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

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

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

OMB No 1545-0047

2009Open to Public
Inspection**A** For the **2009** calendar year, or tax year beginning **JUL 1, 2009** and ending **JUN 30, 2010**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type: See Specific Instructions	C Name of organization QUAD CITY ARTS, INC		D Employer identification number 36-3122824
		Doing Business As		E Telephone number 309-793-1213
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite 1715 2ND AVENUE		G Gross receipts \$ 1,224,729.
		City or town, state or country, and ZIP + 4 ROCK ISLAND, IL 61201		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 type="checkbox"/> No If "No," attach a list (see instructions) H(c) Group exemption number ▶
		F Name and address of principal officer CARMEN DARLAND SAME AS C ABOVE		
I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (3) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527 J Website: ▶ WWW.QUADCITYARTS.COM				
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶ L Year of formation: 1988 M State of legal domicile: IL				

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: QUAD CITY ARTS IS DEDICATED TO THE GROWTH AND VITALITY OF THE QUAD CITY REGION THROUGH THE	
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets	
	3 Number of voting members of the governing body (Part VI, line 1a)	27
	4 Number of independent voting members of the governing body (Part VI, line 1b)	26
	5 Total number of employees (Part V, line 2a)	13
	6 Total number of volunteers (estimate if necessary)	3500
	7a Total gross unrelated business revenue from Part VIII, column (C), line 12	0.
b Net unrelated business taxable income from Form 990-T, line 34	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year 423,290. Current Year 295,604.
	9 Program service revenue (Part VIII, line 2g)	791,211. 862,139.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	4,621. 4,397.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	50,723. 46,319.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,269,845. 1,208,459.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	
	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)	382,571. 311,714.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 633.	
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	951,435. 863,271.	
18 Total expenses - add lines 13-17 (must equal Part IX, column (A), line 25)	1,334,006. 1,174,985.	
19 Revenue less expenses Subtract line 18 from line 12	-64,161. 33,474.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year 268,864. End of Year 321,425.
	21 Total liabilities (Part X, line 26)	10,454. 13,523.
	22 Net assets or fund balances Subtract line 21 from line 20	258,410. 307,902.

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: <i>Carmen Darland</i> Type or print name and title: Carmen Darland EXECUTIVE DIRECTOR	Date: 11-3-10
Preparer's Use Only	Preparer's signature: <i>Nicholas D Keenan CPA</i> Firm's name (or yours if self-employed), address, and ZIP + 4: DOYLE & KEENAN, P.C. / 908 W 35TH ST DAVENPORT, IA 52806-5826	Date: 10/21/10 Check if self-employed: <input type="checkbox"/> Preparer's identifying number (see instructions): EIN ▶ Phone no.: (563) 386-2727

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

932001 02-04-10

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

Form **990** (2009)**SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION**

gjp 16

Part III Statement of Program Service Accomplishments

- 1 Briefly describe the organization's mission SEE SCHEDULE O FOR CONTINUATION
QUAD CITY ARTS IS DEDICATED TO THE GROWTH AND VITALITY OF THE QUAD
CITY REGION THROUGH THE PRESENTATION, DEVELOPMENT, AND CELEBRATION OF
THE ARTS. WE ENVISION A VIBRANT, DYNAMIC QUAD CITY REGION WHERE
ARTISTS, RESIDENTS, AND VISITORS ARE ENGAGED IN DIVERSE OPPORTUNITIES
- 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.
- 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.

SEE SCHEDULE O FOR CONTINUATION(S)

- 4a (Code.) (Expenses \$ 578,915. including grants of \$) (Revenue \$ 847,437.)
ONE OF QUAD CITY ARTS' ROLE AS A LOCAL NONPROFIT ARTS ORGANIZATION IS
TO SERVE AS A PARTNER TO ARTISTS AND NONPROFIT ORGANIZATIONS THROUGH:

VISUAL ARTS - PROVIDING AND COMMUNICATING OPPORTUNITIES FOR VISUAL
ARTISTS TO ENTER CONTESTS, ATTEND WORKSHOPS, AND EXHIBIT AND SELL THEIR
WORK.

ARTS DOLLAR\$ REGRANTING - PROVIDING FUNDING FOR ARTISTS AND
ORGANIZATIONS PRODUCING WORK OR PROGRAMMING WITH A COMMUNITY ARTS
EMPHASIS.

ARTS IN EDUCATION - PROVIDING AND COMMUNICATING OPPORTUNITIES FOR

- 4b (Code) (Expenses \$ 456,432. including grants of \$) (Revenue \$ 77,291.)
QUAD CITY ARTS' OTHER ROLE AS A LOCAL NONPROFIT ARTS ORGANIZATION IS TO
PRESENT ARTS AND HUMANITIES PROGRAMS THROUGH:

PERFORMING ARTS - INCLUDING THE NATIONAL AWARD WINNING VISITING ARTIST
SERIES AND FREE FIRST FRIDAY SERIES;

VISUAL & PUBLIC ARTS - INCLUDING EXHIBITION AND SALES GALLERIES ON
LOCATION, A SATELLITE EXHIBITION GALLERY AT THE AIRPORT, AND
FACILITATING ART IN PUBLIC SPACES;

LITERARY ARTS - INCLUDING LITERARY ARTIST RESIDENCIES, THE SUPER AUTHOR
PROGRAM SERIES, QUAD CITY POET LAUREATE, PRESENTING MAJOR, REGIONAL AND

- 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 ► \$ 1,035,347.

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)? <i>If "Yes," complete Schedule A</i>	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? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? <i>If "Yes," complete Schedule C, Part II</i>		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? <i>If "Yes," complete Schedule C, Part III</i>		
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</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? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		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? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11 Is the organization's answer to any of the following questions "Yes"? <i>If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable</i>	X	
• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>		
• Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII.</i>		
• Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII.</i>		
• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX.</i>		
• Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X.</i>		
• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? <i>If "Yes," complete Schedule D, Part X</i>		
12 Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII.</i>	X	
12A Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional</i>	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		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 United States? <i>If "Yes," complete Schedule F, Part I</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? <i>If "Yes," complete Schedule F, Part II</i>		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? <i>If "Yes," complete Schedule F, Part III</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20 Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i>		X

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Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>		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, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>		X
24b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
24c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
24d 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? <i>If "Yes," complete Schedule L, Part I</i>		X
25b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties, (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions).		
28a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
28b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
28c An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	X	
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	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>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		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>		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>		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>		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>		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>		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>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19?	X	

Note. All Form 990 filers are required to complete Schedule OForm **990** (2009)

Part V Statements Regarding Other IRS Filings and Tax Compliance

	Yes	No
1a Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable		
1b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
2a 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		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	X	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
4a 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		
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7 Organizations that may receive deductible contributions under section 170(c).		
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
b If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d If "Yes," indicate the number of Forms 8282 filed during the year		
e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		
g For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		
h For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9 Sponsoring organizations maintaining donor advised funds.		
a Did the organization make any taxable distributions under section 4966?		
b Did the organization make a distribution to a donor, donor advisor, or related person?		
10 Section 501(c)(7) organizations. Enter:		
a Initiation fees and capital contributions included on Part VIII, line 12		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11 Section 501(c)(12) organizations. Enter:		
a Gross income from members or shareholders		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year		

Form 990 (2009)

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.**Section A. Governing Body and Management**

	Yes	No
1a Enter the number of voting members of the governing body	27	
1b Enter the number of voting members that are independent	26	
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?		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?		X
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		X
5 Did the organization become aware during the year of a material diversion of the organization's assets?		X
6 Does the organization have members or stockholders?	X	
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	X	
7b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	X	
b Each committee with authority to act on behalf of the governing body?	X	
9 Is there any officer, director, 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		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code)

	Yes	No
10a Does the organization have local chapters, branches, or affiliates?		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?		
11 Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
11A Describe in Schedule O the process, if any, used by the organization to review this Form 990		
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	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	X	
13 Does the organization have a written whistleblower policy?	X	
14 Does the organization have a written document retention and destruction policy?	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	X	
b Other officers or key employees of the organization	X	
If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions.)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		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?		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► IL

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.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ►
CARMEN DARLAND - 309-793-1213
1715 2ND AVE, ROCK ISLAND, IL 61201

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

• List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

• List all of the organization's **current** key employees. See instructions for definition of "key employee."

• List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

• List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

• List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if the organization did not compensate any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
CAROLYN FULLER FOT CO-DIRECTOR	5.00	X						0.	0.	0.
JEFF DISMER DIRECTOR	5.00	X						0.	0.	0.
TOM GETZ TREASURER	5.00	X		X				0.	0.	0.
DEANN THOMS PAST PRESIDENT	5.00	X		X				0.	0.	0.
PAUL NEUHARTH PRESIDENT	5.00	X		X				0.	0.	0.
RICK BOWERS CHAIR, LITERARY	5.00	X		X				0.	0.	0.
MALIK KHALIQ DIRECTOR	5.00	X						0.	0.	0.
RUTH EVELYN KATZ DIRECTOR	5.00	X						0.	0.	0.
CAL LEE DIRECTOR	5.00	X						0.	0.	0.
STEVE OLLENBURG VICE PRESIDENT	5.00	X		X				0.	0.	0.
MARK SCHWIEBERT DIRECTOR	5.00	X						0.	0.	0.
JAMES VICTOR DIRECTOR	5.00	X						0.	0.	0.
KIM FINDLAY-BRACKEY DIRECTOR	5.00	X						0.	0.	0.
ANNE COLVILLE SECRETARY	5.00	X		X				0.	0.	0.
MONTA PONSETTO DIRECTOR	5.00	X						0.	0.	0.
JENNIFER ROWE DIRECTOR	5.00	X						0.	0.	0.
MIKE WALKER ASSISTANT SECRETARY	5.00	X		X				0.	0.	0.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
CHERYL SALLEY DIRECTOR	5.00	X						0.	0.	0.
TRAVIS UNTERZUBER DIRECTOR	5.00	X						0.	0.	0.
KEN CROKEN ASSISTANT TREASURER	5.00	X		X				0.	0.	0.
DEB DOEHLER DIRECTOR	5.00	X						0.	0.	0.
SARA THOMS DIRECTOR	5.00	X						0.	0.	0.
BOB LUNDIN DIRECTOR	5.00	X						0.	0.	0.
LORI RODERICK DIRECTOR	5.00	X						0.	0.	0.
DONNA SCHOECK DIRECTOR	5.00	X						0.	0.	0.
JIM SPELHAUG DIRECTOR	5.00	X						0.	0.	0.
MIKE FREEMIRE DIRECTOR	5.00	X						0.	0.	0.
1b Total								77,500.	0.	3,429.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **0**

- | | Yes | No |
|--|-----|----|
| 3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual | | X |
| 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual | | X |
| 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person | | X |

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. **NONE**

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **0**

SEE SCHEDULE J-2 FOR PART VII, SECTION A CONTINUATION

Form 990 (2009)

Part VII 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	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c	52,930.				
	d Related organizations	1d					
	e Government grants (contributions)	1e	109,395.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	133,279.				
	g Noncash contributions included in lines 1a-1f \$		27,050.				
	h Total. Add lines 1a-1f			295,604.			
Program Service Revenue	2 a FESITVAL OF TREES	Business Code	711130	734,904.	734,904.		
	b SERVICE FEES		711130	70,160.	70,160.		
	c SPONSORSHIPS		711130	49,944.	49,944.		
	d ADMISSIONS		711130	7,131.	7,131.		
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f			862,139.			
	Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			4,397.		
4 Income from investment of tax-exempt bond proceeds							
5 Royalties							
6 a Gross Rents		(i) Real	(ii) Personal				
b Less: rental expenses							
c Rental income or (loss)							
d Net rental income or (loss)							
7 a Gross amount from sales of assets other than inventory		(i) Securities	(ii) Other				
b Less: cost or other basis and sales expenses							
c Gain or (loss)							
d Net gain or (loss)							
8 a Gross income from fundraising events (not including \$ 52,930. of contributions reported on line 1c) See Part IV, line 18		a		0.			
b Less: direct expenses		b		16,270.			
c Net income or (loss) from fundraising events				-16,270.			-16,270.
9 a Gross income from gaming activities. See Part IV, line 19		a					
b Less: direct expenses		b					
c Net income or (loss) from gaming activities							
10 a Gross sales of inventory, less returns and allowances		a		60,795.			
b Less: cost of goods sold	b						
c Net income or (loss) from sales of inventory			60,795.	60,795.			
Miscellaneous Revenue	11 a MISCELLANEOUS	Business Code	711130	1,794.	1,794.		
	b						
	c						
	d All other revenue						
	e Total. Add lines 11a-11d			1,794.			
	12 Total revenue. See instructions.			1,208,459.	924,728.	0.	-11,873.

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).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(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				
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	90,035.	65,467.	24,568.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	173,709.	126,309.	47,400.	
7 Other salaries and wages				
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	28,701.	20,869.	7,832.	
10 Payroll taxes	19,269.	14,011.	5,258.	
11 Fees for services (non-employees).				
a Management				
b Legal				
c Accounting	7,000.		7,000.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other				
12 Advertising and promotion	1,101.	961.	140.	
13 Office expenses	5,137.	2,437.	2,700.	
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel	1,656.	1,049.	169.	438.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	1,315.		1,315.	
23 Insurance				
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 DIRECT PROJECT COSTS	448,926.	448,926.	0.	0.
b ARTISTS FEES & EXPENSES	198,650.	198,650.	0.	0.
c OVERHEAD	50,900.	46,313.	4,587.	0.
d ARTISTS COMMISSIONS	38,036.	38,036.	0.	0.
e CONTRACT SERVICES	28,099.	22,189.	5,820.	90.
f All other expenses	82,451.	50,130.	32,216.	105.
25 Total functional expenses. Add lines 1 through 24f	1,174,985.	1,035,347.	139,005.	633.
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				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	69,126.	1	84,746.
	2 Savings and temporary cash investments	111,814.	2	128,313.
	3 Pledges and grants receivable, net	15,361.	3	40,283.
	4 Accounts receivable, net		4	
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. 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	5,220.	8	11,549.
	9 Prepaid expenses and deferred charges	44,965.	9	24,734.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 63,450.		
	b Less: accumulated depreciation	10b 47,797.	7,784.	10c 15,653.
	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	14,594.	15	16,147.
16 Total assets. Add lines 1 through 15 (must equal line 34)	268,864.	16	321,425.	
Liabilities	17 Accounts payable and accrued expenses	10,454.	17	10,523.
	18 Grants payable		18	
	19 Deferred revenue		19	3,000.
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial 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		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities. Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	10,454.	26	13,523.
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	206,071.	27	237,679.
	28 Temporarily restricted net assets	52,339.	28	70,223.
	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, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	258,410.	33	307,902.
	34 Total liabilities and net assets/fund balances	268,864.	34	321,425.

Form 990 (2009)

Part XI Financial Statements and Reporting

1 Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other _____

If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.

2a Were the organization's financial statements compiled or reviewed by an independent accountant?

b Were the organization's financial statements audited by an independent accountant?

c If "Yes" to line 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?

If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.

d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both:

☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis

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?

b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

Form 990 (2009)

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization

QUAD CITY ARTS, INC

Employer identification number

36-3122824

Part I	Reason for Public Charity Status (All organizations must complete this part) See instructions
---------------	---

The organization is not a private foundation because it is (For lines 1 through 11, check only one box.)

- 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 a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

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).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to 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 it 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?

(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?

(ii) ☐ A family member of a person described in (i) above?

(iii) ☐ A 35% controlled entity of a person described in (i) or (ii) above?

h ☐ Provide the following information about the supported organization(s)

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

[illegible]**Total**

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

Schedule A (Form 990 or 990-EZ) 2009

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) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	455,711.	462,932.	427,752.	423,290.	746,845.	2516530.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	455,711.	462,932.	427,752.	423,290.	746,845.	2516530.
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)						5,927.
6 Public support. Subtract line 5 from line 4						2510603.

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4	455,711.	462,932.	427,752.	423,290.	746,845.	2516530.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	9,319.	10,136.	8,040.	4,621.	4,397.	36,513.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)	2,842.	1,031.	1,047.	19,051.	1,625.	25,596.
11 Total support. Add lines 7 through 10						2578639.
12 Gross receipts from related activities, etc. (see instructions)					12	4,247,052.
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 <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f))	14	97.36 %
15 Public support percentage from 2008 Schedule A, Part II, line 14	15	95.26 %
16a 33 1/3% support test - 2009. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input checked="" type="checkbox"/>		
b 33 1/3% support test - 2008. 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 <input type="checkbox"/>		
17a 10% -facts-and-circumstances test - 2009. 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 <input type="checkbox"/>		
b 10% -facts-and-circumstances test - 2008. 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 <input type="checkbox"/>		
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 <input type="checkbox"/>		

Schedule A (Form 990 or 990-EZ) 2009

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 year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any 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 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(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 in 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 lines 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** ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f))	15		%
16 Public support percentage from 2008 Schedule A, Part III, line 15	16		%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	17		%
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18		%

19a 33 1/3% support tests - 2009. 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 ☐

b 33 1/3% support tests - 2008. If the organization did not check a box on line 14 or line 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 ☐

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐

Schedule A (Form 990 or 990-EZ) 2009

Schedule D
(Form 990)Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**▶ Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11, or 12.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009Open to Public
Inspection

Name of the organization

QUAD CITY ARTS, INC

Employer identification number

36-3122824

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 can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring 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 a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 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 Tax 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 tax 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, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

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

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation 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 section 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, 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 acquisition, 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 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:

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

	Amount
1c	
1d	
1e	
1f	

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 the 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 Net investment earnings, gains, and 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:

- (i) unrelated organizations
 (ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

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) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other		63,450.	47,797.	15,653.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				15,653.

Schedule D (Form 990) 2009

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	1,208,459.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	1,174,985.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	33,474.
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	16,018.
9	Total adjustments (net). Add lines 4 through 8	9	16,018.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	49,492.

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	1,672,802.
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	448,073.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	16,270.
e	Add lines 2a through 2d	2e	464,343.
3	Subtract line 2e from line 1	3	1,208,459.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment 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	0.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	1,208,459.

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

1	Total expenses and losses per audited financial statements	1	1,639,328.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	448,073.
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	16,270.
e	Add lines 2a through 2d	2e	464,343.
3	Subtract line 2e from line 1	3	1,174,985.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1		
a	Investment 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	0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5	1,174,985.

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, line 2; Part XI, line 8; Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

PART XI, LINE 8 - OTHER ADJUSTMENTS:

UNREALIZED GAIN ON INVESTMENTS: 14465.

CHANGE IN COMMUNITY FOUNDATION: 1553.

PART XII, LINE 2D - OTHER ADJUSTMENTS:

DIRECT EXPENSES ASSOCIATED WITH SPECIAL EVENTS: 16270.

Part XIV Supplemental Information (continued)

PART XIII, LINE 2D - OTHER ADJUSTMENTS:

DIRECT EXPENSES ASSOCIATED WITH SPECIAL EVENTS: 16270.

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

OMB No 1545-0047

2009

Open To Public Inspection

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.**
▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

Name of the organization

Employer identification number

QUAD CITY ARTS, INC

36-3122824

Part I

Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part

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

- a ☐ Mail solicitations
- b ☐ Internet and email solicitations
- c ☐ Phone solicitations
- d ☐ In-person solicitations
- e ☐ Solicitation of non-government grants
- f ☐ Solicitation of government grants
- g ☐ Special fundraising events

2 a Did the organization have a 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.

(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						

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

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.

		(a) Event #1 VISUAL FUNDRAISER (event type)	(b) Event #2 VANGUARD (event type)	(c) Other events NONE (total number)	(d) Total events (add col. (a) through col. (c))
Revenue	1 Gross receipts	10,938.	20,403.		31,341.
	2 Less: Charitable contributions	482.			482.
	3 Gross income (line 1 minus line 2)	10,456.	20,403.		30,859.
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages	3,263.	10,664.		13,927.
	8 Entertainment				
	9 Other direct expenses	1,809.	534.		2,343.
	10 Direct expense summary. Add lines 4 through 9 in column (d)				(16,270)
	11 Net income summary. Combine line 3, column (d), and line 10				14,589.

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.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1 Gross revenue				
	2 Cash prizes				
Direct Expenses	3 Noncash 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 line 1, column (d), and line 7				

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		

13 Indicate the percentage of gaming activity operated in**a** The organization's facility**13a** %**b** An outside facility**13b** %**14** Enter 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 contract 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 of the third party:

Name ► _____

Address ► _____

16 Gaming manager information.

Name ► _____

Gaming manager compensation ► \$ _____

Description of services provided ► _____

☐ Director/officer☐ Employee☐ 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 to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ _____

Continuation Sheet for Form 990

OMB No. 1545-0047

2009

Open to Public Inspection

▶ Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

▶ See the Instructions for Form 990.

Name of the Organization

QUAD CITY ARTS, INC

Employer Identification number

36-3122824

Part I	Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
--------	---

[illegible]

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

▶ **Complete if the organization answered**
"Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c,
or Form 990-EZ, Part V, line 38a or 40b.
▶ **Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

OMB No 1545-0047

2009

**Open To Public
Inspection**

Name of the organization

QUAD CITY ARTS, INC

Employer identification number

36-3122824

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958

▶ \$

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization

▶ \$

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
Total					▶ \$					

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount and type of assistance

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
JEFF DISMER	JEFF DISMER IS CO-O	15,300.	ORGANIZATIO		X

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

Schedule L (Form 990 or 990-EZ) 2009

SEE SCHEDULE O FOR SCHEDULE L CONTINUATIONS

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2009

Open to Public
Inspection

Department of the Treasury
Internal Revenue Service

► Complete if the organizations answered "Yes" on Form
990, Part IV, lines 29 or 30.
► Attach to Form 990.

Name of the organization

Employer identification number

QUAD CITY ARTS, INC

36-3122824

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded				
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory	X	6	9,900.	FMV OF FOOD PROVIDED
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► (OTHER ITEMS)	X	6	10,150.	FMV OF ITEMS DONATED
26 Other ► (AUCTION ITEMS)	X	2	7,000.	FMV OF ITEMS DONATED
27 Other ► ()				
28 Other ► ()				

29 Number of Forms 8283 received by the organization during the tax year for contributions
for which the organization completed Form 8283, Part IV, Donee Acknowledgment

29

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for
at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for
the entire holding period?

b If "Yes," describe the arrangement in Part II

31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash
contributions?

b If "Yes," describe in Part II.

33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked,
describe in Part II

	Yes	No
30a		X
31		X
32a		X
33		

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

Schedule M (Form 990) 2009

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization

QUAD CITY ARTS, INC

Employer identification number
36-3122824

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

**PRESENTATION, DEVELOPMENT AND CELEBRATION OF THE ARTS. QUAD CITY ARTS
HAS A DUAL ROLE: PRESENTING THE ARTS THROUGH PERFORMANCES, EXHIBITIONS,
AND OTHER PROGRAMS, AS WELL AS SERVING AS A PARTNER IN THE CULTURAL
COMMUNITY BY PROVIDING AND COMMUNICATING OPPORTUNITIES AND
COLLABORATING TO THESE ENDS.**

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

**IN THE ARTS AND HUMANITIES. WE ARE GUIDED BY THESE PRINCIPLES: HIGHEST
POSSIBLE QUALITY, UNIQUE BREADTH & DEPTH OF PROGRAMMING, ACCESSIBILITY
TO THE ARTS FOR ALL, SUSTAINED AND SUBSTANTIAL IMPACT.**

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

TEACHERS TO LEARN ABOUT INTEGRATING ARTS IN THEIR CURRICULUM.

FORM 990, PART III, LINE 4B, PROGRAM SERVICE ACCOMPLISHMENTS:

LOCAL ARTISTS.

**METRO ARTS - SUMMER YOUTH EMPLOYMENT PROGRAM APPRENTICESHIPS WITH JOB
SKILLS TRAINING FOR HIGH SCHOOL AND COLLEGE STUDENTS.**

**FORM 990, PART VI, SECTION A, LINE 6: MEMBERS ARE INDIVIDUALS WHO MAKE
FINANCIAL CONTRIBUTIONS OF \$25 OR MORE TO THE ORGANIZATION. MEMBER BENEFITS
INCLUDE A NEWSLETTER SUBSCRIPTION AND A DISCOUNT ON ARTWORK PURCHASES.**

FORM 990, PART VI, SECTION A, LINE 7A: MEMBERS MEET ANNUALLY TO ELECT THE

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

Schedule O (Form 990) 2009

932211
02-03-10

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization

QUAD CITY ARTS, INC

Employer identification number
36-3122824

BOARD OF DIRECTORS.

FORM 990, PART VI, SECTION B, LINE 11: THE 990 WILL BE REVIEWED BY
OFFICERS BEFORE BEING SUBMITTED.

FORM 990, PART VI, SECTION B, LINE 12C: ALL CONFLICTS AND/OR POTENTIAL
CONFLICTS OF INTEREST ARE DISCLOSED AND/OR REAFFIRMED ON AN ANNUAL BASIS BY
COMPLETING AND SIGNING THE CONFLICT OF INTEREST DISCLOSURE FORM. CONFLICTS
AND/OR POTENTIAL CONFLICTS OF INTEREST ARE REVIEWED BY THE EXECUTIVE
COMMITTEE AND ADDRESSED ON A CASE-BY-CASE BASIS AS IT BECOMES NECESSARY.

FORM 990, PART VI, SECTION B, LINE 15: PERSONNEL COMMITTEE SHALL BE
COMPOSED OF THE PRESIDENT, VICE PRESIDENT AND TREASURER. THE PRESIDENT
SHALL CHAIR THE COMMITTEE. THE COMMITTEE WILL CONDUCT AN ANNUAL FORMAL
PERFORMANCE REVIEW AND EVALUATION OF THE EXECUTIVE DIRECTOR AND DETERMINE
COMPENSATION. COMPARABILITY STUDIES ARE USED TO DETERMINE THE COMPENSATION
AND THE DECISION IS DOCUMENTED.

FORM 990, PART VI, SECTION C, LINE 19: ALL PUBLIC DOCUMENTS ARE RETAINED
BY THE ORGANIZATION AND MADE AVAILABLE UPON REQUEST.

FORM 990, PART XI, LINE 2C

AUDIT PROCESS

THE FINANCE COMMITTEE SELECTS THE INDEPENDENT ACCOUNTANTS TO BE
APPOINTED AS AUDITORS AND REVIEWS AND RECOMMENDS APPROVAL OF THE AUDIT.

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public
Inspection

Name of the organization

QUAD CITY ARTS, INC

Employer identification number

36-3122824

THERE HAVE BEEN NO CHANGES TO THE PROCESS FOR THE COMMITTEE THAT IS
RESPONSIBLE FOR OVERSIGHT OF THE AUDIT AND SELECTION OF THE INDEPENDENT
ACCOUNTANTS.

SCH L, PART IV, BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS:

(A) NAME OF PERSON: JEFF DISMER

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

JEFF DISMER IS CO-OWNER IN THE LOFT GROUP LLC & IS A DIRECTOR ON THE BOARD.

(D) DESCRIPTION OF TRANSACTION: ORGANIZATION LEASES ITS ADMINISTRATIVE
OPERATIONS & GALLERY SPACE FROM THE LOFT GROUP LLC.

QUAD CITY ARTS, INC.

FINANCIAL STATEMENTS
(WITH INDEPENDENT AUDITOR'S REPORT THEREON)

June 30, 2010 and 2009

QUAD CITY ARTS, INC.

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Quad City Arts, Inc.
Rock Island, Illinois

We have audited the accompanying statements of financial position of Quad City Arts, Inc. as of June 30, 2010 and 2009, and the related statements of activities and statements of change in net assets, functional expenses, and cash flows for the years 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 audits.

We conducted our audits 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 audits provide 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 Quad City Arts, Inc. as of June 30, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended in conformity with generally accepted accounting principles in the United States of America.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Quad City Arts, Inc. taken as a whole. The supplemental information on pages 16 through 20 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements referred to above and, in our opinion; the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Doyle & Keenan, P. C.

September 22, 2010

QUAD CITY ARTS, INC.
Statements of Financial Position
June 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 84,746	\$ 69,126
Investments	128,313	111,814
Inventory	11,549	5,220
Pledges Receivable	40,283	15,361
Prepaid Expenses	24,734	44,965
Total Current Assets	<u>289,625</u>	<u>246,486</u>
Fixed Assets:		
Leasehold Improvements	-	146,862
Equipment and Furnishings	63,450	79,525
Accumulated Depreciation	(47,797)	(218,603)
Fixed Assets - Net	<u>15,653</u>	<u>7,784</u>
Other Assets - Community Foundation	<u>16,147</u>	<u>14,594</u>
Total Assets	<u>\$ 321,425</u>	<u>\$ 268,864</u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts Payable and Accrued Expenses	\$ 10,523	\$ 10,454
Deferred Revenue	3,000	-
Total Current Liabilities	<u>13,523</u>	<u>10,454</u>
Long-Term Liabilities	<u>-</u>	<u>-</u>
Total Liabilities	<u>13,523</u>	<u>10,454</u>
Net Assets:		
Unrestricted - Board Designated	237,679	206,071
Temporarily Restricted	70,223	52,339
Total Net Assets	<u>307,902</u>	<u>258,410</u>
Total Liabilities and Net Assets	<u>\$ 321,425</u>	<u>\$ 268,864</u>

See Notes to Financial Statements.

QUAD CITY ARTS, INC.
Statement of Activities and Change in Net Assets
Year Ended June 30, 2010

	Unrestricted	Temporarily Restricted	Total
Revenue:			
Grants	\$ 202,317	\$ 10,000	\$ 212,317
Earned Income	60,795	-	60,795
Admissions	7,131	-	7,131
Sponsorships	49,944	-	49,944
Gifts and Donations	3,307	-	3,307
Fees for Services	70,160	-	70,160
Festival of Trees	700,828	34,076	734,904
Fundraising Income	42,930	10,000	52,930
Miscellaneous	1,794	-	1,794
In-Kind Contributions	475,123	-	475,123
Interest	4,397	-	4,397
Total	<u>1,618,726</u>	<u>54,076</u>	<u>1,672,802</u>
Net Assets Released from Restrictions:			
Satisfaction of Program Restrictions	<u>37,745</u>	<u>(37,745)</u>	<u>-</u>
Total Revenue	<u>1,656,471</u>	<u>16,331</u>	<u>1,672,802</u>
Expenses:			
Program Services:			
Arts and Humanities Programs	499,001	-	499,001
Arts and Community Services	<u>1,000,689</u>	<u>-</u>	<u>1,000,689</u>
Total Program Services	<u>1,499,690</u>	<u>-</u>	<u>1,499,690</u>
Supporting Services:			
Fundraising	633	-	633
Management and General	<u>139,005</u>	<u>-</u>	<u>139,005</u>
Total Supporting Services	<u>139,638</u>	<u>-</u>	<u>139,638</u>
Total Expenses	<u>1,639,328</u>	<u>-</u>	<u>1,639,328</u>
Change in Net Assets Before Unrealized Gain on Investments and Change in Community Foundation	17,143	16,331	33,474
Change in Community Foundation	-	1,553	1,553
Unrealized Gain on Investments	<u>14,465</u>	<u>-</u>	<u>14,465</u>
Change in Net Assets	31,608	17,884	49,492
Net Assets - Beginning	<u>206,071</u>	<u>52,339</u>	<u>258,410</u>
Net Assets - Ending	<u>\$ 237,679</u>	<u>\$ 70,223</u>	<u>\$ 307,902</u>

See Notes to Financial Statements.

QUAD CITY ARTS, INC.
Statement of Activities and Change in Net Assets
Year Ended June 30, 2009

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue:			
Grants	\$ 249,146	\$ 23,500	\$ 272,646
Earned Income	68,453	2,420	70,873
Admissions	8,099	-	8,099
Sponsorships	53,622	1,000	54,622
Gifts and Donations	3,477	-	3,477
Fees for Services	75,522	-	75,522
Festival of Trees	713,980	4,200	718,180
Fundraising Income	74,475	6,625	81,100
Miscellaneous	877	-	877
In-Kind Contributions	489,896	-	489,896
Interest	4,621	-	4,621
Total	<u>1,742,168</u>	<u>37,745</u>	<u>1,779,913</u>
Net Assets Released from Restrictions:			
Satisfaction of Program Restrictions	<u>26,870</u>	<u>(26,870)</u>	<u>-</u>
Total Revenue	<u>1,769,038</u>	<u>10,875</u>	<u>1,779,913</u>
Expenses:			
Program Services:			
Arts and Humanities Programs	615,820	-	615,820
Arts and Community Services	<u>1,093,287</u>	<u>-</u>	<u>1,093,287</u>
Total Program Services	<u>1,709,107</u>	<u>-</u>	<u>1,709,107</u>
Supporting Services:			
Fundraising	30,004	-	30,004
Management and General	<u>104,963</u>	<u>-</u>	<u>104,963</u>
Total Supporting Services	<u>134,967</u>	<u>-</u>	<u>134,967</u>
Total Expenses	<u>1,844,074</u>	<u>-</u>	<u>1,844,074</u>
Change in Net Assets Before Unrealized Gain (Loss) on Investments and Change in Community Foundation	(75,036)	10,875	(64,161)
Change in Community Foundation	-	(2,616)	(2,616)
Unrealized Gain (Loss) on Investments	<u>(41,466)</u>	<u>-</u>	<u>(41,466)</u>
Change in Net Assets	(116,502)	8,259	(108,243)
Net Assets - Beginning	<u>322,573</u>	<u>44,080</u>	<u>366,653</u>
Net Assets - Ending	<u>\$ 206,071</u>	<u>\$ 52,339</u>	<u>\$ 258,410</u>

See Notes to Financial Statements.

QUAD CITY ARTS, INC.
Statement of Functional Expenses
Year Ended June 30, 2010

	Arts and Humanities Programs	Arts and Community Services	Total Program Services	Fundraising	Management and General	Total Supporting Services	Total Functional Expenses
Salaries, Payroll Taxes and Employee Benefits	\$ 142,180	\$ 84,476	\$ 226,656	\$ -	\$ 85,058	\$ 85,058	\$ 311,714
Telephone	21	11	32	17	6,451	6,468	6,500
Postage	3,430	1,345	4,775	78	528	606	5,381
Supplies	2,733	31	2,764	-	2,700	2,700	5,464
Equipment Maintenance, Repair and Rental	1,160	-	1,160	-	11,990	11,990	13,150
Insurance - Board	-	-	-	-	2,277	2,277	2,277
Travel	1,089	-	1,089	438	169	607	1,696
Artist Fees and Expenses	198,650	-	198,650	-	-	-	198,650
Artist Commissions	38,036	-	38,036	-	-	-	38,036
License Fees	462	-	462	-	220	220	682
Food and Beverage	14,743	483	15,226	-	864	864	16,090
Printing	8,723	1,851	10,574	-	553	553	11,127
Room Rental	3,290	-	3,290	-	-	-	3,290
Audit and Bank Charges	241	-	241	-	10,077	10,077	10,318
Contract Services	20,789	1,650	22,439	90	5,820	5,910	28,349
Professional Development	350	-	350	10	365	375	725
Publications and Memberships	620	-	620	-	1,804	1,804	2,424
Advertising	1,025	186	1,211	-	140	140	1,351
Direct Project Costs	-	448,926	448,926	-	-	-	448,926
Gifts and Awards	1,675	13	1,688	-	983	983	2,671
Miscellaneous	65	-	65	-	3,104	3,104	3,169
Utilization of In-Kind Contributions	26,299	448,824	475,123	-	-	-	475,123
Depreciation	-	-	-	-	1,315	1,315	1,315
Overhead	33,420	12,893	46,313	-	4,587	4,587	50,900
Total Functional Expenses	\$ 499,001	\$ 1,000,689	\$ 1,499,690	\$ 633	\$ 139,005	\$ 139,638	\$ 1,639,328

See Notes to Financial Statements.

QUAD CITY ARTS, INC.
Statement of Functional Expenses
Year Ended June 30, 2009

	Arts and Humanities Programs	Arts and Community Services	Total Program Services	Fundraising	Management and General	Total Supporting Services	Total Functional Expenses
Salaries, Payroll Taxes and Employee Benefits	\$ 207,145	\$ 114,724	\$ 321,869	\$ 24,317	\$ 36,385	\$ 60,702	\$ 382,571
Telephone	9	-	9	-	5,713	5,713	5,722
Postage	6,183	1,953	8,136	75	1,086	1,161	9,297
Supplies	2,462	-	2,462	-	4,882	4,882	7,344
Equipment Maintenance, Repair and Rental	1,067	-	1,067	-	8,828	8,828	9,895
Insurance - Board Travel	-	-	-	-	2,295	2,295	2,295
Artist Fees and Expenses	1,819	218	2,037	484	764	1,248	3,285
Artist Commissions	171,929	-	171,929	-	-	-	171,929
License Fees	42,351	-	42,351	-	-	-	42,351
Food and Beverage	342	-	342	-	300	300	642
Printing	17,909	918	18,827	66	1,807	1,873	20,700
Room Rental	14,192	3,280	17,472	-	3,691	3,691	21,163
Audit and Bank Charges	3,967	100	4,067	-	-	-	4,067
Contract Services	-	-	-	-	12,846	12,846	12,846
Professional Development	49,983	1,600	51,583	-	5,910	5,910	57,493
Publications and Memberships	2,992	10	3,002	75	1,223	1,298	4,300
Advertising	1,055	-	1,055	505	2,122	2,627	3,682
Direct Project Costs	5,689	250	5,939	-	39	39	5,978
Gifts and Awards	12,100	489,385	501,485	-	-	-	501,485
Miscellaneous	1,002	-	1,002	-	228	228	1,230
Utilization of In-Kind Contributions	541	48	589	-	5,995	5,995	6,584
Depreciation	34,075	455,821	489,896	-	-	-	489,896
Overhead	-	-	-	-	1,599	1,599	1,599
	39,008	24,980	63,988	4,482	9,250	13,732	77,720
Total Functional Expenses	\$ 615,820	\$ 1,093,287	\$ 1,709,107	\$ 30,004	\$ 104,963	\$ 134,967	\$ 1,844,074

See Notes to Financial Statements.

QUAD CITY ARTS, INC.
Statements of Cash Flows
Years Ended June 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Cash Flows From Operating Activities:		
Change in Net Assets	\$ 49,492	\$ (108,243)
Adjustments to Reconcile Changes in Net Assets to		
Net Cash Provided by (Used in) Operating Activities:		
Depreciation	1,315	1,599
Unrealized (Gain) Loss on Investments	(14,465)	41,466
Change in Assets and Liabilities:		
(Increase) Decrease in Inventory	(6,329)	5,304
(Increase) Decrease in Pledges Receivable	(24,922)	26,870
(Increase) Decrease in Prepaid Expenses	20,231	(24,520)
(Increase) Decrease in Other Assets - Community Foundation	(1,553)	2,616
Increase in Accounts Payable and Accrued Expenses	69	322
Increase in Deferred Revenue	3,000	-
Net Cash Provided By (Used in) Operating Activities	<u>26,838</u>	<u>(54,586)</u>
Cash Flows From Investing Activities:		
Purchase of Investments	(2,034)	(2,043)
Purchase of Fixed Assets	(9,184)	-
Net Cash (Used in) Investing Activities	<u>(11,218)</u>	<u>(2,043)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	15,620	(56,629)
Cash and Cash Equivalents - Beginning	<u>69,126</u>	<u>125,755</u>
Cash and Cash Equivalents - Ending	\$ <u><u>84,746</u></u>	\$ <u><u>69,126</u></u>

See Notes to Financial Statements.

QUAD CITY ARTS, INC.

Notes to Financial Statements

Note 1. Nature of the Organization and Significant Accounting Policies

Nature of the Organization - Quad City Arts, Inc. is a not-for-profit Organization organized under the State of Iowa laws and is also registered in the State of Illinois for purposes to promote, stimulate and foster an appreciation of and education in the arts within Scott, Clinton and Muscatine Counties in Iowa, and Rock Island, Mercer and Henry Counties in Illinois. Major programs within the role of presenting arts and humanities programs and services include Performing Arts, Visual Arts, Public Arts, Literary Arts and Metro Arts. Serving as an arts resource to artists of all disciplines and not-for-profit organizations, major programs include Arts in Education, Artist Services, Arts Dollars Re-granting, Artist Resource Guide, and the Arts Center.

Many of the Organization's programs and services are free of charge. The Organization receives a significant amount of support through its Festival of Trees annual event, grants and partners membership allowing for the operation and implementation of programming.

A summary of the Organization's significant accounting policies follows:

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

Subsequent Events - In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC), Subsequent Events, in preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through September 22, 2010, the date the financial statements were available to be issued.

Basis of Presentation - Financial statement presentation follows the recommendations of the FASB ASC, Financial Statements of Not-for-Profit Entities. The Organization is required to report information regarding its financial position and activities according to three classes of net assets depending on the existence and/or nature of any donor restrictions. 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, and accordingly includes Board designated endowment and other funds.

Temporarily Restricted - Net assets whose use 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, such as campaign pledges receivable. When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently Restricted - Net assets subject to donor-imposed restrictions that they be maintained permanently. Generally, the donors of these assets permit the Organization to use all or part of the income from these assets. The Organization has no permanently restricted net assets.

Under FASB ASC, expenses are generally reported as decreases in unrestricted net assets. Expirations of donor-imposed restrictions that simultaneously increase one class of net assets and decrease another are reported as reclassifications between the applicable classes of net assets.

Cash and Cash Equivalents - For purposes of reporting cash flows, the Organization includes all cash accounts which are not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

QUAD CITY ARTS, INC.
Notes to Financial Statements

Note 1. Nature of the Organization and Significant Accounting Policies (Continued)

Pledges Receivable - Unconditional pledges are recognized as pledges receivable and revenue in the year promised. Conditional pledges are recognized as receivables and revenues when the specified conditions are met. Management believes that pledges receivable as of June 30, 2010, are fully collectable; therefore, no allowance for doubtful accounts was recorded.

Investments - The Organization carries investments in marketable securities with a readily determinable fair value at their fair value in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities.

Inventory - Inventory is stated at the lower of cost or market. Cost is determined on the first-in, first-out basis.

Fixed Assets - Fixed assets are recorded at cost or fair market value at the time such items were purchased or donated to the Organization. Depreciation is computed by the straight-line method over the estimated useful lives of the assets. The Organization has elected not to capitalize contributed collections under the provisions of the Revenue Recognition Topic of FASB ASC. The Organization's policy is to capitalize collections that are purchased and include as a part of fixed assets.

Expense Allocation - The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and Change in Net Assets and in the Statement of Functional Expenses. Certain costs have been allocated between program and supporting services classifications on the basis of time records, actual expenses, and/or estimates made by the Organization's management.

Income Tax Status - Quad City Arts, Inc. is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and comparable state law. The Organization has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the code.

The Financial Accounting Standards Board issued new guidance on accounting for uncertainty in income taxes. The Organization adopted this new guidance for the year ended June 30, 2010. Management evaluated the Organization's tax positions and concluded that the Organization had maintained its tax exempt status and had taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements.

Note 2. Fixed Assets

A summary of changes in fixed assets for the year ended June 30, 2010 is as follows:

	Balance at June 30, 2009	Additions	Disposals	Balance at June 30, 2010
Leasehold Improvements	\$ 146,862	\$ -	\$ (146,862)	\$ -
Equipment and Furnishings	79,525	9,184	(25,259)	63,450
Total	226,387	9,184	(172,121)	63,450
Less: Accumulated Depreciation	(218,603)	(1,315)	172,121	(47,797)
Totals	\$ 7,784	\$ 7,869	\$ -	\$ 15,653

Note 3. Other Assets -

Other Assets includes temporarily restricted net assets held by The Fund was established with contributions of \$6,000 during the year ended June 30, 2007. Contributions, realized and unrealized gains and losses, less management fees are to be retained as temporarily restricted net assets. Annually the assets will be adjusted to the fair value held in the fund. For the year ended June 30, 2010 and 2009 contributions held totaled \$16,147 and \$14,594, respectively.

QUAD CITY ARTS, INC.
Notes to Financial Statements

Note 4. Fair Value Measurements and Investments

The Fair Value Measurements and Disclosures Topic of FASB ASC establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 and Level 2 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1 - Quoted prices in active markets for identical securities.
- Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - Significant unobservable inputs.

The Organization holds investments in mutual funds as summarized below. The investments are measured at fair value, on a recurring basis during the year, using quoted prices in active markets for identical assets (Level 1). The cost includes the amounts of reinvested dividends and distributions from mutual funds. The cost and fair values of these investments at June 30, 2010 and 2009 are as follows:

2010			
	Cost	Fair Value Level 1	Net Unrealized Gain (Loss)
Vanguard Growth Index Fund	\$ 80,141	\$ 57,295	\$ (22,846)
Vanguard Total Stock Market Fund	86,725	71,018	(15,707)
Total Investments	<u>\$ 166,866</u>	<u>\$ 128,313</u>	<u>\$ (38,553)</u>

2009			
	Cost	Fair Value Level 1	Net Unrealized Gain (Loss)
Vanguard Growth Index Fund	\$ 79,509	\$ 50,524	\$ (28,985)
Vanguard Total Stock Market Fund	85,323	61,290	(24,033)
Total Investments	<u>\$ 164,832</u>	<u>\$ 111,814</u>	<u>\$ (53,018)</u>

Realized gains or losses are determined on the specific identification method and are reflected in revenue. The Organization had no realized gains or losses for the year ending June 30, 2010 and 2009, respectively.

The Organization invests in various investment securities. Investment securities in general are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

The Organization did not take any withdrawals from these funds during the years ended June 30, 2010 and 2009.

Note 5. In-Kind Contributions

The Organization receives a substantial amount of donated materials and services for marketing, t which are reflected as contributions and related expenses in the accompanying statements. For the years ended June 30, 2010 and 2009, contributions of materials and services totaled \$475,123 and \$489,896, respectively.

QUAD CITY ARTS, INC.
Notes to Financial Statements

Note 6. Lease Commitment

For the year ended June 30, 2010 the Organization leased the administrative operations and gallery space under an agreement with a related party (board member) on a month to month basis, with a monthly lease payment of \$1,275. The monthly lease payment for the year ended June 30, 2009 was \$2,750. Rental expense under operating leases totaled \$15,300 and \$33,000 for the year ended June 30, 2010 and 2009, respectively. The monthly lease payment does not include utilities or leasehold improvements.

Subsequent to year end the Organization entered into a five-year lease agreement with the related party for the administrative and gallery space which expires June 30, 2015 with a monthly lease payment of \$3,115. The Organization's monthly lease payment includes rent, utilities and tenant improvements.

Future minimum lease payments are as follows:

Year Ending June 30:	
2011	\$ 37,380
2012	37,380
2013	37,380
2014	37,380
2015	37,380
	<u>\$ 186,900</u>

Note 7. Unrestricted - Board Designated Net Assets

The Board has designated unrestricted net assets at June 30, 2010 and 2009, for the following purposes:

	2010	2009
Cary Grant Fund	\$ 93,554	\$ 91,927
Quad City Arts Reserve Fund	<u>144,125</u>	<u>114,144</u>
Total Designated Unrestricted Net Assets	<u>\$ 237,679</u>	<u>\$ 206,071</u>

Note 8. Temporarily Restricted Net Assets

Temporarily restricted net assets and assets released from donor restriction during the year ended June 30, 2010, consisted of the following:

	Balance at June 30, 2009	Additions	Released from Restrictions	Balance at June 30, 2010
Grants	\$ 23,500	\$ 10,000	\$ 23,500	\$ 10,000
Earned Income	2,420	-	2,420	-
Sponsorships	1,000	-	1,000	-
Festival of Trees	4,200	34,076	4,200	34,076
Vanguard	625	-	625	-
Partners	6,000	10,000	6,000	10,000
Community Foundation	<u>14,594</u>	<u>1,553</u>	<u>-</u>	<u>16,147</u>
Totals	<u>\$ 52,339</u>	<u>\$ 55,629</u>	<u>\$ 37,745</u>	<u>\$ 70,223</u>

As of June 30, 2010 the Organization has incurred \$10,165 of prepaid expenses related to the fiscal year 2011 Festival of Trees.

QUAD CITY ARTS, INC.
Notes to Financial Statements

Note 9. Conditional Pledges Receivable

As of June 30, 2010 and 2009, the Organization had conditional pledges receivable for the following purposes:

	2010		2009
	\$ 11,400	\$	36,823
	5,000		-
	3,000		-
	-		3,000
	-		5,000
	<u> </u>		<u> </u>
Total Conditional Pledges	\$ 19,400	\$	44,823

The pledges represent conditional pledges receivable, they are not recorded as pledges receivable and contribution revenue until donor restrictions are met.

Note 10. Concentration of Credit Risk

The Organization maintains its cash depository accounts at a financial institution located in the Quad Cities. Deposits may, at times, exceed the amount insured by the Federal Deposit Insurance Corporation (FDIC). Management believes that credit risk associated with these deposits is minimal.

SUPPLEMENTAL INFORMATION

QUAD CITY ARTS, INC.
Schedule of Arts and Humanities Program Revenue and Expenses
Year Ended June 30, 2010
See Auditor's Report

	Vanguard	Education	Public Arts	Literary Arts	Grapevine	Gallery	Gallery Sales	Visual Fundraiser	Metro Arts	Friday Series	Total Arts
Revenue											
Grants	\$ 85,500	\$ -	\$ -	\$ 6,672	\$ -	\$ -	\$ 14,156	\$ 7,134	\$ 47,750	\$ -	\$ 139,922
Earned Income	-	830	-	212	4,259	2,680	14,156	7,134	1,473	75	60,515
Admissions	3,501	225	-	-	300	328	336	2,441	-	-	7,131
Sponsorships	15,621	1,500	-	250	-	2,400	-	500	20,150	-	49,944
Gifts and Donations	724	-	-	-	-	871	114	482	229	-	2,420
Fees for Services											
Fundraising Income	42,550	-	27,500	-	-	30	80	-	-	-	70,160
Vanguard	-	9,250	-	-	411	-	221	380	-	-	10,262
Miscellaneous	260	-	341	30	-	-	132	-	-	-	763
In-Kind Contributions	26,299	-	-	-	-	-	-	-	-	-	26,299
Total Revenue	174,455	1,500	57,537	7,164	4,970	6,309	15,039	10,937	69,602	75	367,416
Expenses											
Salaries, Payroll Taxes and Employee Benefits	53,190	1,048	28,566	-	3,789	17,236	10,710	2,082	14,029	-	142,180
Telephone	-	-	-	21	-	-	-	-	-	-	21
Postage	1,141	11	268	80	40	1,264	194	157	133	1	3,430
Supplies	4	50	181	119	-	503	155	277	1,444	-	2,733
Equipment Maintenance, Repair and Rental	370	-	-	-	-	-	-	-	790	-	1,160
Travel	567	-	341	141	-	-	-	40	-	-	1,089
Artist Fees and Expenses											
Artist Commissions	186,950	-	9,200	2,500	-	-	-	-	-	-	198,650
License Fees	-	-	24,481	-	3,145	1,744	8,666	-	-	-	38,036
Food and Beverage	437	-	-	-	-	-	-	-	25	-	462
Printing	127	27	-	96	-	383	25	3,263	152	6	14,743
Audit/Bank Charges	2,123	343	1,982	386	-	1,792	227	835	1,035	-	8,723
Room Rental	-	-	-	-	-	-	-	-	-	-	241
Contract Services	3,290	-	-	-	-	-	-	-	-	-	3,290
Professional Development	320	-	1,728	1,450	-	158	-	250	16,883	-	20,789
Publications and Memberships	97	-	253	-	-	-	-	-	-	-	350
Advertising	695	(125)	-	-	-	-	50	-	-	-	620
Gifts and Awards	325	-	-	-	-	-	450	250	-	-	1,025
Miscellaneous	-	-	-	-	-	1,675	-	-	-	-	1,675
Utilization of In-Kind Contributions	-	65	-	-	-	-	-	-	-	-	65
Overhead	26,299	-	-	-	-	-	-	-	-	-	26,299
Total Expenses	280,516	565	565	4,793	565	19,087	6,362	565	565	-	33,420
Revenue Over (Under) Expenses	\$ (106,061)	\$ (3,465)	\$ (10,269)	\$ 2,371	\$ (2,569)	\$ (37,533)	\$ (11,800)	\$ 3,218	\$ 34,546	68	\$ (131,585)

QUAD CITY ARTS, INC.
Schedule of Arts and Community Services Revenue and Expenses
Year Ended June 30, 2010
See Auditor's Report

	Arts Dollars and Access	Membership	Public Awareness		Total Art Services
Revenue:					
Grants	\$ 26,995	\$ -	\$ -	\$ -	\$ 26,995
	-	-	-	737,084	737,084
Fundraising Income:					
	-	42,413	-	-	42,413
	-	-	-	-	-
In-Kind Contributions	-	-	-	448,824	448,824
Total Revenue	<u>26,995</u>	<u>42,413</u>	<u>-</u>	<u>1,185,908</u>	<u>1,255,316</u>
Expenses:					
Salaries, Payroll Taxes and					
Employee Benefits	5,154	3,423	8,389	67,510	84,476
Telephone	-	11	-	-	11
Postage	250	318	777	-	1,345
Supplies	-	31	-	-	31
Food and Beverage	33	450	-	-	483
Printing	203	-	1,648	-	1,851
Contract Services	-	-	1,650	-	1,650
Advertising	-	-	186	-	186
Direct Project Costs	24,500	-	-	424,426	448,926
Gifts and Awards	-	-	13	-	13
Utilization of In-Kind Contributions	-	-	-	448,824	448,824
Overhead	565	565	565	11,198	12,893
Total Expenses	<u>30,705</u>	<u>4,798</u>	<u>13,228</u>	<u>951,958</u>	<u>1,000,689</u>
Revenue Over (Under) Expenses	\$ <u>(3,710)</u>	\$ <u>37,615</u>	\$ <u>(13,228)</u>	\$ <u>233,950</u>	\$ <u>254,627</u>

QUAD CITY ARTS, INC.
Schedule of Supporting Services Revenue and Expenses
Year Ended June 30, 2010
See Auditor's Report

	<u>Fundraising</u>	<u>Administration</u>	<u>Total Supporting Services</u>
Revenue.			
Grants	\$ 38,400	\$ 7,000	\$ 45,400
Earned Income	-	280	280
	-	(2,180)	(2,180)
Partners	-	255	255
Gifts and Donations	-	887	887
Miscellaneous	-	1,031	1,031
Interest Income	-	4,397	4,397
	-	1,553	- 1,553
Unrealized Gain (Loss) on Investments	-	14,465	14,465
Total Revenue	<u>38,400</u>	<u>27,688</u>	<u>66,088</u>
Expenses:			
Salaries, Payroll Taxes and Employee Benefits	-	85,058	85,058
Telephone	17	6,451	6,468
Postage	78	528	606
Supplies	-	2,700	2,700
Equipment Maintenance, Repair and Rental	-	11,990	11,990
Insurance - Board	-	2,277	2,277
Travel	438	169	607
License Fees	-	220	220
Food and Beverage	-	864	864
Printing	-	553	553
Audit and Bank Charges	-	10,077	10,077
Contract Services	90	5,820	5,910
Professional Development	10	365	375
Publications and Memberships	-	1,804	1,804
Advertising	-	140	140
Gifts and Awards	-	983	983
Miscellaneous	-	3,104	3,104
Depreciation	-	1,315	1,315
Overhead	-	4,587	4,587
Total Expenses	<u>633</u>	<u>139,005</u>	<u>139,638</u>
Revenue Over (Under) Expenses	\$ <u>37,767</u>	\$ <u>(111,317)</u>	\$ <u>(73,550)</u>

QUAD CITY ARTS, INC.
Schedule of Overhead Expenses
Years Ended June 30, 2010 and 2009
See Auditor's Report

	<u>2010</u>	<u>2009</u>
Rent	\$ 15,300	\$ 33,000
Security	597	420
Utilities	16,564	20,820
Building Maintenance	2,406	4,015
Building Insurance	14,553	16,827
Parking	<u>1,480</u>	<u>2,638</u>
Total Overhead Before Depreciation	50,900	77,720
Depreciation	<u>1,315</u>	<u>1,599</u>
Total Overhead	\$ <u><u>52,215</u></u>	\$ <u><u>79,319</u></u>

QUAD CITY ARTS, INC.
Schedule of Operating Revenues and Expenses
Years Ended June 30, 2010 and 2009
See Auditor's Report

	2010	2009
Revenue:		
Grants	\$ 225,817	\$ 249,145
Earned Income	60,796	70,873
Admissions	7,132	8,099
Sponsorships	50,944	53,622
Gifts and Donations	3,307	3,477
Fees for Services	70,160	79,680
	717,693	711,560
Fundraising Income	51,868	73,121
Miscellaneous	1,624	877
Interest	2,363	2,577
Total Revenue	<u>1,191,704</u>	<u>1,253,031</u>
Expenses:		
Salaries, Payroll Taxes and Employee Benefits	315,192	382,571
Telephone	6,500	5,722
Postage	5,381	9,297
Supplies	5,464	7,344
Equipment Maintenance, Repair and Rental	22,336	9,895
Insurance - Board	2,277	2,295
Travel	1,695	3,285
Artist Fees and Expenses	198,650	171,929
Artist Commissions	38,035	42,351
License Fees	682	642
Food and Beverage	16,090	20,700
Printing	11,127	21,163
Room Rental	3,290	4,067
Audit and Bank Charges	10,318	12,508
Contract Services	28,349	57,493
Professional Development	725	4,645
Publications and Memberships	2,424	3,682
Advertising	1,351	5,978
Direct Project Costs	455,957	501,181
Gifts and Awards	2,671	1,230
Miscellaneous	367	5,929
Overhead	50,899	77,720
Total Expenses	<u>1,179,780</u>	<u>1,351,627</u>
Operating Income	11,924	(98,596)
Adjustments to Reconcile Operating Income		
to Change in Net Assets:		
Fiscal Year 2009 Restricted Revenue	(37,745)	37,745
Fiscal Year 2010 Restricted Revenue	57,184	-
Unrealized Gain (Loss) on Investments	14,465	(41,466)
Investment Income	2,034	2,044
Inventory Adjustment	6,329	(5,304)
Accounts Receivable and Pledges Receivable	(18,132)	(3,759)
Other Assets - Community Foundation	1,553	(2,616)
Cash and Credit Card Payable Adjustment	-	(37)
Depreciation	(1,315)	(1,599)
Fixed Asset Purchases	9,184	-
Accounts Payable and Accrued Expenses Adjustment	3,962	5,345
Prepaid Expenses Adjustment	49	-
Change in Net Assets Per Financial Statements	<u>\$ 49,492</u>	<u>\$ (108,243)</u>

The Organization's Board of Directors approves an annual budget utilizing revenue received in the previous and current fiscal years that is intended for use within the same year. The budgeted use of revenue minus expenses, resulted in the operating gain (loss) shown above.