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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)

2009

Department of the Treasury
Internal Revenue Service

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


For the 2009 calendar year, or tax year beginning 7/01, 2009, and ending 6/30, 2010

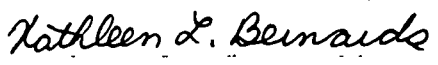
B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending		C Please use IRS label or print or type. See specific instructions. MID-VALLEY CHARITABLE FUND, INC. 16700 S HWY 99W AMITY, OR 97101		D Employer identification number 94-3030991	
				E Telephone number 503-835-2971	
				G Gross receipts \$ 97,578.	
		F Name and address of principal officer: Same As C Above		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'No,' attach a list. (see instructions)	
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: N/A			
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 1986		M State of legal domicile OR	

Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>Provide support for Mid-Valley Rehab.</u>		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.		
	3 Number of voting members of the governing body (Part VI, line 1a).....	3 19	
	4 Number of independent voting members of the governing body (Part VI, line 1b).....	4 19	
	5 Total number of employees (Part V, line 2a).....	5 0	
Revenue	6 Total number of volunteers (estimate if necessary).....	6 0	
	7a Total gross unrelated business revenue from Part VIII, column (C), line 12.....	7a -11.	
	b Net unrelated business taxable income from Form 990-T, line 34.....	7b -11.	
	8 Contributions and grants (Part VIII, line 1h).....	Prior Year 4,235. Current Year 19,832.	
	9 Program service revenue (Part VIII, line 2g).....		
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d).....	67,209. 56,255.	
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e).....	9,171. 9,801.	
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12).....	80,615. 85,888.	
	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3).....	103,112. 138,551.	
	Expenses	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).....			
16a Professional fundraising fees (Part IX, column (A), line 11).....			
b Total fundraising expenses (Part IX, column (D), line 25).....			
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f).....		10,162. 6,311.	
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25).....		113,274. 144,862.	
19 Revenue less expenses. Subtract line 18 from line 12.....		-32,659. -58,974.	
Net Assets or Fund Balances		20 Total assets (Part X, line 16).....	Beginning of Year 1,812,344. End of Year 1,944,579.
		21 Total liabilities (Part X, line 26).....	15,143. 28,331.
		22 Net assets or fund balances. Subtract line 21 from line 20.....	1,797,201. 1,916,248.

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 	Date 11-1-10
	Type or print name and title Joyce Robinson Executive Director	

Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input checked="" type="checkbox"/>	Preparer's identifying number (see instructions)
	 KATHLEEN L. BERNARDS 2944	8/16/10		P00004479
	Firm's name (or yours if self-employed), address, and ZIP + 4 Kathleen Bernards, CPA 441 NW Hill Road, PO BOX 1038 McMinnville, OR 97128		EIN 93-0937568 Phone no. (503) 472-2179	

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

☒ Yes ☐ No

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

TEEA0113L 12/29/09 Form 990 (2009)

617 10

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission:

Provide support for Mid-Valley Rehab.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.

4a (Code:) (Expenses \$ 90,800. including grants of \$ 90,800.) (Revenue \$)Provide resources for Mid-Valley Rehabilitation which is a 501(c)(3) organization, for its programs involving training persons with disabilities.4b (Code:) (Expenses \$ 43,521. including grants of \$ 43,521.) (Revenue \$)Provide resources to Mid-Valley Rehabilitation which is a 501(c)(3) organization, for its scholarship awards and camps involving persons with disabilities.4c (Code:) (Expenses \$ 2,390. including grants of \$ 2,390.) (Revenue \$)Special needs assistance to individuals with developmental disabilities, including community activities and preparation for work experience.

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

(Expenses \$ 1,840. including grants of \$ 1,840.) (Revenue \$)4e Total program service expenses ▶ 138,551.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If 'Yes,' complete Schedule A	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I		X
4 Section 501(c)(3) organizations Did the organization engage in lobbying activities? If 'Yes,' complete Schedule C, Part II		X
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If 'Yes,' complete Schedule C, Part III		
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If 'Yes,' complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If 'Yes,' complete Schedule D, Part IV		X
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If 'Yes,' complete Schedule D, Part V		X
11 Is the organization's answer to any of the following questions 'Yes'? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	X	
• Did the organization report an amount for land, buildings and equipment in Part X, line 10? If 'Yes,' complete Schedule D, Part VI		
• 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? If 'Yes,' complete Schedule D, Part VII		
• 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? If 'Yes,' complete Schedule D, Part VIII		
• 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? If 'Yes,' complete Schedule D, Part IX		
• Did the organization report an amount for other liabilities in Part X, line 25? If 'Yes,' complete Schedule D, Part X		
• 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? If 'Yes,' complete Schedule D, Part X		
12 Did the organization obtain separate, independent audited financial statement for the tax year? If 'Yes,' complete Schedule D, Parts XI, XII, and XIII		X
12A Was the organization included in consolidated, independent audited financial statement for the tax year? If 'Yes,' completing Schedule D, Parts XI, XII, and XIII is optional	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the 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? If 'Yes,' complete Schedule F, Part I		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If 'Yes,' complete Schedule F, Part II		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If 'Yes,' complete Schedule F, Part III		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If 'Yes,' complete Schedule G, Part 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? If 'Yes,' complete Schedule G, Part II	X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If 'Yes,' complete Schedule G, Part III		X
20 Did the organization operate one or more hospitals? If 'Yes,' complete Schedule H		X

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? If 'Yes,' complete Schedule I, Parts I and II.	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? If 'Yes,' complete Schedule I, Parts I and II.		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? If 'Yes,' complete Schedule J.		X
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, and that was issued after December 31, 2002? If 'Yes,' answer lines 24b through 24d and complete Schedule K. If 'No,' go to line 25.		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? If 'Yes,' complete Schedule L, Part 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? If 'Yes,' complete Schedule L, Part I.		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If 'Yes,' complete Schedule L, Part II.		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If 'Yes,' complete Schedule L, Part III.		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? If 'Yes,' complete Schedule L, Part IV.		X
28b	A family member of a current or former officer, director, trustee, or key employee? If 'Yes,' complete Schedule L, Part IV.		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? If 'Yes,' complete Schedule L, Part IV.		X
29	Did the organization receive more than \$25,000 in non-cash contributions? If 'Yes,' complete Schedule M.		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If 'Yes,' complete Schedule M.		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? If 'Yes,' complete Schedule N, Part I.		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If 'Yes,' complete Schedule N, Part II.		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? If 'Yes,' complete Schedule R, Part I.		X
34	Was the organization related to any tax-exempt or taxable entity? If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1.	X	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' complete Schedule R, Part V, line 2.	X	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If 'Yes,' complete Schedule R, Part V, line 2.		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? If 'Yes,' complete Schedule R, Part VI.		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O.	X	

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Form 990 (2009)

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1 a	Enter the number reported in Box 3 of form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable		
1 b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
1 c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
2 a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
2 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)		
3 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	X	
3 b	If 'Yes,' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule Q	X	
4 a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? 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.		X
5 a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5 b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5 c	If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
6 a	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
6 b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
7 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	
7 b	If 'Yes,' did the organization notify the donor of the value of the goods or services provided?	X	
7 c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7 d	If 'Yes,' indicate the number of Forms 8282 filed during the year		
7 e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7 f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7 g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		
7 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.		
9 a	Did the organization make any taxable distributions under section 4966?		
9 b	Did the organization make any distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
10 a	Initiation fees and capital contributions included on Part VIII, line 12		
10 b	Gross Receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter:		
11 a	Gross income from other members or shareholders		
11 b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
12 a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12 b	If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year		

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Form 990 (2009)

Part VII **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	1a 19		
b Enter the number of voting members that are independent	1b 19		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?	2		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		X
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4		X
5 Did the organization become aware during the year of a material diversion of the organization's assets?	5		X
6 Does the organization have members or stockholders?	6		X
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		X
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a The governing body?	8a	X	
b Each committee with authority to act on behalf of the governing body?	8b	X	
9 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O	9		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?	10a	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?	10b	
11 Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11 X	
11A Describe in Schedule O the process, if any, used by the organization to review this Form 990. See Schedule O		
12a Does the organization have a written conflict of interest policy? If 'No,' go to line 13.	12a X	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b X	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done. See Schedule O.	12c X	
13 Does the organization have a written whistleblower policy?	13 X	
14 Does the organization have a written document retention and destruction policy?	14 X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official	15a	X
b Other officers of key employees of the organization	15b	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?	16a	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?	16b	

Section C. Disclosures

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

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.

☐ Own website ☒ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Schedule O

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization:

MID-VALLEY CHARITABLE FUND 16700 S HWY 99W, AMITY, OR 97101 503-835-2971

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**

1 a 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 employees.'
- 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			
Jere Jackson President	0	X		X				0.	0.	0.
Fred Plews Vice President	0	X		X				0.	0.	0.
Dean Klaus Director	0	X						0.	0.	0.
Dave Haugeberg Director	0	X						0.	0.	0.
Linda Schwichtenberg Director	0	X						0.	0.	0.
Scott Larsen Director	0	X						0.	0.	0.
Lynn Hurt Director	0	X						0.	0.	0.
Carole Burcham Director	0	X						0.	0.	0.
Donn Williams Director	0	X						0.	0.	0.
Chris Browne Secretary	0	X		X				0.	0.	0.
Barbara Kauer Director	0	X						0.	0.	0.
Dave Morgan Director	0	X						0.	0.	0.
Herald Levy Director	0	X						0.	0.	0.
Jeremy D. Hajdu-Paulen Director	0	X						0.	0.	0.
Vince Mekkers Director	0	X						0.	0.	0.
Robert Laughlin Director	0	X						0.	0.	0.
Ann Scott Director	0	X						0.	0.	0.

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

(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			
Tony Meeker Director	0	X						0.	0.	0.
Rose Lorenzen Director	0	X						0.	0.	0.
David Wiegman Executive Direc	1			X				0.	102,446.	0.
Joyce Robinson Executive Direc	1			X				0.	53,971.	1,271.
1 b Total								0.	156,417.	1,271.

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

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

	Yes	No
3		X
4		X
5		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

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

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.

(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

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f 19,832.				
	g Noncash contrbns included in lns 1a-1f: \$					
	h Total. Add lines 1a-1f		19,832.			
PROGRAM SERVICE REVENUE	Business Code					
	2a _____					
	b _____					
	c _____					
	d _____					
	e _____					
	f All other program service revenue					
	g Total. Add lines 2a-2f					
OTHER REVENUE	3 Investment income (including dividends, interest and other similar amounts)		56,255.			56,255.
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6a Gross Rents	(i) Real (ii) Personal				
	b Less: rental expenses					
	c Rental income or (loss)					
	d Net rental income or (loss)					
	7a 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)					
	8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a 21,491.				
	b Less: direct expenses	b 11,690.				
	c Net income or (loss) from fundraising events		9,801.	9,812.	-11.	
	9a Gross income from gaming activities. See Part IV, line 19	a				
	b Less: direct expenses	b				
	c Net income or (loss) from gaming activities					
	10a Gross sales of inventory, less returns and allowances	a				
b Less: cost of goods sold	b					
c Net income or (loss) from sales of inventory						
Miscellaneous Revenue		Business Code				
11a _____						
b _____						
c _____						
d All other revenue						
e Total. Add lines 11a-11d						
12 Total revenue. See instructions		85,888.	9,812.	-11.	56,255.	

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.	134,321.	134,321.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22.	4,230.	4,230.		
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	0.	0.	0.	0.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1) and persons described in section 4958(c)(3)(B))	0.	0.	0.	0.
7 Other salaries and wages				
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees)				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Prof fundraising svcs. See Part IV, ln 17				
f Investment management fees				
g Other				
12 Advertising and promotion				
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel				
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				
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 Professional Services	3,820.		3,820.	
b Investment Management Fees	2,216.		2,216.	
c Licenses/Fees	275.		275.	
d Client Reading Program				
e Client Fitness Program				
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	144,862.	138,551.	6,311.	0.
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		1	
	2 Savings and temporary cash investments	86,466.	2	32,738.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net		4	19,933.
	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	275,178.	7	267,796.
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges		9	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a		
	b Less: accumulated depreciation.	10b		
	11 Investments – publicly-traded securities	1,228,261.	11	1,396,036.
	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	222,439.	15	228,076.
16 Total assets. Add lines 1 through 15 (must equal line 34)	1,812,344.	16	1,944,579.	
LIABILITIES	17 Accounts payable and accrued expenses		17	20,931.
	18 Grants payable		18	
	19 Deferred revenue		19	
	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	15,143.	25	7,400.
	26 Total liabilities. Add lines 17 through 25	15,143.	26	28,331.
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	1,589,905.	27	1,695,571.
	28 Temporarily restricted net assets	207,296.	28	220,677.
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, and equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	1,797,201.	33	1,916,248.
34 Total liabilities and net assets/fund balances	1,812,344.	34	1,944,579.	

BAA

Form 990 (2009)

Part VII 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		

BAA

Form 990 (2009)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

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

Department of Public
Information

Name of the organization

MID-VALLEY CHARITABLE FUND, INC.

Employer identification number

94-3030991

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 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 carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a ☐ Type I
 - b ☒ Type II
 - c ☐ Type III – Functionally integrated
 - d ☐ Type III – Other
- e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization, check this box ☐
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons? ☐

- (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?

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

h Provide the following information about the supported organizations.

(i) Name of Supported Organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U.S.?		(vii) Amount of Support
			Yes	No	Yes	No	Yes	No	
Mid-Valley Rehabilitation, Inc.									
	93-0568833	501 (c) (3)	X						134,321.
Total									134,321.

BAA 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 'unusual grants'.)						
2 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf						
3 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.						
4 Total. Add lines 1 through 3						
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)						
6 Public support. Subtract line 5 from line 4						

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						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
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.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)						12
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	%
15 Public support percentage from 2008 Schedule A, Part II, line 14	15	%
16a 33-1/3 support test – 2009. If the organization did not check the box on line 13, and the line 14 is 33-1/3 % or more, check this box and stop here. The organization qualifies as a publicly supported organization. ▶ <input 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"/>		

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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 yr 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 "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in a activity that is related to the organization's tax-exempt purpose.						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, 3 received from disqualified persons.						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the 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 yr 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 on line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (add 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. ▶ <input type="checkbox"/>						

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 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. ▶ ☐

Part IV

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

This image shows a full page of a handwriting practice worksheet. It consists of multiple rows of horizontal dashed lines spaced evenly across the page, providing a guide for letter height and placement. The background is plain white, and there are no other markings or text present.

**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, lines 6, 7, 8, 9, 10, 11, or 12.**
► **Attach to Form 990. ► See separate instructions**

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization

MID-VALLEY CHARITABLE FUND, INC.

Employer identification number

94-3030991

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

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

1 a 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

d ☐ Loan or exchange programs

b ☐ Scholarly research

e ☐ Other _____

c ☐ Preservation for future generations

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:

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

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

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c 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 ☐ Yes ☐ No

(ii) related organizations ☐ Yes ☐ No

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

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				

Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)) 0.

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Schedule D (Form 990) 2009

Part IV Supplemental Information (continued)

Department of the Treasury
Internal Revenue Service

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.

OMB No 1545-0047

2009

Name of the organization

Employer identification number

MID-VALLEY CHARITABLE FUND, INC.

94-3030991

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

☐ Mail solicitations

☐ Internet and email solicitations

☐ Phone solicitations

☐ In-person solicitations

☐ Solicitation of non-government grants☐ Solicitation of government grants

☐ Special fundraising events

- 2a** Did the organization have written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?

☐ Yes ☒ No

- b** If 'Yes,' list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

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.

[illegible]

Part III 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	(b) Event #2	(c) Other Events	(d) Total Events
		Golf Tournamen (event type)	(event type)	(total number)	(Add col. (a) through col. (c))
REVENUE	1 Gross receipts	20,226.			20,226.
	2 Less Charitable contributions				
	3 Gross income (line 1 minus line 2)	20,226.			20,226.
DIRECT EXPENSES	4 Cash prizes				
	5 Noncash prizes	318.			318.
	6 Rent/facility costs	6,500.			6,500.
	7 Food and beverages	2,345.			2,345.
	8 Entertainment				
	9 Other direct expenses	1,251.			1,251.
	10 Direct expense summary Add lines 4- through 9 in column (d)				10,414.
11 Net income summary Combine lines 3, column (d) and line 10				9,812.	

Part IV 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				
DIRECT EXPENSES	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
	7 Direct expense summary Add lines 2 through 5 in column (d)				
	8 Net gaming income summary Combine lines 1, 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:

10 a 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
9 a		
10 a		
11		
12		

13 Indicate the percentage of gaming activity operated in:

	13a	%
a The organization's facility		
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 contact with a third party from whom the organization receives gaming revenue?

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?

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: ▶ \$ _____

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

MID-VALLEY CHARITABLE FUND, INC.

Employer identification number

94-3030991

OMB No 1545-0047

2009

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered 'Yes' to Form 990, Part IV, lines 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

Part I Identification of Disregarded Entities (Complete if the organization answered 'Yes' to Form 990, Part IV, line 33.)

(A) Name, address, and EIN of disregarded entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Total income	(E) End-of-year assets	(F) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
Mid-Valley Rehabilitation, Inc. 16700 S Hwy 99W Amity, OR 97101 93-0568833	To assist persons with disabilities	OR	501(c) 3	509 (a) 3	N/A

Part III Transactions With Related Organizations (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34, 35, or 36.)**Note** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.**1** During the tax year did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV:

	Yes	No
a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity		
b Gift, grant, or capital contribution to other organization(s)		
c Gift, grant, or capital contribution from other organization(s)		
d Loans or loan guarantees to or for other organization(s)		
e Loans or loan guarantees by other organization(s)		
f Sale of assets to other organization(s)		
g Purchase of assets from other organization(s)		
h Exchange of assets		
i Lease of facilities, equipment, or other assets to other organization(s)		
j Lease of facilities, equipment, or other assets from other organization(s)		
k Performance of services or membership or fundraising solicitations for other organization(s)		
l Performance of services or membership or fundraising solicitations by other organization(s)		
m Sharing of facilities, equipment, mailing lists, or other assets		
n Sharing of paid employees		
o Reimbursement paid to other organization for expenses		
p Reimbursement paid by other organization for expenses		
q Other transfer of cash or property to other organization(s)		
r Other transfer of cash or property from other organization(s)		

2 If the answer to any of the above is 'Yes,' see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(A) Name of other organization	(B) Transaction type (a-r)	(C) Amount involved
(1) Mid-Valley Rehabilitation, Inc.	b	134,321.
(2)	b	134,521.
(3)		
(4)		
(5)		
(6)		

SCHEDULE O
(Form 990)

Supplemental Information to Form 990

OMB No 1545-0047

2009

Department of the Treasury
Internal Revenue Service

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



Name of the organization

MID-VALLEY CHARITABLE FUND, INC.

Employer identification number

94-3030991

Form 990, Part III, Line 4d - Other Program Services Description

Payments to 501(c)3 organizations that provide travel experiences for disabled adults.

Reading & fitness programs for developmentally disabled adults.

Form 990, Part VI, Line 11 - Form 990 Review Process

A copy is provided to each member of the Audit Committee for review prior to a meeting where it is discussed with the preparer.

Form 990, Part VI, Line 12c - Explanation of Monitoring and Enforcement of Conflicts

Each officer, director and key employee completes a disclosure form annually.

Form 990, Part VI, Line 19 - Other Organization Documents Publicly Available

Available Upon Request.

Name of the organization

MID-VALLEY CHARITABLE FUND, INC.

Employer identification number

94-3030991

**MID-VALLEY REHABILITATION, INC.
and SUBSIDIARIES**

CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2010

And

Supplementary Financial Information

With

Independent Auditor's Report

**MID-VALLEY REHABILITATION, INC.
and SUBSIDIARIES**

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Independent Auditor's Report

August 27, 2010

To The Boards of Directors
Mid-Valley Rehabilitation, Inc. and Mid-Valley Charitable Fund, Inc.
Amity, OR

I have audited the accompanying consolidated statement of financial position of Mid-Valley Rehabilitation, Inc. and Subsidiaries as of June 30, 2010 and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended. These consolidated financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these consolidated financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, I express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Mid-Valley Rehabilitation, Inc. and Subsidiaries as of June 30, 2010 and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

These financial statements are intended for the use of the Organization's board of directors and management, Yamhill County Mental Health, Polk County Mental Health, Marion County Mental Health, and Washington County Mental Health. The report is not intended to be and should not be used by anyone other than these specified parties.

Kathleen L. Bernards
Kathleen L. Bernards, CPA

MID-VALLEY REHABILITATION, INC.
and SUBSIDIARIES
Consolidated Statement of Financial Position
June 30, 2010

ASSETS	Unrestricted	Temporarily Restricted	Total
Current assets			
Cash and cash equivalents <i>(Note 2)</i>	\$ 542,497	\$ -	\$ 542,497
Marketable Securities	10,887	-	10,887
Accounts receivable -less allowance for doubtful accounts of \$ 4,000	644,265	-	644,265
Inventories <i>(Note 3)</i>	218,152	-	218,152
Prepaid expenses	<u>22,315</u>	-	<u>22,315</u>
Total current assets	1,438,116	-	1,438,116
Investments <i>(Note 4)</i>:			
Mutual and pooled funds	1,396,035		1,396,035
Held under split-interest agreements		91,801	91,801
Receivable under split -interest agreement <i>(Note 5)</i>		136,276	136,276
Property, equipment and leasehold improvements (partially pledged) - net <i>(Note 6)</i>	<u>3,402,857</u>	-	<u>3,402,857</u>
Total Assets	<u>\$ 6,237,008</u>	<u>\$ 228,077</u>	<u>\$ 6,465,085</u>
LIABILITIES AND NET ASSETS			
Current liabilities			
Accounts payable	\$ 50,233	\$ -	\$ 50,233
Accrued payroll and payroll taxes	280,962	-	280,962
Accrued employee benefits	52,128	-	52,128
Accrued personal leave	103,541	-	103,541
Other accrued expenses	43,636	-	43,636
Deferred revenue	24,574	-	24,574
Current portion of long-term debt <i>(Note 7)</i>	<u>23,330</u>	-	<u>23,330</u>
Total current liabilities	578,404	-	578,404
Long-term liability under split-interest agreements <i>(Note 5)</i>	-	7,400	7,400
Long-term notes payable - net of current portion <i>(Note 7)</i>	<u>652,128</u>	-	<u>652,128</u>
Total liabilities	1,230,532	7,400	1,237,932
Commitments and contingencies <i>(Notes 8 and 9)</i>	-	-	-
Net assets			
Unrestricted	5,006,476	-	5,006,476
Temporarily restricted	<u>-</u>	<u>220,677</u>	<u>220,677</u>
Total net assets	<u>5,006,476</u>	<u>220,677</u>	<u>5,227,153</u>
Total Liabilities & Net Assets	<u>\$ 6,237,008</u>	<u>\$ 228,077</u>	<u>\$ 6,465,085</u>

The accompanying notes are an integral part of the consolidated financial statements

MID-VALLEY REHABILITATION, INC.
and SUBSIDIARIES

Consolidated Statement of Activities
For the Year Ended June 30, 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Support and Revenue:			
Product sales and services	\$ 2,184,675	\$ -	\$ 2,184,675
Cost of sales:			
Raw materials	568,822	-	568,822
Payroll and related taxes	707,723	-	707,723
Production services and freight	128,637	-	128,637
Total Cost of Sales	<u>1,405,182</u>	<u>-</u>	<u>1,405,182</u>
Gross profit	779,493	-	779,493
 Service fees	 4,634,951	 -	 4,634,951
Client fees	149,042	-	149,042
Contributions, grants & fund-raising (Note 11)	22,245	9,801	32,046
ODOT grants for transportation	54,639	-	54,639
Other grants received	1,525	-	1,525
Interest and dividends	42,116	-	42,116
Rent	55,048	-	55,048
Other	22,623	-	22,623
Gain (Loss) on Sale of Assets	81,237	-	81,237
Unrealized change in market value of investments and assets held under split-interest agreements	164,640	13,381	178,021
Net assets released from restrictions (Note 10)	9,801	-	9,801
	<u>-</u>	<u>(9,801)</u>	<u>(9,801)</u>
 Total Support and Revenue	 6,017,360	 13,381	 6,030,741
 Expenses:			
Business Operations	1,707,237	-	1,707,237
Community inclusion services	974,987	-	974,987
Residential services	2,161,272	-	2,161,272
Contributions to other orgs.	4,230	-	4,230
Administration	993,173	-	993,173
 Total Expenses	 <u>5,840,899</u>	 <u>-</u>	 <u>5,840,899</u>
 Change in Net Assets	 176,461	 13,381	 189,842
 Net Assets, Beginning of Year	 <u>4,830,015</u>	 <u>207,296</u>	 <u>5,037,311</u>
 Net Assets, End of Year	 <u>\$ 5,006,476</u>	 <u>\$ 220,677</u>	 <u>\$ 5,227,153</u>

The accompanying notes are an integral part of the consolidated financial statements

MID-VALLEY REHABILITATION, INC.
and SUBSIDIARIES
Consolidated Statement of Cash Flows
For the Year ended June 30, 2010

Cash flows from operating activities:	
Cash received from product sales and services	\$ 2,105,066
Interest and dividends received	42,116
Cash received for fees and contributions	5,013,849
Cash paid to suppliers and employees	(7,046,625)
Donations paid	(4,230)
Interest paid	(39,685)
Net cash from operating activities	<u>70,491</u>
Cash flows from investing activities:	
Proceeds from sale of investments	155,030
Purchases of property and equipment	(87,456)
Collections on notes receivable	7,084
Net purchases (maturities) of investments	5,865
Net withdrawals from certificates of deposit	84,302
Net cash from investing activities	<u>164,825</u>
Cash flows from financing activities:	
Payments on long-term notes payable	(174,219)
Payments on split-interest liability	(9,000)
Net cash from financing activities	<u>(183,219)</u>
Net change in cash and cash equivalents	52,097
Cash and cash equivalents, beginning of year	490,400
Cash and cash equivalents, end of year	<u>\$ 542,497</u>
Reconciliation of change in net assets	
to net cash from operating activities:	
Change in net assets	\$ 189,842
Adj. to reconcile change in net assets to net cash from operating activities:	
(Gain)/Loss on sale of property and equipment	(81,237)
Depreciation and amortization	217,872
Change in market value of securities	(182,399)
Interest on split-interest liability	1,257
Change in operating assets and liabilities:	
Accounts receivable	(96,274)
Inventories	(57,009)
Prepaid expenses	(857)
Accounts payable and accrued expenses	71,629
Deferred revenue	7,667
Net cash from operating activities	<u>\$ 70,491</u>

The accompanying notes are an integral part of the consolidated financial statements

MID-VALLEY REHABILITATION, INC.
and SUBSIDIARIES
Consolidated Statement of Functional Expenses
For the Year Ended June 30, 2010

	Program Services - MVR				MVR			
	Business Operations	Community Inclusion Serv.	Residential Services	Total	Administration	MV, LLC	MVCF	Total
Salaries	\$ 979,217	\$ 632,294	\$ 1,510,608	\$ 3,122,119	\$ 363,852	\$ -	\$ -	\$ 3,485,971
Payroll taxes and benefits	353,090	167,036	439,359	959,485	86,624			1,046,109
Safety bonus	10,225	5,300	11,338	26,863	1,650			28,513
Utilities and telephone	72,409	26,893	32,601	131,903	18,370	21,174		171,447
Interest	-	-	13,651	13,651	3,811	22,223		39,685
Depreciation and amortization	77,985	11,516	23,414	112,915	70,686	34,272		217,873
Contracted transportation services	560	-	-	560	-			560
Vehicle gas, oil, and maintenance	45,206	37,663	16,157	99,026	27,277			126,303
Other repairs and maintenance	50,095	16,822	23,309	90,226	12,951	9,425		112,602
Licenses, dues and subscriptions	9,001	75	30	9,106	6,461	50	275	15,892
Bad debts	8,140	-		8,140				8,140
Insurance	15,592	8,848	9,489	33,929	45,563			79,492
Travel	4,673	2,128	1,775	8,576	8,757			17,333
Program supplies	-	6,865	5,274	12,139	-			12,139
Food	-	-	36,502	36,502	-			36,502
Office supplies and printing	5,719	2,855	8,347	16,921	33,717			50,638
Contractual services	8,784	1,771	3,016	13,571	148,391	42	6,036	168,040
Training and education	1,114	881	2,878	4,873	2,067			6,940
Advertising	6,343	365	1,624	8,332	1,806			10,138
Small equipment	11,710	1,843	6,305	19,858	4,845			24,703
Rent	39,969	50,441	12,134	102,544	-			102,544
Other	7,405	1,391	3,461	12,257	62,728	120	4,230	79,335
Total Functional Expenses	\$ 1,707,237	\$ 974,987	\$ 2,161,272	\$ 4,843,496	\$ 899,556	\$ 87,306	\$ 10,541	\$ 5,840,899

The accompanying notes are an integral part of the consolidated financial statements

**MID-VALLEY REHABILITATION, INC.
AND SUBSIDIARIES
Notes to Consolidated Financial Statements
June 30, 2010**

Note 1 - Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities

Mid-Valley Rehabilitation, Inc. is organized to provide ongoing programs of activities to assist in the rehabilitation of people with disabilities in Yamhill, Polk, Marion, and Washington Counties, Oregon. These activities include the production and sale of pallets and other wood products and soap products, as well as packaging services. The Organization also offers day activity programs, employment counseling and a residential program for people with severe disabilities. Its major sources of revenue are the sale of wood products, soap, and industrial services, as well as service fee contracts from state agencies and fees to clients' families. Mid-Valley Rehabilitation, Inc. opened the Serendipity Ice Cream Shop in October 2000. The ice cream shop, along with other employment enclaves at Yamhill County businesses, provides vocational opportunities for clients of the Mid-Valley Rehabilitation, Inc. MV, LLC owns and operates an apartment building which has been redesigned to house disabled individuals. In October 2004 it acquired an additional complex that is also filled with Mid-Valley clients and houses the supported living staff offices. Mid-Valley Charitable Fund, Inc. was established to raise funds to support the programs of Mid-Valley Rehabilitation, Inc. and other organizations that serve people with disabilities.

Financial Statement Presentation

The Organization presents its financial statements in accordance with Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations" as codified in FASB ASC Topic 958. Therefore, the Organization is required to report information regarding its financial position and activities according to three classes of net assets (unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets) based upon the existence or absence of donor-imposed restrictions. The Organization has also adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made" as codified in FASB ASC Topic 958. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Summary of Significant Accounting Policies

The significant accounting policies followed by the Organization are described below to enhance the usefulness of the consolidated financial statements to the reader.

Principles of Consolidation – The accompanying consolidated financial statements include the accounts of Mid-Valley Rehabilitation, Inc. and the following subsidiaries:

- MV, LLC, of which Mid-Valley Rehabilitation, Inc. is the only member
- Mid-Valley Charitable Fund, Inc., in which Mid-Valley Rehabilitation, Inc. has an economic interest and a controlling interest

All significant intercompany accounts and transactions have been eliminated.

MID-VALLEY REHABILITATION, INC.
AND SUBSIDIARIES
Notes to Consolidated Financial Statements
June 30, 2010

Note 1 - Summary of Significant Accounting Policies - Continued

Basis of Presentation – Net assets and all balances and transactions are presented based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the organization and changes therein are classified and reported as follows:

Unrestricted net assets – Net assets not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that will be met either by actions of the Organization and/or the passage of time.

Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets. (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

Use of Estimates - The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. The significant estimates in the Organization's financial statements are the allowance for doubtful accounts and the methods and useful lives for depreciation of property and equipment.

Cash Equivalents - The Organization considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents.

Investments – Investments are carried at fair value and consist of equity mutual funds and fixed income mutual funds. Fair values of investments are provided by independent investment brokers using mutual fund pricing services. Interests in split-interest agreements are invested similarly. Details in Note 3 include assumptions used in the actuarial calculations.

Accounts Receivable and Allowance for Doubtful Accounts – The Organization's accounts receivable relate to product sales and services. Receivables are considered delinquent after 90 days unless contractual terms extend the collection period beyond that date. The Organization had four accounts that were considered delinquent at June 30, 2010 and none at June 30, 2009. The delinquent customers are making payments on amount overdue. Bad Debt expense of \$8,140 was incurred at June 30, 2010. Before this year, no bad debts had been incurred since 2002, so an allowance for doubtful accounts of approximately 1% of accounts receivable is deemed adequate.

Inventories – Raw materials inventories are stated at lower of cost or market, determined on a first-in, first-out basis. Finished goods inventories are stated at retail less profit margin rate which has been computed based on historical operating results. Inventories of Serendipity Ice Cream and i catching signs are immaterial, so they are charged to cost of sales at the time of purchase.

Deferred Revenue – Amounts received in advance on exchange contracts are recorded as deferred revenue until the contract amounts have been earned.

**MID-VALLEY REHABILITATION, INC.
AND SUBSIDIARIES
Notes to Consolidated Financial Statements
June 30, 2010**

Note 1 - Summary of Significant Accounting Policies - Continued

Property, Equipment, and Leasehold Improvements – Property, equipment, and leasehold improvements are recorded at cost or estimated fair value at date of donation. The Organization typically capitalizes items costing \$1,000 or more. Depreciation and amortization have been computed using the straight-line method over the following estimated useful lives:

Buildings	5-60 years
Furniture and equipment	3-10 years
Vehicles	3-10 years
Leasehold improvements	5 years

Contribution Recognition – Contributions, which include unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when conditions on which they depend are substantially met. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or 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. The Organization reports gifts of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Donated Services – The Organization recognizes donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Donated Services have not been reflected in the accompanying consolidated financial statements since the appropriate criteria for recording these services have not been met. Nevertheless, a substantial number of volunteers have donated significant amounts of their time to the Organization's program services.

Income Taxes – There is no provision for income taxes in the consolidated financial statements since the Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state provisions. The Organization is not classified as a private foundation. It has not engaged in any unrelated business or political activities that would subject it to income taxes nor any prohibited transactions that would jeopardize its tax exempt status.

Tax Sheltered Annuity Plan – The Organization has a 403(b) Tax Sheltered Annuity (TSA) plan for all eligible employees. The Organization did not make any contributions to the Plan for the year ended June 30, 2010.

Retirement Plan – The Organization has a retirement plan under IRC Sec. 401(a). For the year ended June 30, 2010, the Organization contributed \$52,128 to this plan on behalf of all eligible employees.

Functional Allocation of Expenses – Costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefits.

**MID-VALLEY REHABILITATION, INC.
AND SUBSIDIARIES**
Notes to Consolidated Financial Statements
June 30, 2010

Note 1 - Summary of Significant Accounting Policies – Continued

Advertising – Advertising costs are charged to expense as incurred in accordance with FASB ASC 720-35-05-01. The Organization does not utilize direct-response advertising, which would be capitalized as an asset.

Financial Instruments and Concentrations – Financial instruments which potentially subject the Organization to concentration of credit risk consist primarily of cash, bank certificates of deposit, receivables, marketable securities, equity and pooled income funds, split-interest agreements, trade payables, and notes payable. Concentration with respect to cash is limited due to the Organization maintaining cash balances that are generally fully insured by the FDIC. Concentrations of credit risk related to receivables are caused by the limited customer base in a small geographical area. No financial instruments are available for sale or held for trading purposes.

Subsequent Events through August 27, 2010 have been evaluated by management for disclosure in the financial statements. This is the date when the financial statements were available for issuance.

FASB Codification - On July 1, 2009, the Financial Accounting Standards Board's Accounting Standards Codification (ASC) became the single source of authoritative nongovernmental U.S. accounting principles. Statement of Financial Accounting Standards (SFAS) No. 168 (codified in ASC 105-10-05) is a major restructuring of accounting and reporting standards. The primary goal is to simplify user access to all authoritative U.S. accounting principles by providing all the authoritative literature related to a given topic in one place. New standards will not bear sequential numbers as in the past. Instead, they will update the ASC and provide the historical basis for conclusions of a new standard. The ASC is organized into four general topics, each containing subtopics and sections. The four general topics are:

- | | |
|----------------------|--------------------------------|
| * Presentation | * Financial statement accounts |
| * Broad transactions | * Special industries |

A new referencing approach reflecting this nature is used in the Organization's Notes to Financial Statements.

Fair Value Disclosures – Since June 30, 2009 the Financial Accounting Standards Board (FASB) has released three Accounting Standards Updates (ASU) related to fair values found in the FASB Accounting Standards Codification (FASB ASC) Topic 820. These clarify and enhance the disclosures in Note 11 that the Organization adopted in the year ended June 30, 2009. ASU No. 2009-05 addresses the fair value measurement of liabilities. When measuring the fair value of a liability, and a quoted price in an active market for an identical liability is not available, the reporting entity must use one or more of the following methods to determine the fair value:

1. A valuation technique that uses:
 - a. The quoted price of the identical liability when traded as an asset
 - b. Quoted prices for similar liabilities or "similar liabilities when traded as assets"
2. Another valuation technique that is consistent with the principles of Topic 820

The Organization's fair value measurements use the first technique.

ASU No. 2009-12 covers fair value measurements of investments in entities with pooled assets that do not have readily determinable fair values such as real estate funds. The Organization does not typically invest in this type of asset. In January 2010, the FASB released ASU 2010-06, *Improving Disclosures about Fair Value Measurements*, which further enhances the disclosures that need to be made in financial statements beginning with the Organization's 2010-11 fiscal year.

**MID-VALLEY REHABILITATION, INC.
AND SUBSIDIARIES**
Notes to Consolidated Financial Statements
June 30, 2010

Note 1 – Summary of Significant Accounting Policies – Continued

Mergers and Acquisitions - ASU No. 2010-07 was issued to add Statement of Financial Accounting Standards (SFAS) No. 164 *Not-For-Profit Entities: Mergers and Acquisitions* to Topic 958 of the Accounting Standards Codification. It specifies two methods of accounting for combinations of not-for-profit Organizations. It applies only if the Organization joins forces with any other not-for-profit agency in the future.

Note 2 – Cash and Cash Equivalents

At June 30, 2010, cash and cash equivalents include interest-bearing bank deposits of \$180,561 in excess of federally insured limits of \$250,000 per customer relationship pursuant to the Economic Stabilization Act of 2008. This temporary limit was made permanent on July 21, 2010 by the Wall Street Reform and Consumer Protection Act. All non-interest bearing transaction accounts are insured by the FDIC without limit. \$12,625 of cash equivalents are designated for capital projects.

Cash and cash equivalents as of June 30, 2010 consisted of:

	Interest Rate	Amount
Mid-Valley Rehabilitation, Inc.		
West Coast Bank – McMinnville Branch (Checking)	0%	\$364,937
OnPoint Community Credit Union – McMinnville Branch (Money Market)	.65%	54,626
Key Bank – McMinnville Branch (Checking: MV, LLC)	0%	38,893
West Coast Bank – McMinnville Branch (Money Market)	.36%	30,187
Citizens Bank – McMinnville Branch (Checking: Capital Projects)	0%	12,625
West Coast Bank – McMinnville Branch (Checking: Res. Accounts)	0%	4,100
West Coast Bank – McMinnville Branch (Checking: Serendipity)	0%	750
Key Bank – McMinnville Branch (Checking: Freight & Supply)	0%	500
OnPoint Community Credit Union – McMinnville Branch (Savings)	.10%	276
Petty Cash Funds		2,865
Mid-Valley Charitable Fund, Inc.		
Edward Jones – McMinnville Branch (Money Market)	.01%	29,896
West Coast Trust – Salem Branch (Money Market)	.50%	1,651
OnPoint Community Credit Union – McMinnville Branch (Checking)	0%	1,186
OnPoint Community Credit Union – McMinnville Branch (Checking)	.10%	5
Total		\$542,497

Note 3 – Inventories

Raw materials:	
Wood Products	\$196,908
Soap	14,064
Total Raw Materials	<u>210,972</u>
Finished goods:	
Wood Products	4,841
Soap	2,339
Total Finished Goods	<u>7,180</u>
Total Inventories	<u>\$218,152</u>

**MID-VALLEY REHABILITATION, INC.
AND SUBSIDIARIES**
Notes to Consolidated Financial Statements
June 30, 2010

Note 4 - Investments

Equity mutual funds	\$ 1,239,892
Fixed income mutual funds	<u>156,143</u>
Total Equity and Pooled Income Funds	<u>\$ 1,396,035</u>

Mid-Valley Charitable Fund, Inc. acts as trustee and has a remainder interest in one charitable remainder trust. Assets held under this trust by West Coast Trust Services as custodian are recorded at fair value determined by Fund Web Mutual Fund Pricing.

Cash held at investment brokerage	\$ 9,186
Equity mutual funds	42,752
Fixed income mutual funds	<u>39,863</u>
Total investments held under split-interest agreements	<u>\$ 91,801</u>

Under the trust agreement, the Charitable Fund makes annual payments to various beneficiaries in accordance with terms specified in the trust. The payment streams have been discounted to present value using an interest rate of 8% and result in a liability from the Charitable Fund of \$7,400 at June 30, 2010. Once the payments to the beneficiaries are satisfied in December 2010, any remaining assets will be distributed to the Charitable Fund.

Note 5 - Receivable Under Split-Interest Agreement

The Charitable Fund has a remainder interest in two unitrusts established by Paul A. Barber; however, the Charitable Fund does not hold the assets or act as trustee. Upon the death of the income beneficiary, the Charitable Fund will receive a portion of each trust's remaining assets. The assets of the trust are included in investment pools held by the trustees. The Charitable Fund's interest in the trusts has been discounted to present value over the life expectancy of the income beneficiary using a 8.2% discount rate applied to the market values of the pooled investments as supplied by the trustees' investment advisors. All of the investments are held in publicly traded equity and fixed income mutual funds with market values that are published daily. Details of the Charitable Fund's interest in these trusts follows:

	Paul A. Barber Charitable Remainder Unitrust	Paul A. Barber Charitable Remainder Unitrust II
Trustee	John R. Peterson	Linfield College
Payout rate to income beneficiary	7.75%	7.75%
Discount rate assumed on earnings	8.2%	8.2%
Market value of pooled investments at 6-30-10	\$ 378,076	\$ 349,933
Discounted present value of remainder interest	\$ 247,674	\$ 229,238
Charitable Fund's share of remainder interest	18%	40%
Receivable under split-interest agreement	<u>\$ 44,581</u>	<u>\$ 91,695</u>

**MID-VALLEY REHABILITATION, INC.
AND SUBSIDIARIES
Notes to Consolidated Financial Statements
June 30, 2010**

Note 6 - Property, Equipment, and Leasehold Improvements

Land	\$ 699,229
Buildings	4,026,641
Furniture and equipment	525,100
Vehicles	674,273
Leasehold improvements	<u>123,585</u>
	6,048,828
Less accumulated depreciation and amortization	<u>(2,645,971)</u>
Net Property, Equipment & Leasehold Improvements	<u>\$ 3,402,857</u>

Total property & equipment at June 30, 2010 and 2009 includes \$2,494,323 and \$2,483,189 of items that were funded by grants or donations, rather than operations. Land was acquired in the year ended June 30, 2007 for the purpose of constructing two group homes in McMinnville. The land acquisition was funded by a loan from First Federal Savings & Loan Association of McMinnville (see Note 6) and contributions from donors. Construction in 2008 and 2009 was partially funded by grants from the state of Oregon and private foundations. The state grants are contingent upon a restriction on the use of the facilities for group homes for a minimum of ten years. A change in use or disposition of the facilities would require repayment of the grants or cause foreclosure of the property. Capitalized costs including loan fees, construction period interest and insurance totaled \$704,914. Residents moved into these homes in January 2009. An additional group home was constructed in the Cherry Heights subdivision of Dallas and placed in service in June 2009 at a total cost of \$307,257 including the land. This purchase was funded by a no-payment loan from the Oregon State Dept of Human Services and a commercial real estate loan from First Federal Savings & Loan Association of McMinnville (Note 6).

On August 13, 2009, the Evans Street group home was sold for \$163,000. A related note in the amount of \$145,436 at June 30, 2009 was paid off at closing. The Evans Street home included \$21,350 of land and \$78,648 of building cost in the above totals.

The Organization uses transportation equipment that is substantially owned by the Yamhill County Area Transit District and purchased with Oregon Department of Transportation grants. The Organization's cost in such equipment is 10.27% of the purchase price.

**MID-VALLEY REHABILITATION, INC.
AND SUBSIDIARIES**
Notes to Consolidated Financial Statements
June 30, 2010

Note 7 - Long-Term Debt

Note payable to an individual, who is a related party, in monthly installments of \$1,164 including interest at 8.25 percent per annum, due January 2012, secured by land and building.	\$ 20,669
Less current portion	<u>(12,739)</u>
Long-term portion	<u>\$ 7,930</u>

Note payable to First Federal Savings & Loan Association of McMinnville, in monthly installments of \$2,398 including interest at 6.0 percent per annum, due November 2034, secured by land and bldg.	\$ 366,795
Less current portion	<u>(6,960)</u>
Long-term portion	<u>\$ 359,835</u>

No payment note from the Oregon State Department of Human Services secured by land and building known as Cherry Heights group home (see Note 5). The note bears interest at the rate of 5.0 percent per annum; however, no principal or interest is due if the home is used for the specified purpose through April 2039. The note document specifies that principal and interest are forgiven on a monthly basis. If the home is closed before the end of 30 years, the remaining principal and interest would be due back to the Oregon Department of Human Services.	\$ 100,734
Less current portion	<u>(1,603)</u>
Long-term portion	<u>\$ 99,131</u>

Note payable to First Federal Savings & Loan Association of McMinnville, in monthly installments of \$1,295 including interest at 7.25 percent annum, due January 2039, secured by land and building known as Cherry Heights home (see Note 5).	\$ 187,260
Less current portion	<u>(2,028)</u>
Long-term portion	<u>\$ 185,232</u>

Future principal maturities of long-term debt are as follows:

Years Ending				2 Notes to F.F. Savings & Loan
June 30	Individual	DHS Note		
2011	\$ 12,739	\$ 1,603	\$ 8,988	
2012	7,930	1,685	9,569	
2013	-	1,771	10,188	
2014	-	1,862	10,847	
2015	-	1,957	11,550	
Thereafter	<u>-</u>	<u>91,856</u>	<u>502,913</u>	
Total	<u>\$ 20,669</u>	<u>\$ 100,734</u>	<u>\$ 554,055</u>	

Mid-Valley Rehabilitation, Inc. has debt payable to its subsidiary, Mid-Valley Charitable Fund, Inc. in the following amounts and terms. Such debt was used to finance the purchase of property and equipment for operations. The debt and related interest payments are eliminated in the consolidating process. Note payable in monthly installments of \$1,949 including interest at 6 percent per annum, due November, 2029, collateralized by property. The balance at June 30, 2010 is \$267,796.

**MID-VALLEY REHABILITATION, INC.
AND SUBSIDIARIES**
Notes to Consolidated Financial Statements
June 30, 2010

Note 8 - Commitments

The Organization leases facilities under various operating lease agreements. The Dallas property lease will terminate October 14, 2010, and an option to renew will not be exercised, because this program is expected to close due to state funding cuts discussed in Note 9. The Newberg CIS lease is under negotiation for termination and release. The remaining obligation under these leases without renewal in Dallas is as follows. There are no contingent rents or escalation clauses.

<u>Years Ending June 30</u>	<u>Brooks St</u>	<u>Dallas</u>	<u>Newberg CIS</u>	<u>Total</u>
2011	\$12,134	\$8,838	\$30,600	\$51,572
2012	12,134	-0-	-0-	12,134
2013	12,134	-0-	-0-	12,134
2014	12,134	-0-	-0-	12,134
Total	<u>\$48,536</u>	<u>\$8,838</u>	<u>\$30,600</u>	<u>\$87,974</u>

Note 9 – Contingencies and Subsequent Events

Amounts received from various contracting agencies are subject to audit and potential adjustment by the contracting agencies. Any disallowed claims, including amounts already collected, would become a liability of the Organization if so determined in the future. It is management's belief that no material amounts received will be required to be returned in the future for which a provision has not already been made.

Subsequent to June 30, 2010 the Organization received an offer from a board member for a line of credit to assist with short-term cash flow. Management has not yet acted on the offer that would be subject to the applicable federal interest rate specified by the Internal Revenue Service.

Management was notified of the likelihood of additional cuts in funding from state funded mental health programs. As a result, management is analyzing the Organization's various cost centers in anticipation of necessary cuts in services and/or a reduction in force.

The Organization is a defendant in an employment practices claim brought by a former employee. The outcome of the litigation is not known at this time. However, the claim is within the limits of the Organization's liability insurance coverage.

Note 10 - Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

Interest in charitable trusts – available for future periods \$ 220,677

Net assets were released from donor restrictions by incurring expenses satisfying the following restricted purposes:

Awarding of scholarships \$ 9,801

Note 11 – Fundraising Activities

Although the Organization receives contributions, it engages in very little fundraising activities. There was no grant-writing for the year ending June 30, 2010. The Mid-Valley Charitable Fund conducts a benefit golf tournament annually. The net proceeds of that tournament are included in restricted contribution revenue, because the proceeds are restricted for scholarships. The gross proceeds and fundraising expenses for the 2009 tournament were:

Gross Proceeds	\$21,491
Fundraising Expenses	<u>(11,690)</u>
Net proceeds in restricted contributions	<u>\$ 9,801</u>

**MID-VALLEY REHABILITATION, INC.
AND SUBSIDIARIES**
Notes to Consolidated Financial Statements
June 30, 2010

Note 12 – Fair Values of Financial Instruments

Using the provisions of FASB ASC Topic 820, the Organization has characterized its investments in securities, based on the priority of the inputs used to value the investments, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1), and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the investments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the investment.

Investments recorded in the Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market the Organization has the ability to access. These investments are exchange-traded investments in equity securities.

Level 2. These are investments where values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the investments. These investments are comprised of corporate and municipal bonds that trade infrequently.

Level 3. These are investments where values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect assumptions of management about assumptions market participants would use in pricing the investments. These investments are certain private equity investments.

Fair Value Measurements at Reporting Date Using

<u>Description</u>	<u>6/30/10</u>	<u>Quoted Prices in Active Markets for Identical Assets [Level 1]</u>	<u>Significant Other Observable Inputs [Level 2]</u>	<u>Significant Unobservable Inputs [Level 3]</u>
Equity Mutual Funds	\$1,239,892	\$1,239,892		
Fixed Income Mutual Funds	156,143	156,143		
Mutual Funds Held Under Split-Interest Agreements	91,801	91,801		
Receivables Under Split-Interest Agreements	<u>136,276</u>	<u>136,276</u>		
TOTAL	<u>\$1,624,112</u>	<u>\$1,624,112</u>	<u>\$0</u>	<u>\$0</u>



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**Independent Auditor's Report on
Supplementary Financial Information**

August 27, 2010

To The Boards of Directors
Mid-Valley Rehabilitation, Inc. and Mid-Valley Charitable Fund, Inc.
Amity, OR

My report on the audit of the basic consolidated financial statements of Mid-Valley Rehabilitation, Inc. and Subsidiaries for June 30, 2010 appears on page 1. The audit was made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The consolidating and comparative schedules of financial position, activities, and cash flows on pages 14-19 are presented for the purposes of additional analysis of the June 30, 2010 consolidated financial statements. They are not intended to present the financial position of the individual entities and are not a required part of the basic consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole. The prior year comparative information for Mid-Valley Rehabilitation, Inc. and MV, LLC has been derived from the Organization's June 30, 2009 financial statements and, in my report dated August 28, 2009, I expressed an unqualified opinion on those financial statements.

Sincerely,

Kathleen L. Bernards

Kathleen L. Bernards, CPA

MID-VALLEY REHABILITATION, INC.
and SUBSIDIARIES
Consolidating Schedule of Financial Position
June 30, 2010

	Mid-Valley Rehabilitation, Inc	MV, LLC	Mid-Valley Charitable Fund Unrestricted	Mid-Valley Charitable Fund Restricted	Eliminations	Consolidated
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 470,866	\$ 38,893	\$ 32,738	\$ -	\$ -	\$ 542,497
Marketable Securities	10,887	-	-	-	-	10,887
Accounts receivable - net	665,044	152	19,933	-	(40,864)	644,265
Notes receivable - current	-	-	7,519	-	(7,519)	-
Inventories	218,152	-	-	-	-	218,152
Prepaid expenses	22,315	-	-	-	-	22,315
Total current assets	1,387,264	39,045	60,190	-	(48,383)	1,438,116
Notes Receivable	-	-	260,277	-	(260,277)	-
Investments						
Mutual and pooled funds	-	-	1,396,035	-	-	1,396,035
Held under split-interest agreements	-	-	-	91,801	-	91,801
Receivable under split-interest agreement	-	-	-	136,276	-	136,276
Ron Edwards Scholarship Fund				-		
Property, equipment and leasehold improvements - net	2,662,666	740,191	-	-	-	3,402,857
Total Assets	\$ 4,049,930	\$ 779,236	\$ 1,716,502	\$ 228,077	\$ (308,660)	\$ 6,465,085
LIABILITIES AND NET ASSETS						
Current liabilities:						
Accounts payable	\$ 68,665	\$ 1,501	\$ 20,931	\$ -	\$ (40,864)	\$ 50,233
Accrued payroll and taxes	280,962	-	-	-	-	280,962
Accrued employee benefits	52,128	-	-	-	-	52,128
Accrued personal leave	103,541	-	-	-	-	103,541
Other accrued expenses	38,858	4,778	-	-	-	43,636
Deferred revenue	24,574	-	-	-	-	24,574
Current portion of long-term debt	16,370	14,479	-	-	(7,519)	23,330
Total current liabilities	585,098	20,758	20,931	-	(48,383)	578,404
Long term liability under split-interest agreements	-	-	-	7,400	-	7,400
Long-term notes payable - net of current portion	292,293	620,112	-	-	(260,277)	652,128
Total liabilities	877,391	640,870	20,931	7,400	(308,660)	1,237,932
Net assets - unrestricted	3,172,539	138,366	1,695,571	-	-	5,006,476
Net assets - temporarily restricted	-	-	-	220,677	-	220,677
Total net assets	3,172,539	138,366	1,695,571	220,677	-	5,227,153
Total Liabilities & Net Assets	\$ 4,049,930	\$ 779,236	\$ 1,716,502	\$ 228,077	\$ (308,660)	\$ 6,465,085

MID-VALLEY REHABILITATION, INC.
and SUBSIDIARIES
Consolidating Statement of Activities
For the Year Ended June 30, 2010

	Mid-Valley Rehabilitation, Inc.	MV, LLC	Mid-Valley Charitable Fund Unrestricted	Mid-Valley Charitable Fund Restricted	Eliminations	Consolidated
Support and Revenue:						
Product sales and services	\$ 2,184,675	\$ -	\$ -	\$ -	\$ -	\$ 2,184,675
Cost of sales:						
Raw materials	568,822	-	-	-	-	568,822
Payroll and related taxes	707,723	-	-	-	-	707,723
Production services and freight	128,637	-	-	-	-	128,637
Total Cost of Sales	1,405,182	-	-	-	-	1,405,182
Gross profit	779,493	-	-	-	-	779,493
Service fees	4,634,951	-	-	-	-	4,634,951
Client fees	149,042	-	-	-	-	149,042
Contributions, grants & fund-raising	136,734	-	19,832	9,801	(134,321)	32,046
ODOT grants for transportation	54,639	-	-	-	-	54,639
Other grants received	1,525	-	-	-	-	1,525
Interest and dividends	2,161	-	56,255	-	(16,300)	42,116
Rent	-	110,251	-	-	(55,203)	55,048
Gain (Loss) on Sale of Assets	81,237	-	-	-	-	81,237
Other	20,891	1,732	-	-	-	22,623
Unrealized change in market value of investments and assets held under split-interest agreements	-	-	164,640	13,381	-	178,021
Net assets released from restrictions	-	-	9,801	-	-	9,801
	-	-	-	(9,801)	-	(9,801)
Total Support and Revenue	5,860,673	111,983	250,528	13,381	(205,824)	6,030,741
Expenses:						
Business Operations	1,707,237	-	-	-	-	1,707,237
Community inclusion services	974,987	-	-	-	-	974,987
Residential services	2,216,475	-	-	-	(55,203)	2,161,272
Contributions to other orgs	-	-	4,230	-	-	4,230
Administration	899,557	103,605	140,632	-	(150,621)	993,173
Total Expenses	5,798,256	103,605	144,862	-	(205,824)	5,840,899
Change in Net Assets	62,417	8,378	105,666	13,381	-	189,842
Net Assets, Beginning of Year	3,110,122	129,988	1,589,905	207,296	-	5,037,311
Net Assets, End of Year	\$ 3,172,539	\$ 138,366	\$ 1,695,571	\$ 220,677	\$ -	\$ 5,227,153

MID-VALLEY REHABILITATION, INC.
and SUBSIDIARIES
Consolidating Statement of Cash Flows
For the Year Ended June 30, 2010

	Mid-Valley Rehabilitation, Inc.	MV, LLC	Mid-Valley Charitable Fund, Inc.	Eliminations	Consolidated
Cash flows from operating activities:					
Cash received from product sales and services	\$ 2,105,066	\$ -	\$ -	\$ -	\$ 2,105,066
Interest and dividends received	2,161		56,255	(16,300)	42,116
Cash received for fees and contributions	5,005,449	111,791	9,999	(113,390)	5,013,849
Cash paid to suppliers and employees	(7,009,402)	(30,912)	(6,311)		(7,046,625)
Donations paid	-		(117,620)	113,390	(4,230)
Interest paid	(17,462)	(38,523)	-	16,300	(39,685)
Net cash from operating activities	85,812	42,356	(57,677)	-	70,491
Cash flows from investing activities:					
Proceeds from sale of property	155,030		-		155,030
Net purchases of property and equipment	(68,966)	(18,490)	-		(87,456)
Collections on notes receivable			7,084		7,084
Net (purchases) maturities of investments	-		5,865		5,865
Net withdrawals from certificates of deposit	84,302	-	-	-	84,302
Net cash from investing activities	170,366	(18,490)	12,949	-	164,825
Cash flows from financing activities:					
Proceeds from long-term notes payable	-		-		-
Payments on long-term notes payable	(160,581)	(13,638)	-		(174,219)
Payments on split-interest liability	-	-	(9,000)	-	(9,000)
Net cash from financing activities	(160,581)	(13,638)	(9,000)	-	(183,219)
Net change in cash and cash equivalents	95,597	10,228	(53,728)	-	52,097
Cash and cash equivalents, beginning of year	375,269	28,665	86,466	-	490,400
Cash and cash equivalents, end of year	\$ 470,866	\$ 38,893	\$ 32,738	\$ -	\$ 542,497
Reconciliation of change in net assets to net cash from operating activities:					
Change in net assets	\$ 62,417	\$ 8,378	\$ 119,047		\$ 189,842
Adjustments to reconcile change in net assets to net cash from operating activities:	-				
Gain on sale of property and equipment	(81,237)	-	-		(81,237)
Depreciation and amortization	183,600	34,272	-		217,872
Change in market value of securities	(3,121)	-	(179,278)		(182,399)
Interest on split-interest liability	-	-	1,257		1,257
Changes in operating assets and liabilities:					
Accounts receivable	(76,488)	(152)	(19,634)		(96,274)
Inventories	(57,009)	-	-		(57,009)
Prepaid expenses	(857)	-	-		(857)
Accounts payable and accrued expenses	50,840	(142)	20,931		71,629
Deferred revenue	7,667	-	-	-	7,667
Net cash from operating activities	\$ 85,812	\$ 42,356	\$ (57,677)	\$ -	\$ 70,491

**MID-VALLEY REHABILITATION, INC.
and MV, LLC**
Comparative Schedule of Financial Position
June 30, 2009 and 2010

ASSETS	2009	2010
Current assets		
Cash and cash equivalents	\$ 403,934	\$ 509,759
Marketable Securities	7,766	10,887
Certificates of deposit	84,302	-
Accounts receivable -less allowance for doubtful accounts of \$ 4,000 in both 2009 and 2008	588,556	665,196
Inventories (Note 2)	161,143	218,152
Prepaid expenses	<u>21,458</u>	<u>22,315</u>
Total current assets	1,267,159	1,426,309
 Property, equipment and leasehold improvements (partially pledged) - net (Note 5)	 <u>3,607,066</u>	 <u>3,402,857</u>
 Total Assets	 <u><u>\$ 4,874,225</u></u>	 <u><u>\$ 4,829,166</u></u>
 LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 95,123	\$ 70,166
Accrued payroll and payroll taxes	222,621	280,962
Accrued employee benefits	64,516	52,128
Accrued personal leave	93,960	103,541
Other accrued expenses	23,514	43,636
Deferred revenue	16,907	24,574
Current portion of long-term debt (Note 6)	<u>30,766</u>	<u>30,849</u>
Total current liabilities	547,407	605,856
Long-term note payable - net of current portion (Note 6)	<u>1,086,708</u>	<u>912,405</u>
Total liabilities	1,634,115	1,518,261
 Commitments and contingencies (Notes 7 and 8)		
 Net assets		
Unrestricted:		
Undesignated	3,110,122	3,172,539
MV, LLC	<u>129,988</u>	<u>138,366</u>
Total unrestricted	3,240,110	3,310,905
Total net assets	<u>3,240,110</u>	<u>3,310,905</u>
 Total Liabilities & Net Assets	 <u><u>\$ 4,874,225</u></u>	 <u><u>\$ 4,829,166</u></u>

MID-VALLEY REHABILITATION, INC.
and MV, LLC
Comparative Schedule of Activities
For the Years Ended June 30, 2009 and 2010

	2009	2010
Support and Revenue:		
Product sales and services	<u>\$ 2,293,362</u>	<u>\$ 2,184,675</u>
Cost of sales:		
Raw materials	632,923	568,822
Payroll and related taxes	707,531	707,723
Production services and freight	<u>116,591</u>	<u>128,637</u>
Total Cost of Sales	<u>1,457,045</u>	<u>1,405,182</u>
Gross profit	836,317	779,493
Service fees	3,781,124	4,634,951
Client fees	120,885	149,042
Contributions, grants, and fund-raising	352,625	136,734
Rent	112,079	110,251
ODOT grants for transportation	65,832	54,639
Interest	3,461	2,161
DHS Note - Principal Forgiven	247	1,525
Gain (Loss) on Sale of Assets	(329)	81,237
Other	<u>13,946</u>	<u>22,623</u>
Total Support and Revenue	5,286,187	5,972,656
Expenses:		
Business Operations	1,680,034	1,707,237
Community inclusion services	885,106	974,987
Residential services	1,647,241	2,216,475
MV, LLC	105,507	103,605
Administration	<u>844,415</u>	<u>899,557</u>
Total Expenses	<u>5,162,303</u>	<u>5,901,861</u>
Change in Net Assets	123,884	70,795
Net Assets, Beginning of Year	<u>3,116,226</u>	<u>3,240,110</u>
Net Assets, End of Year	<u>\$ 3,240,110</u>	<u>\$ 3,310,905</u>

MID-VALLEY REHABILITATION, INC.
and MV, LLC
Comparative Schedule of Cash Flows
For the Years Ended June 30, 2009 and 2010

	2009	2010
Cash flows from operating activities:		
Cash received from product sales and services	\$ 2,374,715	\$ 2,105,066
Interest received	3,461	2,161
Cash received for fees and contributions	4,426,101	5,117,240
Cash paid to suppliers and employees	(6,272,418)	(7,040,314)
Interest paid	(48,364)	(55,985)
Net cash from operating activities	<u>483,495</u>	<u>128,168</u>
Cash flows from investing activities:		
Proceeds from sale of property and equipment	309	155,030
Purchases of property and equipment	(914,346)	(87,456)
Net purchases (maturities) of investments	(638)	-
Net withdrawals from certificates of deposit	17,930	84,302
Net cash from investing activities	<u>(896,745)</u>	<u>151,876</u>
Cash flows from financing activities:		
Proceeds from long-term notes payable	292,306	-
Payments on long-term notes payable	(26,413)	(174,219)
Net cash from financing activities	<u>265,893</u>	<u>(174,219)</u>
Net change in cash and cash equivalents	(147,357)	105,825
Cash and cash equivalents, beginning of year	551,291	403,934
Cash and cash equivalents, end of year	<u>\$ 403,934</u>	<u>\$ 509,759</u>
Reconciliation of change in net assets to net cash from operating activities:		
Change in net assets	\$ 123,884	\$ 70,795
Adjustments to reconcile change in net assets to net cash from operating activities:		
(Gain)/Loss on sale of property and equipment	329	(81,237)
Depreciation and amortization	224,522	217,872
Change in market value of securities	5,858	(3,121)
Changes in operating assets and liabilities:		
Accounts receivable	75,490	(76,640)
Inventories	78,642	(57,009)
Prepaid expenses	(2,296)	(857)
Accounts payable and accrued expenses	(1,782)	50,698
Deferred revenue	(21,152)	7,667
Net cash from operating activities	<u>\$ 483,495</u>	<u>\$ 128,168</u>