAITH HOMELESS NETWORK
STATEMENT OF CASH FLOWS
Year Ended December 31, 2010

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ 49,652
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	24,157
Rent expense - free use of land	3,897
Change in operating assets and liabilities:	
Grants receivable	2,207
Pledges receivable	(18,000)
Prepaid expenses	597
Other current assets	(3,984)
Accounts payable and accrued expenses	<u>(75,789)</u>
Net cash used in operating activities	(17,263)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of property and equipment	(17,186)
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from long-term debt	63,000
Principal payments on long-term debt	<u>(23,337)</u>
Net cash provided by financing activities	<u>39,663</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	5,214
CASH AND CASH EQUIVALENTS, beginning of year	<u>153,697</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 158,911</u></u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION	
Cash paid during the year for interest	\$ 1,826

The Notes to Financial Statements are an integral part of this statement.

INTERFAITH HOMELESS NETWORK
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

Note 1. Summary of Significant Accounting Policies

Nature of activities:

Interfaith Homeless Network is a local affiliate of Family Promise, a national organization. Interfaith Homeless Network provides assistance to homeless families in the greater Chattanooga area who are actively seeking to improve their current homeless status. The Organization provides these families with temporary evening lodging, meals, transportation and assistance with finding work, training, education, housing, counseling and supportive services. This assistance is made possible by the help of various local church congregations who provide shelter for these people on a rotating basis. These services are funded through grants, contributions, and fundraising.

Basis of presentation:

The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. A description of the three net asset categories follows:

Unrestricted - Net assets that are not subject to donor-imposed restrictions. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

Temporarily Restricted - Net assets whose use by the organization is subject to donor-imposed restrictions that can be fulfilled by actions of the organization pursuant to those restrictions or that expire by the passage of time.

Permanently Restricted - Net assets subject to donor-imposed restrictions that permanently restrict the use of these assets by the organization. No permanently restricted net assets were held during the year ended December 31, 2010 and accordingly, these financial statements do not reflect any activity related to this class of net assets for the year ended December 31, 2010.

Basis of accounting:

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Revenues are recognized when earned or promised and expenditures are recognized when incurred.

Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported support, revenues and expenses during the reporting period. Actual results could differ from those estimates.

INTERFAITH HOMELESS NETWORK
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

Note 1. Summary of Significant Accounting Policies (continued)

Cash and cash equivalents:

For purposes of the statement of cash flows, cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months.

Property and equipment:

Property and equipment are stated at cost or at the estimated fair value at the date of gift, if donated. Significant additions and improvements that have estimated useful lives in excess of one year are capitalized. Other expenditures for repairs and maintenance are expensed in the year incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the respective classes of assets.

Contributions and grants:

Contributions and grants are recognized when received by the donor or grantor, or when the donor or grantor makes an unconditional promise to give to the Organization. Contributions and grants that are restricted are reported as increases in temporarily restricted net assets. When a restriction expires, that is when a time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets released from restriction.

Donated materials and services:

Materials and services received as donations are recorded and reflected in the accompanying financial statements at their estimated fair market values at the date received. Services of volunteers are not reflected since they do not meet the criteria for recognition under current accounting pronouncements. During 2010, the Organization received \$15,697 of noncash contributions.

Functional allocation of expenses:

The costs of providing the various program and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income taxes:

The Organization qualifies as a tax-exempt corporation under Section 501(c)(3) of the Internal Revenue Code and accordingly, is exempt from federal and state income taxes.

INTERFAITH HOMELESS NETWORK
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

Note 2. Pledges Receivable

Pledges receivable represent unconditional promises to give as of December 31, 2010. Present values of this receivable as of December 31, 2010 are as follows:

Amounts due in:	
Less than one year	\$ 32,750
One to five years	<u>300</u>
	<u>\$ 33,050</u>

Management considers all pledges receivable to be fully collectible, and as such, no allowance for doubtful accounts has been recorded.

Note 3. Unconditional Promise to Give

The unconditional promise to give as of December 31, 2010 consists of donated long-term use of land in the amount of \$82,771. Management considers the unconditional promise to give to be fully collectible, and as such, no allowance for doubtful accounts has been recorded. Present values of donated land as of December 31, 2010 are as follows:

Amounts due in:	
Less than one year	\$ 3,992
One to five years	21,458
Thereafter	<u>57,321</u>
	<u>\$ 82,771</u>

Note 4. Property and Equipment

Property and equipment at December 31, 2010, consists of the following:

Building – Family Day Center	\$ 652,941
Playground equipment	27,990
Furniture and equipment	17,754
Vehicles	11,985
Beds	<u>7,754</u>
	718,424
Less accumulated depreciation	<u>(45,815)</u>
	<u>\$ 672,609</u>

INTERFAITH HOMELESS NETWORK
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2010

Note 5. Temporarily Restricted Net Assets

Temporarily restricted net assets at December 31, 2010, include the following:

Capital campaign	\$ 21,254
Playground	857
Case manager	6,563
Going Home Program	40,000
Land	<u>82,771</u>
	<u>\$ 151,445</u>

Note 6. Long-term Debt

In May 2010, the Organization obtained a bank loan for \$63,000. The loan required monthly interest-only payments at Prime plus 2.00% through January 12, 2011. Beginning January 13, 2011, the rate was fixed at 7.04%. Principal and interest payments of \$1,367 were due beginning February 2011. The loan was secured by deposit balances held by the bank and was scheduled to mature July 2015. In March 2011, the loan was paid in full.

Note 7. Operating Lease

The Organization leases equipment under an operating lease agreement. Lease expense for the equipment totaled \$1,340 for the year ended December 31, 2010. Future minimum lease payments required under operating leases that have initial or remaining non-cancelable lease terms in excess of one year are as follows:

2011	\$ 1,260
2012	1,260
2013	1,260
2014	525

Note 8. Subsequent Event

As discussed in Note 6, the bank loan was paid in full in March 2011. All maturities of the loan were classified as current on the statement of financial position as of December 31, 2010.

Note 9. Date of Management's Review

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through February 15, 2012, the date the financial statements were available to be issued.

Section II: City Council Questionnaire

1. What other Chattanooga organizations have a mission similar to yours?

None.

2. What does your organizations do, supply, or perform that no other organization in Chattanooga addresses?

Family Promise of Greater Chattanooga serve two segments of the homeless population not served by other organizations: 2 parent + single fathers that are

3. What is your fiscal year?

homeless with children.
January 1 - December 31.

4. List the previous years you have submitted requests to the City of Chattanooga, the amount of the requests, and the amounts granted?

N.A.

5. Describe your debt and expenses in ratio to revenue.

Family Promise does not currently have debt. 100% Revenue raised is used to fund expenses incurred directly related to the operation.

6. List any debt over \$10,000 and when that debt will be satisfied.

N.A.

7. What percentage of your budget is dedicated to salaries vs. percentage of budget dedicated to client programs or benefits?

52% of the \$192,000 budget is related to salaries; 14.0% is for program expenses; the remaining is either for fundraising or operating the programs + Day Center.

8. What cost savings initiatives did your organization undertake during the preceding year?

We try to be aware of costs + how to eliminate expenses. We review our expenses + compare to the budget monthly. As of 11/30/12 the agency is \$20K below estimated

9. List travel expenses over the last three years and how the travel benefited your organization.

In past 3 yrs - one conference on family homelessness. Benefits include information on Aid guidelines + ways to reduce + end family homelessness.

10. If you are a membership-based organization:

N.A.

a. What is fee structure?

N.A.

b. When have you increased membership fees?

N.A.

c. What is your plan for growing membership?

N.A.

d. What are your membership numbers from the last three years?

N.A.

11. Do your clients pay anything for your services, products, programs? If so, explain.

no

12. What is your strategic plan to become independent of City funding?

Follow development plan in place & increase publicity, social media opportunities to raise funds & additional events and apply to Continuum of Care.

Attachment A: Program Outcome Information

Agency Mission and Description: The mission of F.P.C.C. is to help families with children achieve and sustain independence through community partnerships. F.P.C.C. helps homeless + near homeless families become, stable, employed, housed + self-sufficient.

Program Goal: Reduce and end family homelessness; Reduce Shelter stays

Impact Area: Please indicate the impact area(s) the outcomes address. *Building Stable Lives*

Invest in Children and Youth - Early Childhood Education and Quality Youth Services

Building Stable Lives - Family stability in Basic Needs, Housing, Employment/Education and Support Services

Supporting the Most Vulnerable - Caring for elderly and disabled adults and children that cannot care for themselves

Intended Outcomes: Provide 2 to 3 outcomes which are specific to the program goal - *① Obtain stable housing for families through targeted prevention efforts or rapid re-housing efforts. ② Reduce shelter stays.*

Collection method: (indicate how each indicator is measured) *Case Management Records.*

Results: (in quantitative terms)

① 80% families transitioned to stable housing

② Shelter stays reduced 20% from 51 days in 2011 to 41 days in 2012.

Data Source: HMIS

Comparative Data: (local, regional, national data and/or similar type programs)

Attachment B: Comparative Financial Information

This section relates to agency efforts specifically funded by Chattanooga dollars to benefit Chattanooga residents, relative to the dollars given by adjoining governmental entities.

Dollars provided to your organization in FY 2013 by the following entities:	Percent of your total annual operational funding provided by local government	% of Hamilton County Population*
Chattanooga	18%	49.83%
Unincorporated Hamilton County		30.22%
Hamilton County Government's (General funds)	* approx. 82% of	
Collegedale		2.48%
East Ridge	funds come from	6.24%
Lakesite	individual and	0.54%
Lookout Mountain	congregation donations.	0.54%
Red Bank		3.46%
Ridgeside		0.12%
Signal Mountain		2.25%
Soddy-Daisy		3.78%
Walden		0.56%
Other (Outside Hamilton County)		
	Above percentages should total 100%	
Percent of Services rendered to residents of:	Estimate, if you do not now track this data.	
Chattanooga	100%	49.83%
Unincorporated Hamilton County		30.22%
Hamilton County Government's (General funds)		
Collegedale		2.46%
East Ridge		6.24%
Lakesite		0.54%
Lookout Mountain		0.54%
Red Bank		3.46%
Ridgeside		0.12%
Signal Mountain		2.25%
Soddy-Daisy		3.78%
Walden		0.56%
Other (Outside Hamilton County)		
	Above percentages should total 100%	

*Population numbers are from 2010 U.S. Census.

Attachment C: Program Beneficiary Statistics

Program: F.P.B.C. Overnight

Program Beneficiary Characteristics Clients/Patients/Recipients/Other	Last Year	This year (estimated)	Next Year (projected)
1. Unduplicated Count of Program Beneficiaries TOTAL	103	126	150
a) Total Continuing From Previous Fiscal Year	-		
b) Total New for the Year	103	126	150
c) Total Terminated During the Year	-	-	-
2. Age Group TOTAL	103	126	150
a) Infants – Under 5	25	31	37
b) Between 5 and 12	35	42	52
c) Between 13 and 17			
d) Between 18 and 29	23	25	30
e) Between 30 and 64	20	28	31
f) 65 and over			
g) Not Known			
3. Sex TOTAL			
a) Male			
b) Female			
c) Not Known	0	0	0
4. Ethnic Background TOTAL	103	126	150
a) White	30	38	45
b) Black	73	88	105
c) Hispanic			
d) Oriental			
e) Other – Ethnic Minority			
f) Not Known			
5. % Income Level TOTAL	103	126	150
a) Below 9,999			
b) 10,000 – 19,999			
c) 20,000 – 29,999			
d) 30,000 and Over			
e) Not Known			
6. Location of Residence TOTAL	103	126	150
a) Chattanooga	103	126	150
b) Outside of Chattanooga			
c) Not Known			

*all below
poverty level -
homeless*

Attachment E: Major Sources of Funding for the Past Five Years

Program/Project Title	Name of Funding Source	Rec'd Four Years Ago	Rec'd Three Years	Rec'd Two Years	Rec'd Last Year	Rec'd Current Year	Requested For Next Year
			2009	2010	2011	2012	
Individual Donations			208,156	114,138	92,553	70,250	89,378
Corp./Org./ Church Donations			89,210	89,114	55,590	52,614	60,500
City of Chatteroooga			4,818	24,000	17,662	24,226	20,000
Private Grant			23,525	60,580	28,000	6,500	7,000
Ham. Co.						24,226	
Subtotal, Major Funding Sources			325,769	287,752	193,805	177,816	176,818
Total, All Revenue Sources			350,772	287,902	194,378	180,052	192,378

