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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)

OMB No 1545-0047

Open to Public Department of the Treasury The organization may have to use a copy of this return to satisfy state reporting requirements Internal Revenue Service Inspection calendar year, or tax year beginning 07-01-2010 and ending 06-30-2011 A For the 2010 D Employer identification number B Check if applicable MID-VALLEY CHARITABLE FUND INC 94-3030991 Address change Doing Business As Name change E Telephone number Initial return Number and street (or P O box if mail is not delivered to street address) (503) 835-2971 16700 S HWY 99W Terminated G Gross receipts \$ 203,080 City or town, state or country, and ZIP \pm 4 AMITY, OR 97101 Amended return Application pending Name and address of principal officer **H(a)** Is this a group return for affiliates? Yes Yes
 No **H(b)** Are all affiliates included? If "No," attach a list (see instructions) H(c) Group exemption number ▶ **▼** 501(c)(3) 501(c) () ◀ (insert no) ☐ 4947(a)(1) or ☐ 527 Website: ► N/A K Form of organization ✓ Corporation ☐ Trust ☐ Association ☐ Other ► L Year of formation 1986 M State of legal domicile OR Summary Part I 1 Briefly describe the organization's mission or most significant activities Provide support for Mid-Valley Rehabilitation, Inc Activities & Governance 2 Check this box 📂 if the organization discontinued its operations or disposed of more than 25% of its net assets 3 Number of voting members of the governing body (Part VI, line 1a) . . . 20 Number of independent voting members of the governing body (Part VI, line 1b) . 4 20 0 Total number of individuals employed in calendar year 2010 (Part V, line 2a) 5 6 25 Total number of volunteers (estimate if necessary) 7a -115 7a Total unrelated business revenue from Part VIII, column (C), line 12. ${f b}$ Net unrelated business taxable income from Form 990-T, line 34 **7**b -115 **Current Year** Contributions and grants (Part VIII, line 1h) . 19,832 27,064 Revenue Program service revenue (Part VIII, line 2g) . 56,255 60,185 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 9,801 13,871 12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 85,888 101,120 13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) . . 138,551 88,451 14 Benefits paid to or for members (Part IX, column (A), line 4) . 0 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-15 Expenses 0 10) 16a Professional fundraising fees (Part IX, column (A), line 11e) . . . 0 b Total fundraising expenses (Part IX, column (D), line 25) \blacktriangleright 17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f) . . . 6,311 8,063 96,514 18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25) 144,862 19 Revenue less expenses Subtract line 18 from line 12 . -58,974 4,606 (Assets or de Balances **Beginning of Current End of Year** 20 Total assets (Part X, line 16) . 1,944,579 2,156,192 Fund 21 28,331 0 Total liabilities (Part X, line 26) . 22 1.916.248 2.156.192 Net assets or fund balances Subtract line 21 from line 20 Part II Signature Block 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. 2011-09-15 Signature of officer Date Sign Here Tony Meeker Director Type or print name and title Preparer's signature Check if self PTIN KATHLEEN I BERNARDS KATHLEEN L BERNARDS preparer's name employed 🕨 🔽 2944 Paid Firm's name 🕨 Kathleen Bernards CPA

McMinnville, OR 97128

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

Fırm's address 🕨 441 NW Hıll Road PO BOX 1038

Preparer

Use Only

(503) 472-

Phone no 🕨

Yes Г

Form	990 (2010)					Pa
Par		ent of Program Service chedule O contains a respo				৮
1	Briefly describe	the organization's mission				
Provi	de support for Mıd	-Valley Rehabilitation, Inc				
2	_	ıon undertake any sıgnıfıca		= -		
	•	O or 990-EZ?				✓ No
3	services?			nt changes in how it cond	ucts, any program	√ No
	If "Yes," describe	these changes on Schedul	e O			
4	Section 501(c)(3		ons and secti	on 4947(a)(1) trusts are	rgest program services by expense required to report the amount of gi rvice reported	
4a	(Code) (Expenses \$	48,600	ıncludıng grants of \$	48,600) (Revenue \$)
	Provide resources for	or Mid-Valley Rehabilitation which	ıs a 501(c)(3)	organization, for its programs i	nvolving training persons with disabilities	
4b	(Code) (Expenses \$	35,045	ıncludıng grants of \$	35,045) (Revenue \$)
	Provide resources to	Mid-Valley Rehabilitation which	ıs a 501(c)(3) o	rganization, for its scholarship	awards and camps involving persons with	dısabılıtıes
4c	(Code) (Expenses \$	2,780	ıncludıng grants of \$	2,780) (Revenue \$)
	Payments to 501(c)	3 organizations that provide trav	el experiences fo	or disabled adults		

2,026) (Revenue \$

2,026 including grants of \$

88,451

(Expenses \$

Total program service expenses►\$

Part TV	Checklist	of Re	auired	Schedules
	CIICCNIISE	01 110	uun cu	Schoules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes,"</i> complete Schedule A	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instruction)? 📆	2	Yes	
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	3		No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4		Νο
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5		Νο
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	6		Νο
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	7		Νο
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8		Νο
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.	9		Νο
10	Did the organization, directly or through a related organization, hold assets in term, permanent,or quasi- endowments? <i>If "Yes," complete Schedule D, Part V</i>	10		Νo
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
а	Did the organization report an amount for land, buildings, and equipment in Part X, line10? <i>If "Yes," complete Schedule D, Part VI.</i>	11a		N o
b	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.	11b		No
С	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.	11c		N o
d	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.	11d	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.	11e		Νο
f	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 (ASC 740)? If "Yes," complete Schedule D, Part X.	11f		N o
12a	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes,"</i> complete Schedule D, Parts XI, XII, and XIII	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If</i> "Yes," complete Schedule F, Parts I and IV	14b		N o
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 U S ? If "Yes," complete Schedule F, Parts II and IV	15		No
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 U S ? If "Yes," complete Schedule F, Parts III and IV.	16		N o
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 (see instructions)	17		N o
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	18	Yes	
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	19		N o
20a	Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20a		Νo
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	20b		

Par	t IV Checklist of Required Schedules (continued)			
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	21	Yes	
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 III	22		Νο
23	Did the organization answer "Yes" to Part VII, Section A, questions 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	23		N o
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b-24d and complete Schedule K. If "No," go to line 25	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		Νo
С	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		Νo
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	25a		No
b	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	25b		No
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	26		No
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	27		No
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)			
а	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b		Νο
С	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	28c		Νο
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29		Νο
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30		Νο
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31		Νο
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32		N o
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	33		Νο
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	34	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	35		Νο
а	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2			
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	36		No
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	37		No
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	38	Yes	
		F	orm 990	(2010)

Part V Statements Regarding Other IRS Filings and Tax Compliance

	Check if Schedule O contains a response to any question in this Part V			
			Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0 - if not applicable 1a 2			
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable 1b 1			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes	
2a				
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b		No
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			110
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	Yes	
ь	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		Νο
b	If "Yes," enter the name of the foreign country 🕒			
	See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		Νο
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		Νο
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	_		Νο
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the	5c 6a		No
b	organization solicit any contributions that were not tax deductible?	6 h		N.a.
7	were not tax deductible?	6b		No
	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?	7a	Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	Yes	
С	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		No
d	If "Yes," indicate the number of Forms 8282 filed during the year 7d 0			
е	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		No
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		No
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?	8		No
9	Sponsoring organizations maintaining donor advised funds.			
а	Did the organization make any taxable distributions under section 4966?	9a		No
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		Νo
10	Section 501(c)(7) organizations. Enter			
	Initiation fees and capital contributions included on Part VIII, line 12 10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities			
11	Section 501(c)(12) organizations. Enter			
а	Gross income from members or shareholders			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)			
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		No
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year			
13	Section 501(c)(29) qualified nonprofit health insurance issuers.			
а	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O	13a		Νο
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans			
c	Enter the amount of reserves on hand			
	13c			
	Did the organization receive any payments for indoor tanning services during the tax year?	14a		No
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b		No

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

Se	ection A. Governing Body and Management			
			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year			
ь	Enter the number of voting members included in line 1a, above, who are independent			
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		No
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		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	5		No
6	Does the organization have members or stockholders?	6		Νo
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		No
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b		Νο
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
а	The governing body?	8a	Yes	
b	Each committee with authority to act on behalf of the governing body?	8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		No
	ection B. Policies (This Section B requests information about policies not required by the Internal			
Re	evenue Code.)			
100	Does the organization have local chapters, branches, or affiliates?	10a	Yes	No No
	Does the organization have local chapters, branches, or affiliates?			
11-	affiliates, and branches to ensure their operations are consistent with those of the organization?	10b		No
		11a	Yes	
	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
	Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes	
	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
С	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	Yes	
13	Does the organization have a written whistleblower policy?	13	Yes	
14	Does the organization have a written document retention and destruction policy?	14	Yes	
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?			
а	The organization's CEO, Executive Director, or top management official	15a		Νo
b	Other officers or key employees of the organization	15b		Νο
	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		No
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?			
<u> </u>		16b		Νo
Se 	ection C. Disclosure List the States with which a copy of this Form 990 is required to be filed▶OR			
	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)			
10	(3)s only) available for public inspection. Indicate how you make these available. Check all that apply			

Own website Another's website Upon request

(503) 835-2971

- 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 Additional Data Table
- 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

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

- ◆ List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's current key employees, if any See instructions for definition of "key employee"
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
- ◆ List all of the organization's former directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

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

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours	(C) Position (check all that apply)						(D) Reportable compensation	(E) Reportable compensation	(F) Estimated amount of other
	per week (describe hours for related organizations in Schedule O)	Individual trustee or director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	from the organization (W- 2/1099-MISC)	from related organizations (W- 2/1099- MISC)	compensation from the organization and related organizations
(1) Tony Meeker Director	0 00	х						0	О	0
(2) Scott Larsen Director	0 00	х						0	0	0
(3) Rose Lorenzen Director	0 00	х						0	0	0
(4) Robert Laughlin Director	0 00	х						0	0	0
(5) Lynn Hurt Director	0 00	х						0	0	0
(6) Linda Schwichtenberg Director	0 00	х						0	0	0
(7) Ken Schmidt MD Director	0 00	х						0	0	0
(8) Joyce Robinson Executive Direc	1 00			х				0	77,140	1,624
(9) Jeremy D Hajdu-Paulen Director	0 00	х						0	0	0
(10) Jere Jackson President	0 00	х		х				0	0	0
(11) Herald Levy Director	0 00	х						0	0	0
(12) Fred Plews Vice President	0 00	х		х				0	0	0
(13) Fred Plews Director	0 00	х						0	0	0
(14) Donn Williams Director	0 00	х						0	0	0
(15) Dean Klaus Director	0 00	х						0	0	0
(16) Dave Morgan Director	0 00	Х						0	0	0

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

week (describe hours for related organizations and the related organization (W-2/1099-MISC) (W		(A) Name and Title	(B) A verage hours	1	tion (•		II		(D) Reportable compensation from the	(E) Reportable compensation from related	(F) Estima amount o		ted other
Disector 10			week (describe hours for related organizations in Schedule	Individual trustee or director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	organization (W-	(W- 2/1099-		from t organizatio relate	he on and id
Director 0			0 00	х						0		0		0
Secretary 0.00			0 00	х						0		0		0
100 Carole Burcham Down X Down D			0 00	х		х				0		0		0
brector	(20) C	Carole Burcham	0 00	х						0		0		0
c Total from continuation sheets to Part VII, Section A	(21) A	nn Scott	0 00	х						0		0		0
c Total from continuation sheets to Part VII, Section A												-		
c Total from continuation sheets to Part VII, Section A														
c Total from continuation sheets to Part VII, Section A														
c Total from continuation sheets to Part VII, Section A														
c Total from continuation sheets to Part VII, Section A														
d Total (add lines 1b and 1c)							•	· ·	_			+		
Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization ►0 Yes N 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									 		77,140	+		1,624
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	2						ted	above)) who	received more tha	n			
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	3							mploy •	ee, o	r highest compensa	ated employee	3	Yes	No No
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person	4	organization and related organiz										4		No
Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization (A) (B) (C)	5										r individual for			No
Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization (A) (B) (C)	Se	ction B. Independent Con	tractors											
		Complete this table for your five	highest comper		ndep	ende	ent c	ontrac	tors	that received more	than			
Name and business address Description of services Compensation		Nar		dress						Descr		(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

rm 990	-	-	Danagera					
		Statement of			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
and other similar amounts	La	Federated campai	gns 1a					
ĔΙ	ь	Membership dues	1b					
Ĕl	c	Fundraising event	s 1c					
ਦ	d	Related organizati		13,165				
≝	e	Government grants (c						
동		All other contributions,		13,899		 		
호	f	similar amounts not in						
⇟⇂	g	Noncash contributions	ıncluded ın lınes 1a-1f \$					
모			4.6		27.064			
त्व	h	Total. Add lines 1	a-1f	. •	27,064			
<u>. </u>				Business Code				
2	2a							
	b							
	c							
	d							
	e							
<u> </u>	f	All other program	sarvica ravanua					
	•	All other program	service revenue					
	g	Total. Add lines 2	a-2f	▶	0			
3	3	Investment incom	ne (ıncludıng dıvıdends, ınte	rest				
		and other similar	amounts)	▶	52,929			52,929
4	1	Income from investme	ent of tax-exempt bond proceeds	; ►	0			
5	5	Royalties	<u> </u>	. ▶	0			
			(ı) Real	(II) Personal				
6	5a	Gross Rents						
	b	Less rental expenses						
	c	Rental income						
		or (loss)	4	▶	0			
-	a	Net rental income	or (loss)					
-	7a	Gross amount	(i) Securities 97,477	(II) O ther				
'	a	from sales of]					
		assets other than inventory						
	b	Less cost or other basis and	90,221					
		sales expenses						
	c	Gain or (loss)	7,256					
	d	Net gain or (loss)			7,256			7,256
	3a		n fundraising events					
		(not including \$						
		of contributions re	– eported on line 1c)					
		See Part IV, line	18					
			a	25,610				
		Less direct exper		11,739	.a.a=:			
			ss) from fundraising events	►	13,871		-115	
9	∌a	Gross income from Part IV, line 19	n gamıng actıvıtıes See					
	ь	Less direct						
		expenses		.				
			b	·	-			
	c		ss) from gaming activities		0			
1	ι0a	Gross sales of inv returns and allowa						
			a a					
	ь	Less cost of good	ds sold b					
			ss) from sales of inventory		0			
 		Miscellaneous I		Business Code				
	l1a							
-	ь							
	с							
		All other revenue						
	е	Total. Add lines 1	1a-11d	· 🕨	0			
	. ~							
1	LZ	rotal revenue. Se	e Instructions	F	101,120	13,986	-115	60,185

Part IX Statement of Functional Expenses

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

А	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 no	ot include amounts reported on lines 6b, p, 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	83,645	83,645									
2	Grants and other assistance to individuals in the											
	U S See Part IV, line 22	4,806	4,806									
3	Grants and other assistance to governments,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,									
_	organizations, and individuals outside the U.S. See											
	Part IV, lines 15 and 16	0										
4	Benefits paid to or for members	0										
5	Compensation of current officers, directors, trustees, and key employees	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										
7	Other salaries and wages	0										
8	Pension plan contributions (include section 401(k) and section	-										
Ŭ	403(b) employer contributions)	0										
9	Other employee benefits	0										
10	Payroll taxes	0										
а	Fees for services (non-employees)				_							
	Management	0										
b	Legal	100		100								
С	Accounting	4,995		4,995								
d	Lobbying	0										
e	Professional fundraising services See Part IV, line 17	0										
f	Investment management fees	0										
g	Other	0										
12	Advertising and promotion	0			_							
13	Office expenses	0										
14	Information technology	0										
15	Royalties	0										
16	Occupancy	0										
17	Travel	0										
18	Payments of travel or entertainment expenses for any federal,				_							
	state, or local public officials	0										
19	Conferences, conventions, and meetings	0										
20	Interest	0										
21	Payments to affiliates	0										
22	Depreciation, depletion, and amortization	0										
23	Insurance	0										
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)											
а	Licenses/Fees	287		287								
b	Investment Management Fees	2,681		2,681								
c	- The section of the	2,001		2,001	_							
d												
e												
f	All other expanses	0										
	All other expenses	_	22.4	2.25								
25	Total functional expenses. Add lines 1 through 24f	96,514	88,451	8,063	0							
26	Joint costs. Check here ► ☐ If following SOP 98-2 (ASC 958-720) 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) (B) Beginning of year End of year 0 1 32.738 2 25,160 2 0 3 3 19.933 4 0 4 5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of 0 Schedule L . . . 5 6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers, and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Assets 0 6 267.796 7 260,276 8 8 0 Prepaid expenses and deferred charges 9 0 10a Land, buildings, and equipment cost or other basis Complete Part 10a VI of Schedule D ь Less accumulated depreciation 10b 10c 0 1.716.119 11 1.396.036 11 12 0 12 Investments—other securities See Part IV, line 11 0 13 13 Investments—program-related See Part IV, line 11 . . 0 14 14 228.076 15 154,637 15 16 1,944,579 16 2,156,192 **Total assets.** Add lines 1 through 15 (must equal line 34) . . . 17 20.931 17 Accounts payable and accrued expenses . 18 18 19 19 20 20 Liabilities 21 21 Escrow or custodial account liability $Complete\ Part\ IV\ of\ Schedule\ D$. . 22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified 22 23 23 Secured mortgages and notes payable to unrelated third parties . . 24 24 Unsecured notes and loans payable to unrelated third parties 25 7.400 25 Other liabilities Complete Part X of Schedule D 26 28.331 26 0 Total liabilities. Add lines 17 through 25 Organizations that follow SFAS 117, check here ▶ 🔽 and complete lines 27 Balances through 29, and lines 33 and 34. 27 Unrestricted net assets 1,695,571 27 1,990,964 Temporarily restricted net assets 220,677 165,228 28 28 Fund 29 29 Permanently restricted net assets Organizations that do not follow SFAS 117, check here ▶ □ and complete lines 30 through 34. 5 30 30 Capital stock or trust principal, or current funds Assets 31 Paid-in or capital surplus, or land, building or equipment fund 31 32 32 Retained earnings, endowment, accumulated income, or other funds ¥ 1,916,248 33 2,156,192 33 Total net assets or fund balances 34 Total liabilities and net assets/fund balances 1.944.579 2,156,192

Ра	Check if Schedule O contains a response to any question in this Part XI			. [~	
1	Total revenue (must equal Part VIII, column (A), line 12)	1		1	101,12
2	Total expenses (must equal Part IX, column (A), line 25)	2			96,51
3	Revenue less expenses Subtract line 2 from line 1	3			4,60
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4		1,9	916,24
5	Other changes in net assets or fund balances (explain in Schedule O)	5		2	235,33
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6		2,1	156,19
Par	t XII Financial Statements and Reporting				
	Check if Schedule O contains a response to any question in this Part XII			୮	•
				Yes	No
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?		2a		No
b	Were the organization's financial statements audited by an independent accountant?		2b	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O		2c	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were is on a separate basis, consolidated basis, or both Separate basis Consolidated basis Both consolidated and separated basis	sued			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the reaudit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	quired	3b		Νο

OMB No 1545-0047

Inspection

SCHEDULE A

(Form 990 or 990EZ)

Name of the organization MID-VALLEY CHARITABLE FUND INC

Department of the Treasury Internal Revenue Service

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

Public Charity Status and Public Support

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

Employer identification number

94-3030991

			iblic Charity Sta						ınstruc	tions					
	_	-	te foundation becaus			- '	-								
1	_		ion of churches, or a				ection 170	(b)(1)(A)(i)	-						
2			d in section 170(b)(:												
3	_		operative hospital se												
4		medical researc ospital's name, c	h organization opera ity, and state	ted in conjun	iction with a	ı hospıtal des	cribed in s e	ection 170(b))(1)(A)	(iii). Ente	r the				
5	Γ \overline{A}	n organization op	perated for the benef	ıt of a college	or univers	ity owned or o	perated by	a governme	ntal uni	t describe	ed in				
	S	ection 170(b)(1)	(A)(iv). (Complete F	art II)											
6	_		r local government o												
7	d	escribed in	at normally receives (A)(vi) (Complete P		al part of its	support from	a governm	nental unit or	from th	e general	public	:			
8	Г A	community trust	t described in sectio	n 170(b)(1)(A)(vi) (Co	mplete Part I	I)								
9	Г A	n organization th	at normally receives	(1) more th	an 331/3%	of its support	t from conti	rıbutıons, me	mbersh	ıp fees, a	nd gro	ss			
	re	eceipts from activ	vities related to its e	xempt functi	ons—subjed	t to certain e	xceptions,	and (2) no m	nore tha	n 331/3%	of				
			ross investment inco												
	а	acquired by the organization after June 30, 1975 See section 509(a)(2). (Complete Part III)													
10	Γ A	An organization organized and operated exclusively to test for public safety. See section 509(a)(4).													
11	0	An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out to one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509 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										Check			
e f g	o s If c S	ther than foundat ection 509(a)(2) f the organization heck this box	received a written d 2006, has the organ	her than one	or more pu	blicly support	ed organiza	ations descri	ıbed ın s	ection 50	9 (a)(1) or			
			rectly or indirectly o	ontrols, eith	er alone or	together with	persons de	scribed in (ii	ι)		Yes	No			
	-		governing body of th			_	•	,	,	11g(i)	1	No			
		ii) a famıly memb		11g(ii)		No									
	•	iii) a 35% contro		11g(iii)		No									
h			ng information about												
(i) Name of supported organization		(ii) EIN			on in ed in rning	(v) Did you not organizat col (i) of suppor	ion in your	(v Is t organiz col (i) o in the	the ation in rganized	ı	(vii) A mount c support				
			instructions))	Yes	No	Yes	No	Yes	No)					
	lid-Valley bilitation	930568833	501(c)(3)	Yes								83,645			
Tota	1											83,645			

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 or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

	dider rate III. If the	organización i	ans to quanty t	maci die tests	iisted below, pic	case complet	c raic III.
S	ection A. Public Support		_				
Cale	endar year (or fiscal year beginning in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1	Gifts, grants, contributions, and						
	membership fees received (Do not						
	ınclude any "unusual						
	grants ")						
2	Tax revenues levied for the						
	organization's benefit and either						
	paid to or expended on its						
_	behalf						
3	The value of services or facilities						
	furnished by a governmental unit to						
	the organization without charge						
	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						
Ü	line 4						
S	ection B. Total Support	1				I	
	endar year (or fiscal year beginning						
Cur	in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7	A mounts from line 4						
8	Gross income from interest,						
0	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	es, etc (See inst	ructions)			12	
13	First Five Years If the Form 990 is f	or the organization	on's first, second	, third, fourth, or	fifth tax year as a	501(c)(3) orga	nızatıon,
	check this box and stop here	_	r		•	. , . , -	▶ ┌॔
S	ection C. Computation of Pub	lic Support P	ercentage				
14	Public Support Percentage for 2010	(lıne 6 column (f) divided by line	11 column (f))		14	
15	Public Support Percentage for 2009	Schedule A Par	rt II line 14			15	
							
16a	33 1/3% support test—2010. If the				line 14 is 33 1/3%	or more, chec	
	and stop here. The organization qua	•				2.2.4.204	▶ [
b	33 1/3% support test—2009. If the				oa, and line 15 is :	1/3% or mor	. -
17-	box and stop here. The organization				12 16 1C	handler - 4.4	▶
r/a	10%-facts-and-circumstances test-						ın.
	is 10% or more, and if the organization made			•			
	in Part IV how the organization mee	is the facts and	circumstances"	test ine organiz	acion quanifies as	a publicly supp	orted F
L	organization 10%-facts-and-circumstances test-	_2000 Ifthe era	anization did not	chack a hay an lu	no 13 165 166 5	or 17a and line	F1
ט	15 is 10% or more, and if the organ						
	Explain in Part IV how the organizat			•		<u>-</u>	clv
	supported organization	aon meets the 16	aces and circuitis	tances test life	. organization qual	iiiies as a publi	ETY ▶ ¯
18	Private Foundation If the organizati	on did not check	a box on line 13	. 16a. 16b. 17a o	r 17b. check this	box and see	- 1
	instructions	a.a not eneck		, , 0 0 , 7 0 0	. 2. 2, 511558 61115		▶ □

Schedule A (Form 990 or 990-EZ) 2010 Page 3 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 or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.) Section A. Public Support Calendar year (or fiscal year beginning (a) 2006 **(b)** 2007 (c) 2008 (d) 2009 (e) 2010 (f) Total ın) 🟲 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants") Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose Gross receipts from activities that are not an unrelated trade or business under section 513 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf The value of services or facilities furnished by a governmental unit to the organization without charge Total. Add lines 1 through 5 7a Amounts included on lines 1, 2, and 3 received from disqualified **b** A mounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year c Add lines 7a and 7b Public Support (Subtract line 7c from line 6) Section B. Total Support Calendar year (or fiscal year beginning **(e)** 2010 (a) 2006 **(b)** 2007 (c) 2008 (d) 2009 (f) Total ın) 9 Amounts from line 6 Gross income from interest, 10a dividends, payments received on securities loans, rents, royalties and income from similar sources Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 Add lines 10a and 10b c Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on Other income Do not include 12 gain or loss from the sale of capital assets (Explain in Part Total support (Add lines 9, 10c, 11 and 12) First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here Section C. Computation of Public Support Percentage

15	Public Support Percentage for 2010 (line 8 column (f) divided by line 13 column (f))	15	
16	Public support percentage from 2009 Schedule A, Part III, line 15		
S	ection D. Computation of Investment Income Percentage		
17	Investment income percentage for 2010 (line 10c column (f) divided by line 13 column (f))	17	
18	Investment income percentage from 2009 Schedule A , Part III, line 17	18	

19a 33 1/3% support tests—2010. 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

33 1/3% support tests—2009. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

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

Schedule A (Fo	orm 990 or 990-EZ) 2010	Pag
Part IV	Supplemental Information. Supplemental Information. Complete this required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. additional information. (See instructions).	•

Facts And	Circumstances	Test

Schedule A (Form 990 or 990-EZ) 2010

efile GRAPHIC print - DO NOT PROCESS

As Filed Data -

DLN: 93493259004101

OMB No 1545-0047

Open to Public Inspection

SCHEDULE D (Form 990)

Department of the Treasury

Internal Revenue Service

Supplemental Financial Statements ► Complete if the organization answered "Yes," to Form 990,

Part IV, line 6, 7, 8, 9, 10, 11, or 12. ► Attach to Form 990. ► See separate instructions.

	ne of the organization VALLEY CHARITABLE FUND INC		Emp	loyer ident if icat	ion numb	er
-טנויו	VALLET CHARTTABLE FOND INC		94-	3030991		
Par	organizations Maintaining Donor Action organization answered "Yes" to Form 99				•	
		(a) Donor advised funds	(b) Funds and ot	heraccou	nts
1	Total number at end of year					
2	Aggregate contributions to (during year)					
3	Aggregate grants from (during year)					
ļ	Aggregate value at end of year					
	Did the organization inform all donors and donor advi funds are the organization's property, subject to the		ıor advı	sed	┌ Yes	┌ No
5	Did the organization inform all grantees, donors, and used only for charitable purposes and not for the ben conferring impermissible private benefit				☐ Yes	┌ No
Par	Conservation Easements. Complete	ıf the organızatıon answered "Yes" t	o Forn	n 990, Part IV	, lıne 7.	
2	Purpose(s) of conservation easements held by the or Preservation of land for public use (e.g., recreating Protection of natural habitat Preservation of open space Complete lines 2a-2d if the organization held a qualication on the last day of the tax year	on or pleasure) Preservation of an Preservation of a G	certifie	d historic struct		a
	and the fact way of the tax you.			Held at the	End of the	Year
а	Total number of conservation easements		2a	neid de the		· · · · · ·
- b	Total acreage restricted by conservation easements		2b			
c	Number of conservation easements on a certified his		2c			
d	Number of conservation easements included in (c) ac	` '	2d			
					<u> </u>	
	Number of conservation easements modified, transfe	rred, released, extinguished, or terminate	ed by tr	ie organization d	luring	
	the taxable year 🗠					
	Number of states where property subject to conserva	ition easement is located 🗠				
	Does the organization have a written policy regarding enforcement of the conservation easements it holds?		dling of	violations, and	┌ Yes	┌ No
	Staff and volunteer hours devoted to monitoring, insp	ecting and enforcing conservation easem	nents d	uring the year ►		
	A mount of expenses incurred in monitoring, inspecting	ng, and enforcing conservation easement	s during	g the year 🟲 \$ _		
i	Does each conservation easement reported on line 2 $170(h)(4)(B)(i)$ and $170(h)(4)(B)(ii)$?	(d) above satisfy the requirements of sec	tion		☐ Yes	┌ No
)	In Part XIV, describe how the organization reports cobalance sheet, and include, if applicable, the text of the organization's accounting for conservation easen	he footnote to the organization's financial				
art	Organizations Maintaining Collectio Complete if the organization answered '		or Ot	her Similar A	\ssets.	
а	If the organization elected, as permitted under SFAS art, historical treasures, or other similar assets held provide, in Part XIV, the text of the footnote to its fin	for public exhibition, education or research	ch ın fu			e,
b	If the organization elected, as permitted under SFAS historical treasures, or other similar assets held for provide the following amounts relating to these items	public exhibition, education, or research i			•	
	(i) Revenues included in Form 990, Part VIII, line 1			► \$		
	(ii) Assets included in Form 990, Part X					
!	If the organization received or held works of art, histofollowing amounts required to be reported under SFA:	· · · · · · · · · · · · · · · · · · ·	or finan	. —		

Revenues included in Form 990, Part VIII, line 1

Assets included in Form 990, Part X

Par	t III	Organizations Maintaining Co	llections of Art	<u>, His</u>	tori	<u>cal Tr</u>	easur	es, or C	the	r Similar A	ssets (c	ontınued)
3		ng the organization's accession and othens (check all that apply)	r records, check any	of th	ie foll	owing t	hat are	a significa	ant us	se of its collec	tion	
а	Γ	Public exhibition		d	Γ	Loan	orexcha	ange prog	rams			
b	Γ	Scholarly research		e	Γ	O ther						
c	Γ	Preservation for future generations										
4		vide a description of the organization's co : XIV	ollections and expla	ın hov	v they	/ furthe	r the or	ganızatıor	ı's ex	empt purpose	ın	
5		ing the year, did the organization solicit o ets to be sold to raise funds rather than t			,					ılar	┌ Yes	┌ No
Pa	rt IV	Escrow and Custodial Arrang Part IV, line 9, or reported an an						answere	d "Y	es" to Form	990,	
1a		he organization an agent, trustee, custod uded on Form 990, Part X?						other ass	ets r	not	☐ Yes	┌ No
b	If"\	es," explain the arrangement in Part XIV	/ and complete the	follow	ıng ta	able		г	ı			
								-	_	A	mount	
с	_	Jinning balance						-	1c			
d		ditions during the year						-	1d			
e		tributions during the year						-	1e			
f		ling balance						L	1 f		_	
2a		the organization include an amount on Fo		21?							│ Yes	∏ No
		es," explain the arrangement in Part XIV							_			
Pa	rt V	Endowment Funds. Complete	f the organization (a)Current Year		were Prior \			orm 990, Years Back		<u>t IV, line 10.</u> Three Years Back		ears Back
1a	Bea	inning of year balance	(a)Curient real	(0)	PHOL	Cai	(C)TWO	Tears back	(u)	illiee Teals back	(e)i oui i	ears back
 Ь		ntributions							1			
c		estment earnings or losses										
d		nts or scholarships										
e		er expenditures for facilities programs										
f	Adr	nınıstratıve expenses										
g	End	of year balance										
2	Prov	vide the estimated percentage of the yea	r end balance held a	ıs								
а	Boa	rd designated or quasi-endowment 🕨										
b	Peri	manent endowment 🕨										
С	Terr	m endowment 🕨										
3a		there endowment funds not in the posses	ssion of the organiza	ation t	that a	re held	l and ad	mınıstere	d for	the		T
	_	anization by unrelated organizations								3a	(i) Yes	No
		related organizations		٠. ٠							(ii)	
b		(es" to 3a(II), are the related organization			ched	ule R?				3	вь	i
4	Des	cribe in Part XIV the intended uses of th	e organization's end	lowme	ent fu	nds				<u></u>	•	
Pai	rt VI	Investments—Land, Buildings	s, and Equipme	nt. S	ee F	orm 9	90, Par	t X, line	10.			
		Description of investment				a) Cost o sıs (ınve	or other estment)	(b) Cost or basis (ot		(c) Accumula depreciation		Book value
1a	Land											
b	Build	ıngs										
c	Leas	ehold improvements										
d	Equip	oment										
е	Othe	r	<u> </u>									
		d lines 1 s 1 s (Column (d) should say a Fa	own OOO Bart V!	(E)	lim-	10/-11				- L		

Part VIII Investments—Other Securities. See	Form 990, Part X, line 12		
(a) Description of security or category	(b)Book value		d of valuation
(including name of security)	(2)23311 14143	Cost or end-o	f-year market value
(1)Financial derivatives			
(2)Closely-held equity interests			
Other			
o thei			
	+		
Table (Calume (b) about a sure 5 are 000 Part V and (D) to a 12)			
Total. (Column (b) should equal Form 990, Part X, col (B) line 12)			
Part VIII Investments—Program Related. See	<u> Form 990, Part X, line</u>	13.	
			d of valuation
(a) Description of investment type	(b) Book value		f-year market value
	1		
		<u> </u>	
	+		
Total. (Column (b) should equal Form 990, Part X, col (B) line 13)			
Part IX Other Assets. See Form 990, Part X, III	ne 15.		
(a) Descrip			(b) Book value
(4, 5 555)			(2) 20011 10100
Total. (Column (b) should equal Form 990, Part X, col.(B) line 1	5.)		154,637
Part X Other Liabilities. See Form 990, Part X			·
1 (a) Description of Liability	(b) A mount		
Federal Income Taxes			
rederal income raxes			
		i e e e e e e e e e e e e e e e e e e e	
Total. (Column (b) should equal Form 990, Part X, col (B) line 25)			

1 Total revenue (Form 990, Part VIII, column (A), line 12)	1	
	1 - 1	101,120
Total expenses (Form 990, Part IX, column (A), line 25)	2	96,514
3 Excess or (deficit) for the year Subtract line 2 from line 1	3	4,606
4 Net unrealized gains (losses) on investments	4	235,338
5 Donated services and use of facilities	5	
6 Investment expenses	6	
7 Prior period adjustments	7	
8 Other (Describe in Part XIV)	8	
9 Total adjustments (net) Add lines 4 - 8	9	235,338
10 Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	239,944
Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue		
Total revenue, gains, and other support per audited financial statements	1	101,120
A mounts included on line 1 but not on Form 990, Part VIII, line 12		
a Net unrealized gains on investments		
b Donated services and use of facilities	1	
c Recoveries of prior year grants	1	
d Other (Describe in Part XIV)	1	
e Add lines 2a through 2d	2e	
3 Subtract line 2e from line 1	3	101,120
4 A mounts included on Form 990, Part VIII, line 12, but not on line 1		
a Investment expenses not included on Form 990, Part VIII, line 7b . 4a		
b Other (Describe in Part XIV) 4b]	
c Add lines 4a and 4b	4c	
5 Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	101,120
Part XIII Reconciliation of Expenses per Audited Financial Statements With Expense	s per Retu	
1 Total expenses and losses per audited financial statements	1	96,514
2 Amounts included on line 1 but not on Form 990, Part IX, line 25	-	
a Donated services and use of facilities		
b Prior year adjustments	1	
c Other losses	7	
d Other (Describe in Part XIV) 2d	7	
e Add lines 2a through 2d	2e	
3 Subtract line 2e from line 1	3	96,514
4 A mounts included on Form 990, Part IX, line 25, but not on line 1:		
a Investment expenses not included on Form 990, Part VIII, line 7b 4a		
b Other (Describe in Part XIV) 4b	7	
c Add lines 4a and 4b	4c	
5 Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	96,514
Part XIV Supplemental Information		

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

Return Reference | Explanation

Ident if ier

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DLN: 93493259004101

OMB No 1545-0047

SCHEDULE G (Form 990 or 990-EZ)

Name of the organization

Department of the Treasury

Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

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.

Inspection **Employer identification number**

MID-VALLEY CHARITABLE	FUND INC				94-3030991	
Part I Fundraising	Activities. Complet	e if the oi	rganızat	tion answered "Yes"	to Form 990, Part IV	
 Indicate whether the or Mail solicitations Internet and e-mail Phone solicitations In-person solicitations Did the organization had or key employees listed If "Yes," list the ten high 	solicitations ons ve a written or oral agre d in Form 990, Part VII	eement witl) or entity	e f g h any Ind In conne	Solicitation of non Solicitation of goo Special fundraisin Iividual (including office ction with professional	n-government grants vernment grants ng events ers, directors, trustees fundraising services?	└──Yes
(i) Name and address of individual or entity (fundraiser)	(ii) A ctivity	(iii) fundraise custo contr contribu Yes	Dıd er have dy or ol of	0-EZ filers are not requ (iv) Gross receipts from activity	(v) A mount paid to (or retained by) fundraiser listed in col (i)	(vi) A mount paid to (or retained by) organization
Total						

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

Pai	rt II	Fundraising Events. Com more than \$15,000 on Form				
			(a) Event #1 Golf Tournament (event type)	(b) Event #2 (event type)	(c) O ther Events (total number)	(d) Total Events (Add col (a) through col (c))
Reveilue	1 2	Gross receipts Less Charitable	24,320			24,320
ૐ —	3	contributions Gross income (line 1 minus line 2)	24,320			24,320
	4	Cash prizes				
မှာ	5	Non-cash prizes	358	3		358
Expenses	6	Rent/facility costs	6,500			6,500
ᄶ	7	Food and beverages	2,730			2,730
Direct	8	Entertainment				
ā	9	Other direct expenses .	746	5		746
	10	Direct expense summary Add lin	es 4 through 9 ın column	(d)	🛌	10,334
	11	Net income summary Combine li	nes 3 and 10 in column (d)		13,986
Par	t III	Gaming. Complete if the or \$15,000 on Form 990-EZ, lir		"Yes" to Form 990, Pa	rt IV, line 19, or rep	
Revenue			(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) O ther gaming	(d) Total gaming (Add col (a) through col (c))
	1	Gross revenue				
Ses	2	Cash prizes				
xpenses	3	Non-cash prizes				
ш	4	Rent/facility costs				
Direct	5	Other direct expenses				
	6	Volunteer labor	┌ Yes % ┌ No	┌ Yes % ┌ No	┌ Yes %	
		Direct expense summary Add lines Net gaming income summary Com				
	<u> </u>	Net gaming income summary Com	Diffe fiffes 1 and 7 in Cold	ının (u)	· · · · · ·	
9 a b	Is t	er the state(s) in which the organiza the organization licensed to operate No," Explain	gaming activities in eac			· · Fyes Fno
10a b		re any of the organization's gaming l Yes," Explain			the tax year?	· · Fyes Fno

11	Does the organization operate ga	aming activities with nonmembers?		Г үе	s Γ_{No}
12	Is the organization a grantor, be	neficiary or trustee of a trust or a mer	nber of a partnership or other entity		
	formed to administer charitable (jaming?		Г _{Yе}	s Γ_{No}
13	Indicate the percentage of gamin	ng activity operated in			
а	The organization's facility			1	
b	An outside facility			,	
14	Provide the name and address or records	f the person who prepares the organız	ation's gaming/special events books and	d	
	Name 🟲				
	Address 🟲				
15a		ntract with a third party from whom th		_	_
					s No
ь		ning revenue received by the organizated by the third party 🟲 \$	ation > \$ and the		
c	If "Yes," enter name and address	5			
	Name 🟲				
	Address 🟲				
16	Gaming manager information				
	Name 🟲				
	Gaming manager compensation l	* \$			
	Description of services provided	>			
	Director/officer	Employee	Independent contractor		
17	Mandatory distributions				
а		er state law to make charitable distrib		_	_
p.				· Ye	s No
D		required under state law distributed activities during the tax year - \$	to other exempt organizations or spent		
Par		<u>-</u>	r responses to question on Schedul	e G (see	
	Identifier	ReturnReference	Explanation		

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Schedule I

(Form 990)

DLN: 93493259004101

Governments and Individuals in the United States Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.

Department of the Treasury Internal Revenue Service			Attach to Form 9	90			Inspection
Name of the organization MID-VALLEY CHARITABLE FU	INDINC					Employer identif	cation number
						94-3030991	
Part I General Inform 1 Does the organization may the selection criteria use 2 Describe in Part IV the o	intain records to subs d to award the grants rganization's procedui	tantiate the amount of the or assistance? res for monitoring the use	e of grant funds in the l				
Form 990, Part 1	V, line 21 for any r	Governments and received eded	d more than \$5,000.	. Check this box if n	o one recipient rece	ved more than \$5,0	
1 (a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) A mount of cash grant	(e) A mount of non- cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) Mid-Valley Rehabilitation Inc16700 S Hwy 99W McMinnville, OR 97128	93-0568833		83,645	0	book		Supported Organization
2 Enter total number of sec	tion 501(c)(3) and an	vernment organizations					<u> </u>

Grants and Other Assistance to Organizations,

Enter total number of other organizations . .

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Use Schedule I-1 (Form 990) if additional space is needed.

(a)Type of grant or assistance	(b) Number of recipients	(c) A mount of cash grant	(d)A mount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance
(1) Vacation - Disabled	4	2,780		lbook	Assistance for disabled clients to attend camp
(2) Special Needs	3	2,026		book	Medical Assistance for disabled clients

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

Identifier Return Reference

Explanation

Schedule I (Form 990) 2010

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DLN: 93493259004101

OMB No 1545-0047

2010
Open to Public Inspection

SCHEDULE O (Form 990 or 990-EZ)

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.

Supplemental Information to Form 990 or 990-EZ

► Attach to Form 990 or 990-EZ.

Name of the organization MID-VALLEY CHARITABLE FUND INC Employer identification number

94-3030991

ldentifier	Return Reference	Explanation
Form 990, Part VI, Line 19	Form 990, Part VI, Line 19 Other Organization Documents Publicly Available	Available Upon Request

ldentifier	Return Reference	Explanation
Form 990, Part VI, Line 12c		Each officer, director and key employee completes a disclosure form annually

ldentifier	Return Reference	Explanation
Form 990, Part VI, Line 11	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

ldentifier	Return Reference	Explanation
Form 990, Part III, Line 4d	Form 990, Part III, Line 4d Other Program Services Description	OTHER PROGRAM SERVICES 4 Special needs assistance to individuals with developmental disabilities, including community activities and preparation for work experience OTHER PROGRAM SERVICES 5 Reading & fitness programs for developmentally disabled adults

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DLN: 93493259004101

SCHEDULE R (Form 990)

Department of the Treasury

Internal Revenue Service

Related Organizations and Unrelated Partnerships

► Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.

► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization MID-VALLEY CHARITABLE FUND INC				Employer iden 94-3030991	tification number		
Part I Identification of Disregarded Entities (Com	plete ıf the organızatı	on answered "Yes	" on Form 990, Par				
(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (stat or foreign country)	(d) e Total income	(e) End-of-year assets	(f) Direct controlling entity		
Part II Identification of Related Tax-Exempt Organ or more related tax-exempt organizations during	nizations (Complete the tax year.)	ıf the organization	n answered "Yes" o	n Form 990, Part	: IV, line 34 becau	se it had	one
(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	Section 5 cont	g) 12(b)(1 rolled nization
(1) Mid-Valley Rehabilitation Inc						Yes	No
16700 S Hwy 99W	To assist persons with disabilities	OR	501(c) 3	509 (a) 3	N/A		No
Amity, OR 97101 93-0568833							

(a) ame, address, and EIN of related organization	(a) Primary activity (b) Primary activity (c) Legal domicile (state or foreign country) (state or foreign country) (d) Direct controlling entity entity (e) Predominant income (related, unrelated, excluded from tax under sections 512-514)		(f) Share of total income Share of end-of-assets		Share of end-of-year		re of end-of-year		f end-of-year all		(g) Dispro end-of-year alloca		e of end-of-year		Share of end-of-year		Share of end-of-year		Share of end-of-year				f end-of-year allocations?		(h) (i Dispropritionate allocations? amount in Schedu (Form		/—UBI General box 20 of managi le K-1 partne		al or ging	(k) Percentage ownership
								Yes	No			Yes	No																	
				ble as a Corpora zations treated as a						nswered "Y	es" on	Form	990,	Part IV,																
Name, address, ar	(a) nd EIN of related organiz	zation	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct cor enti	ntrolling	(e) Type of e (C corp, S or trust	corp,	Share of	(f) f total income	Shai end-o	y) re of f-year sets		(h) Percentage ownership																
					1	I																								

cuedule K (Form 990) 2010				- 1	age 3
Part V Transactions With Related Organizations (Complete if the organization answered "You	es" on Form 990, Pa	t IV, line 34, 35, 3	5A, or 36.)		
Note. Complete line 1 if any entity is listed in Parts II, III or IV				Ye	s No
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related orga	anızatıons lısted ın Part	s II-IV?			
a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity			1 a	Ye	s
b Gift, grant, or capital contribution to other organization(s)			16	•	No
c Gift, grant, or capital contribution from other organization(s)			10	:	No
d Loans or loan guarantees to or for other organization(s)			10	ī	No
e Loans or loan guarantees by other organization(s)			1e	:	No
f Sale of assets to other organization(s)			1f		No
g Purchase of assets from other organization(s)			19	1	No
h Exchange of assets			1h	1	No
i Lease of facilities, equipment, or other assets to other organization(s)			1 i		No
j Lease of facilities, equipment, or other assets from other organization(s)			<u>1j</u>	1	No
k Performance of services or membership or fundraising solicitations for other organization(s)			1k	Ye	s
I Performance of services or membership or fundraising solicitations by other organization(s)			11		No
m Sharing of facilities, equipment, mailing lists, or other assets			1n	n	No
n Sharing of paid employees			1m		No
Reimbursement paid to other organization for expenses			10		No
p Reimbursement paid by other organization for expenses			1 p		No
q Other transfer of cash or property to other organization(s)			10	ı	No
r Other transfer of cash or property from other organization(s)			1r		No
2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line,	ıncludıng covered relat	onships and transact	ıon thresholds		
(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determ Involve		mount
1) Mid-Valley Rehabilitation Inc	k	83,645	actual donation		
2) Mid-Valley Rehabilitation Inc		70.000	<u> </u>		

Name of other organization	type(a-r)	Amount involved	involved
(1) Mid-Valley Rehabilitation Inc	k	83,645	actual donation
(2) Mid-Valley Rehabilitation Inc	a	70,002	market
(3)			
(4)			
(5)			
(6)			

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships

(a) Name, address, and EIN of entity	(state or foreign partners end-of-year country) section assets 501(c)(3) organizations?		(e) Share of end-of-year assets		rtionate cions?	(g) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	Gene mana part	agın tner?		
			Yes	No		Yes	No		Yes	N
										+
										-
										t
										+
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Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

Identifier I Return Reference I	er Return Reference Explanation
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Schedule R (Form 990) 2010

MID-VALLEY REHABILITATION, INC. and SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2011

And

Supplementary Financial Information

With

Independent Auditor's Report

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KATHLEEN L. BERNARDS CERTIFIED PUBLIC ACCOUNTANT



P.O. BOX 1038 • 441 NW HILL ROAD McMINNVILLE, OR 97128-1038 PHONE: (503) 472-2179 FAX: (503) 472-6251 Email: klbcpa@knkcpaoffices.com

Independent Auditor's Report

August 26, 2011

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, 2011 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, 2011 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.

Waldlen L. Bernards Kathleen L. Bernards, CPA

MID-VALLEY REHABILITATION, INC.

and SUBSIDIARIES

Consolidated Statement of Financial Position June 30, 2011

ASSETS	<u>U</u>	nrestricted		mporarily estricted		<u>Total</u>
Current assets Cash and cash equivalents (Note 2) Marketable securities Accounts receivable -less allowance for doubtful	\$	688,431 11,261	\$	17,010	\$	705,441 11,261
accounts of \$ 4,000 Inventories (Note 3) Prepaid expenses		609,696 255,379 19,770		- - -		609,696 255,379 19,770
Total current assets Investments (Note 4):		1,584,537		17,010		1,601,547
Cash surrender value of life insurance Equity and fixed income mutual funds		6,419 1,716,119				6,419 1,716,119
Receivable under split -interest agreement (Note 5)				148,218		148,218
Property, equipment and leasehold improvements (partially pledged) - net (Note 6)		3,234,810				3,234,810
Total Assets	<u>\$</u>	6,541,885	\$	165,228	<u>\$</u>	6,707,113
LIABILITIES AND NET ASSETS						
Current liabilities	•	107.707	•		ф	107.70/
Accounts payable Accrued payroll and payroll taxes	\$	127,786 279,550	\$	_	\$	127,786 279,550
Accrued employee benefits		49,129		_		49,129
Accrued personal leave		93,749		_		93,749
Other accrued expenses		31,506		_		31,506
Deferred revenue		24,023		_		24,023
Current portion of long-term debt (Note 7)		19,184				19,184
Total current liabilities		624,927		-		624,927
Long-term notes payable - net of current portion (Note 7)		632,944				632,944
Total liabilities		1,257,871		-		1,257,871
Commitments and contingencies (Notes 8 and 9)		-		-		-
Net assets						
Unrestricted		5,284,014		165.000		5,284,014
Temporarily restricted				165,228		165,228
Total net assets	_	5,284,014		165,228		5,449,242
Total Liabilities & Net Assets	<u>\$</u>	6,541,885	\$	165,228	<u>\$</u>	6,707,113

Consolidated Statement of Activities For the Year Ended June 30, 2011

Course of A Dayward	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	<u>Total</u>
Support and Revenue: Product sales and services	Φ 2.513.00 <i>4</i>	\$ -	© 2.513.00 <i>4</i>
	\$ 2,513,004	<u>Ф</u>	<u>\$ 2,513,004</u>
Cost of sales:	704.000	•	504.000
Raw materials	794,888	-	794,888
Payroll and related taxes	732,096	, -	732,096
Production services and freight	122,826		122,826
Total Cost of Sales	1,649,810		1,649,810
Gross profit	863,194	-	863,194
Service fees	4,324,778	-	4,324,778
Client fees	150,556	-	150,556
Contributions, grants & fund-raising (Note 11)	26,752	27,036	53,788
ODOT grants for transportation	48,273		48,273
Other grants received	1,603	-	1,603
Interest and dividends	44,806	-	44,806
Rent	57,369	-	57,369
Other	22,924	-	22,924
Gain (Loss) on Sale of Assets	(9,094)		(9,094)
Unrealized change in market value			
of investments and assets held			
under split-interest agreements	211,178	24,160	235,338
Net assets released from	106,645	-	106,645
restrictions (Note 10)		(106,645)	(106,645)
Total Support and Revenue	5,848,983	(55,449)	5,793,534
Expenses:			
Business Operations	1,562,773	-	1,562,773
Community inclusion services	820,305	-	820,305
Residential services	2,135,802	-	2,135,802
Contributions to other orgs.	4,780	-	4,780
Administration	1,047,785	<u> </u>	1,047,785
Total Expenses	5,571,445		5,571,445
Change in Net Assets	277,538	(55,449)	222,089
Net Assets, Beginning of Year	5,006,476	220,677	5,227,153
Net Assets, End of Year	\$ 5,284,014	\$ 165,228	\$ 5,449,242

Consolidated Statement of Cash Flows For the Year ended June 30, 2011

Cash flows from operating activities:		
Cash received from product sales and services	\$	2,567,978
Interest and dividends received		44,806
Cash received for fees and contributions		4,712,034
Cash paid to suppliers and employees		(7,027,421)
Donations paid		(4,806)
Interest paid	_	(36,560)
Net cash from operating activities	_	256,031
Cash flows from investing activities:		
Proceeds from sale of property		19,024
Purchases of property and equipment		(70,075)
Collections on notes receivable		7,518
Net purchases (maturities) of investments	_	(10,691)
Net cash from investing activities	_	(54,224)
Cash flows from financing activities:		
Payments on long-term notes payable		(30,849)
Payments on split-interest liability	_	(8,014)
Net cash from financing activities		(38,863)
Net change in cash and cash equivalents		162,944
Cash and cash equivalents, beginning of year	_	542,497
Cash and cash equivalents, end of year	<u>\$</u>	705,441
Reconciliation of change in net assets to net cash from operating activities:		
Change in net assets	\$	222,089
Adj. to reconcile change in net assets to net cash from operating activities:		0.004
(Gain)/Loss on sale of property and equipment		9,094
Depreciation and amortization		210,003 (236,326)
Change in market value of securities		(230,320) 614
Interest on split-interest laibility Change in operating assets and liabilities:		014
Accounts receivable		75,434
Inventories		(37,227)
Prepaid expenses		2,545
Accounts payable and accrued expenses		10,356
Deferred revenue		(551)
Net cash from operating activities	\$	256,031

$\begin{array}{c} \textbf{MID-VALLEY REHABILITATION, INC.} \\ \textbf{and SUBSIDIARIES} \end{array}$

Consolidated Statement of Functional Expenses For the Year Ended June 30, 2011

		Program Services - MVR						
	Business Commu <u>Operations</u> <u>Inclusion</u>		Residential <u>Services</u>	<u>Total</u>	MVR Administration	MV, LLC	<u>MVCF</u>	<u>Total</u>
Salaries	\$ 896,911	\$ 502,296	\$ 1,483,466	\$ 2,882,673	\$ 460,453	\$ -	\$ -	\$ 3,343,126
Payroll taxes and benefits	346,409	130,440	468,196	945,045	111,327			1,056,372
Safety bonus	-	-		-	-			-
Utilities and telephone	66,303	22,386	31,807	120,496	19,698	20,679		160,873
Interest	-	-	13,510	13,510	1,231	21,818		36,559
Depreciation and amortization	71,342	10,737	21,043	103,122	74,089	32,792		210,003
Contracted transportation services	35	-	-	35	-			35
Vehicle gas, oil, and maintenance	59,119	42,383	18,076	119,578	34,076			153,654
Other repairs and maintenance	41,937	15,746	20,034	77,717	11,908	7,211		96,836
Licenses, dues and subscriptions	8,491	-	120	8,611	16,207	100	287	25,205
Bad debts	-	-		-	637			637
Insurance	15,600	7,889	9,821	33,310	45,471			78,781
Travel	2,096	1,480	1,403	4,979	4,334			9,313
Program supplies	-	5,820	4,417	10,237	-			10,237
Food	-		38,122	38,122	-			38,122
Office supplies and printing	6,405	2,105	5,903	14,413	35,716			50,129
Contractual services	9,305	1,235	1,979	12,519	65,690	42	7,776	86,027
Training and education	1,301	363	1,239	2,903	5,842			8,745
Advertising	2,336	25	-	2,361	2,067			4,428
Small equipment	7,123	1,048	1,395	9,566	7,331	808		17,705
Rent	20,429	74,908	12,134	107,471	-			10 7, 471
Other	7,631		3,137	12,212	60,169		4,806	77,187
Total Functional Expenses	\$ 1,562,773	\$ 820,305	\$ 2,135,802	\$ 4,518,880	\$ 956,246	\$ 83,450	\$ 12,869	\$ 5,571,445

Notes to Consolidated Financial Statements June 30, 2011

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 The ice cream shop, along with other employment enclaves at Yamhill County October 2000. businesses, provides vocational opportunities for clients of the Mid-Valley Rehabilitation, Inc. In the year ended June 30, 2011, the Organization sold its "i catching signs" business as part of a down sizing process that also included the termination of its sales and marketing department. MV, LLC owns and operates an apartment building which has been redesigned to house disabled individuals, plus 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 Financial Accounting Standards Board (FASB) Accounting Standards Codification (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 "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.

<u>Principles of Consolidation</u> – 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, 2011

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 4 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 one account that was considered delinquent at June 30, 2011 and four at June 30, 2010. The delinquent customer is making payments on amount overdue. Bad Debt expense of \$637 was incurred at June 30, 2011. Prior to 2010, 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.

Notes to Consolidated Financial Statements
June 30, 2011

Note 1 - Summary of Significant Accounting Policies - Continued

<u>Property, Equipment, and Leasehold Improvements</u> – 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.

<u>Donated Services</u> – 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 and Property Taxes – 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. As of June 30, 2011, the Organization had no assessments of income taxes or related interest and penalties for deemed activities outside of its exempt status. With few exceptions, the Organization is no longer subject to U.S. Federal, state, or local income tax examination by tax authorities for tax years before 2007. Termination of the Dallas CIS facility lease resulted in loss of the property tax exemption for that site. Future use of the site will include a liability for such taxes.

<u>Tax Sheltered Annuity Plan</u> – 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, 2011.

Retirement Plan – The Organization has a retirement plan under IRC Sec. 401(a). For the year ended June 30, 2011, the Organization accrued a contribution of \$49,129 to this plan on behalf of all eligible employees.

Notes to Consolidated Financial Statements June 30, 2011

Note 1 - Summary of Significant Accounting Policies - Continued

<u>Functional Allocation of Expenses</u> – 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

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 26, 2011 have been evaluated by management for disclosure in the financial statements. This is the date when the financial statements were available for issuance.

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 FASB ASC Topic 820. These clarify and enhance the disclosures in Note 12 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. Ouoted 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 for transfers in and out of level 3 valuation inputs, of which the Organization has none.

Notes to Consolidated Financial Statements June 30, 2011

Note 2 - Cash and Cash Equivalents

At June 30, 2011, cash and cash equivalents include interest-bearing bank deposits of \$347,572 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. \$12,750 of cash equivalents are designated for capital projects.

Cash and cash equivalents as of June 30, 2011 consisted of:

	Interest	
	Rate	Amount
Mid-Valley Rehabilitation, Inc.		
West Coast Bank - McMinnville Branch (Checking)	0%	\$584,068
Key Bank - McMinnville Branch (Checking: MV, LLC)	0%	65,385
Citizens Bank – McMinnville Branch (Checking: Capital Projects)	0%	12,750
West Coast Bank - Salem Branch (Section 125 Checking Account)	0%	5,000
OnPoint Community Credit Union - McMinnville Branch (Money Market)	.40%	4,903
West Coast Bank - McMinnville Branch (Checking: Res. Accounts)	0%	3,700
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		2,950
Mid-Valley Charitable Fund, Inc.		
Edward Jones - McMinnville Branch (Money Market)	.01%	22,950
West Coast Trust - Salem Branch (Money Market)	.10%	1,760
OnPoint Community Credit Union - McMinnville Branch (Checking)	0%	444
OnPoint Community Credit Union - McMinnville Branch (Checking)	.10%	5
Total		\$705,441

Note 3 — Inventories

Raw materials: Wood Products Soap Total Raw Materials	\$228,098
Finished goods: Wood Products Soap Total Finished Goods	6,690 1,096 7,7 <u>86</u>
Total Inventories	<u>\$255,379</u>

Notes to Consolidated Financial Statements June 30, 2011

Note 4 - Investments

Equity mutual funds	\$	1,525,563
Fixed income mutual funds		190,556
Total Equity and Fixed Income Mutual Funds	<u>\$</u>	1,716,119

The Organization is the owner and beneficiary of four whole life insurance policies on the life of a donor. The cash surrender value of such policies as of June 30, 2011 was \$6,419, which approximates market.

Mid-Valley Charitable Fund, Inc. acted as trustee and had a remainder interest in one charitable remainder annuity trust. Assets held under this trust by West Coast Trust Services as custodian were recorded at fair value determined by Fund Web Mutual Fund Pricing. The trust terminated in November 2010 after the final required annuity payment to the income beneficiaries. At that time, the assets were transferred in tact to the Charitable Fund's unrestricted investments.

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	Paul A. Barber
	Charitable	Charitable Remainder
	Remainder Unitrust	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 6-30-11	\$ 387,358	\$ 377 , 588
Discounted present value of remainder interest	\$ 260,072	\$ 253,512
Charitable Fund's share of remainder interest	18%	40%
Receivable under split-interest agreement	\$ 46,813	\$ 101,405

Notes to Consolidated Financial Statements June 30, 2011

Note 6 - Property, Equipment, and Leasehold Improvements

Land	\$ 699,229
Buildings	4,063,267
Furniture and equipment	461,275
Vehicles	674,798
Leasehold improvements	97,952
	5,996,521
Less accumulated depreciation and amortization	(2,761,711)
Net Property, Equipment and Leasehold Improvements	\$ 3,234,810

Total property and equipment at June 30, 2011 and 2010 includes \$2,477,967 and \$2,494,323 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 7) 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 acquired 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 7).

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.

Notes to Consolidated Financial Statements June 30, 2011

Note 7 - Long-Term Debt

		•	onthly installments of \$1,164 including	_	
interest at 8.25 percent per ar Less current portion	mum, due	January 2012	, secured by land and building.	\$	7,930
•				er.	(7,930)
Long-term portion				\$	
Note payable to First Federal Savin	igs & Loa	ın Association	of McMinnville, in monthly installment	ents of	
\$2,398 including interest at 6 0 p Less current portion	ercent per	annum, due N	ovember 2034, secured by land and bld	g. \$	359,835 (7,389)
Long-term portion				\$]	352,446
5.0 percent per annum; however, purpose through April 2039. Th	ts group l no princi e note do	nome (see Note pal or interest i cument specific	man Services secured by land and 6). The note bears interest at the rate s due if the home is used for the specifies that principal and interest are forgiver of 30 years, the remaining principal as	ied ⁄en	
interest would be due back to the				\$	99,131
Less current portion	Ŭ	•		_	(1,685)
Long-term portion				\$	97,446
Note payable to First Federal Savin installments of \$1,295 including	_		of McMinnville, in monthly tannum, due January 2039, secured	by	
land and building known as Che Less current portion	erry Heig	hts home (see	Note 6).	\$	185,232 (2,180)
Long-term portion				\$	183,052
Future principal maturities of long-tyears Ending	term debt	are as follows	:	2 N	lotes to F.F.
June 30	Inc	lividual	DHS Note		ings & Loan
				-	
2012	\$	7,930	\$ 1,685	i i	9,569
2013		-	1,771		10,188
2014		-	1,862		10,848
2015		-	1,957		11,550
2016			2,057		12,298
Thereafter			89,799	-	490,614

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, 2011 is \$260,276.

99,131

545,067

7,930

Total

Notes to Consolidated Financial Statements June 30, 2011

Note 8 - Commitments

The Organization leases facilities under various operating lease agreements. All of the contracts except the Brooks Street property are now month-to-month. The Dallas property lease terminated in October 2010 and the Newberg CIS lease will terminate in April 2012. Since the Newberg CIS program was discontinued, the obligation for Newberg CIS lease through April 2012 was accrued at June 30, 2011. There are no contingent rents or escalation clauses. Future obligations under the Brooks Street lease are:

Years Ending June 30	Brooks St
2012	\$12,134
2013	12,134
2014	12,134
2015	<u>10,112</u>
Total	\$46,514

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.

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. State budget cuts have been deferred to February 1, 2012.

The Organization has decided to discontinue its 401(a) plan and TSA. A 401(k) plan will be offered to the employees with an effective start date of July 1, 2011.

The Organization is a defendant in two protective service investigations being conducted by the State/County. The outcome of the investigations is not known at this time. However, the fines will be 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	\$ <u>165,228</u>
Net assets were released from donor restrictions as follows:	
Barber CRAT Distribution upon termination of trust	\$ 96,619
Awarding of scholarships satisfying the restricted purpose	<u>10,026</u>
Total net assets released from restriction	\$ <u>106,645</u>

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, 2011. 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 2010 tournament were:

Gross Proceeds	\$25,610
Fundraising Expenses	<u>(11,739)</u>
Net proceeds in restricted contributions	<u>\$13,871</u>

Notes to Consolidated Financial Statements June 30, 2011

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

Description	<u>6/30/11</u>	Quoted Prices in Active Markets for Identical <u>Assets [Level 1]</u>	Significant Other Observable Inputs [Level 2]	Significant Unobservable Inputs [Level 3]
Equity Mutual Funds	\$1,525,563	\$1,525,563		
Fixed Income Mutual Funds	190,556	190,556		
Receivables Under Split- Interest Agreements	<u>148,218</u>	148,218		
TOTAL	<u>\$1,864,337</u>	<u>\$1,864,337</u>	<u>\$0</u>	<u>\$0</u>

KATHLEEN L. BERNARDS CERTIFIED PUBLIC ACCOUNTANT



P.O. BOX 1038 • 441 NW HILL ROAD McMINNVILLE, OR 97128-1038 PHONE: (503) 472-2179 FAX: (503) 472-6251 Email: klbcpa@knkcpaoffices.com

Independent Auditor's Report on Supplementary Financial Information

August 26, 2011

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, 2011 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 17-22 are presented for the purposes of additional analysis of the June 30, 2011 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, 2010 financial statements and, in my report dated August 27, 2010, I expressed an unqualified opinion on those financial statements.

Sincerely,

Nothleen L. Bernards, CPA

MID-VALLEY REHABILITATION, INC. and SUBSIDIARIES Consolidating Schedule of Financial Position June 30, 2011

	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 Marketable Securities Accounts receivable - net Notes receivable - current Inventories Prepaid expenses	\$ 614,896 11,261 609,696 - 255,379 19,770	\$ 65,385 - - - - -	\$ 8,150 - - 7,983	\$ 17,010 - - - - -	\$ - - (7,983) - -	\$ 705,441 11,261 609,696 - 255,379 19,770
Total current assets	1,511,002	65,385	16,133	17,010	(7,983)	1,601,546
Notes Receivable Investments	-	-	252,293	-	(252,293)	- 6,419
Cash Surrender Value of Life Insurance Mutual and pooled funds Receivable under	-	-	6,419 1,716,119	-	-	1,716,119
split-interest agreement Ron Edwards Scholarship Fund Property, equipment and	-	-	-	148,218 -	-	148,218
leasehold improvements - net	2,516,280	718,530				3,234,810
Total Assets	\$ 4,027,282	<u>\$ 783,915</u>	\$ 1,990,964	<u>\$ 165,228</u>	<u>\$ (260,276)</u>	\$ 6,707,113
LIABILITIES AND NET ASSETS						
Current habilities: Accounts payable Accrued payroll and taxes Accrued employee benefits Accrued personal leave Other accrued expenses Deferred revenue	\$ 121,272 279,550 49,129 93,749 26,728 24,023	\$ 6,514 - - - 4,778	\$ - - - - -	\$ - - - - -	\$ - - - - -	\$ 127,786 279,550 49,129 93,749 31,506 24,023
Current portion of long-term debt	11,795	15,372			(7,983)	19,184
Total current liabilities	606,245	26,664	-	-	(7,983)	624,926
Long-term notes payable - net of current portion	280,498	604,739			(252,293)	632,944
Total liabilities	886,743	631,403	-	-	(260,276)	1,257,870
Net assets - unrestricted Net assets - temporarily restricted Total net assets	3,140,538	152,512 	1,990,964 - 1,990,964	165,228 165,228	<u>-</u>	5,284,014 165,228 5,449,242
Total Liabilities & Net Assets	\$ 4,027,282	\$ 783,915	\$ 1,990,964	<u>\$ 165,228</u>	\$ (260,276)	<u>\$ 6,707,113</u>

Consolidating Schedule of Activities For the Year Ended June 30, 2011

	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	\$ 2,513,004	<u>\$</u>	<u>\$ -</u>	<u>s -</u>	<u>\$ -</u>	\$ 2,513,004
Cost of sales,						
Raw materials	794,888	-	-	' -	-	794,888
Payroll and related taxes	732,096	-	-	-	-	732,096
Production services and freight	122,826	-	-			122,826
Total Cost of Sales	1,649,810		<u>-</u>			1,649,810
Gross profit	863,194	-	-	•	-	863,194
Service fees	4,324,778	_	-	_	_	4,324,778
Client fees	150,556	-	-	-	=	150,556
Contributions, grants & fund-raising	96,498	-	13,899	27,036	(83,645)	53,788
ODOT grants for transportation	48,273	-	-	-	-	48,273
Other grants received	1,603					1,603
Interest and dividends	484	-	60,185	-	(15,863)	44,806
Rent	-	111,508		-	(54,139)	57,369
Gain (Loss) on Sale of Assets	(9,094)		-	-	-	(9,094)
Other	20,972	1,951	-	-		22,923
Umrealized change in market						
value of investments and assets						
held under split-interest agreements	-	-	211,178	24,160	-	235,338
Net assets released from	-	-	106,645	-	-	106,645
restrictions			-	(106,645)		(106,645)
Total Support and Revenue	5,497,263	113,459	391,907	(55,449)	(153,647)	5,793,534
Expenses:						
Business Operations	1,562,773	-	-	-	-	1,562,773
Community inclusion services	820,305	-	-	-		820,305
Residential services	2,189,941		•		(54,139)	2,135,802
Contributions to other orgs	-	-	4,780	-	-	4,780
Administration	956,246	99,313	91,734		(99,508)	1,047,785
Total Expenses	5,529,265	99,313	96,514		(153,647)	5,571,445
Change in Net Assets	(32,002)	14,146	295,393	(55,449)	-	222,089
Net Assets, Beginning of Year	3,172,539	138,366	1,695,571	220,677		5,227,153
Net Assets, End of Year	\$ 3,140,537	\$ 152,512	\$ 1,990,964	<u>\$ 165,228</u>	<u> </u>	\$ 5,449,242

Consolidating Schedule of Cash Flows For the Year Ended June 30, 2011

		lid-Valley abilitation, Inc.	M	IV, LLC	C	id-Valley haritable und, Inc.	El	iminations	Co	onsolidated
Cash flows from operating activities: Cash received from product sales and services	\$	2,567,978	\$	-	\$	-	\$	-	\$	2,567,978
Interest and dividends received Cash received for fees and contributions		484		113,612		60,185 60,869		(15,863) (104,576)		44,806 4,712,034
Cash paid to suppliers and employees		4,642,129 (6,995,531)		(23,827)		(8,063)		(104,270)		(7,027,421)
Donations paid		-				(109,382)		104,576		(4,806)
Interest paid		(14,741)	_	(37,682)	-		_	15,863		(36,560)
Net cash from operating activities		200,319		52,103	_	3,609	_		-	256,031
Cash flows from investing activities:										10.004
Proceeds from sale of property Net purchases of property and equipment		19,024 (58,943)		(11,132)		-				19,024 (70,075)
Collections on notes receivable		(50,715)		(11,102)		7,518				7,518
Net (purchases) maturities of investments				<u>-</u>		(10,691)			_	(10,691)
Net cash from investing activities		(39,919)		(11,132)		(3,173)	_	_		(54,224)
Cash flows from financing activities:										
Payments on long-term notes payable		(16,370)		(14,479)						(30,849)
Payments on split-interest liability		-	_			(8,014)	_		_	(8,014)
Net cash from financing activities		(16,370)		(14,479)		(8,014)	_		_	(38,863)
Net change in cash and cash equivalents		144,030		26,492		(7,578)		-		162,944
Cash and cash equivalents, beginning of year		470,866		38,893		32,738				542,497
Cash and cash equivalents, end of year	<u>\$</u>	614,896	<u>\$</u>	65,385	<u>\$</u>	25,160	<u>\$</u>	<u> </u>	<u>\$</u>	705,441
Reconciliation of change in net assets to net each from operating activities:										
Change in net assets Adjustments to reconcile change in net	\$	(32,001)	\$	14,146	\$	239,944			\$	222,089
assets to net cash from operating activities: Loss on sale of property and equipment		- 9,094								9,094
Depreciation and amortization		9,094 177,211		32,792		-				210,003
Change in market value of securities		(374)		-		(235,952)				(236,326)
Interest on split-interest liability		-		-		614				614
Changes in operating assets and liabilities: Accounts receivable		55,348		152		19,934				75,434
Inventories		(37,227)		1J£		17,777				(37,227)
Prepaid expenses		2,545		_		-				2,545
Accounts payable and accrued expenses		26,274		5,013		(20,931)				10,356
Deferred revenue		(551)			_		_			(551)
Net cash from operating activities	\$	200,319	\$	52,103	\$	3,609	<u>s</u>	-	<u>\$</u> _	256,031

MID-VALLEY REHABILITATION, INC.

and MV, LLC

Comparative Schedule of Financial Position June 30, 2010 and 2011

ASSETS	2010	2011
Current assets Cash and cash equivalents Marketable Securities	\$ 509,759 10,887	\$ 680,281 11,261
Accounts receivable -less allowance for doubtful accounts of \$ 4,000 in both 2010 and 2011 Inventories (Note 3)	665,196 218,152	609,696 255,379
Prepaid expenses Total current assets	22,315 1,426,309	19,770 1,576,387
Property, equipment and leasehold improvements		
(partially pledged) - net (Note 6)	3,402,857	3,234,810
Total Assets	\$ 4,829,166	\$ 4,811,197
LIABILITIES AND NET ASSETS		
Current liabilities		4 105.506
Accounts payable Accrued payroll and payroll taxes	\$ 70,166 280,962	\$ 127,786 279,550
Accrued employee benefits	52,128	49,129
Accrued personal leave	103,541	93,749
Other accrued expenses	43,636	31,506
Deferred revenue	24,574	24,023
Current portion of long-term debt (Note 7)	30,849	27,167
Total current liabilities	605,856	632,910
Long-term note payable - net of current portion (Note 7)	912,405	<u>885,237</u>
Total liabilities	1,518,261	1,518,147
Commitments and contingencies (Notes 8 and 9)		
Net assets		
Unrestricted:		
Undesignated	3,172,539	3,140,538
MV, LLC	138,366	152,512
Total unrestricted	3,310,905	3,293,050
Total net assets	3,310,905	3,293,050
Total Liabilities & Net Assets	\$ 4,829,166	\$ 4,811,197

MID-VALLEY REHABILITATION, INC. and MV, LLC

Comparative Schedule of Activities For the Years Ended June 30, 2010 and 2011

	2010	2011
Support and Revenue:		
Product sales and services	\$ 2,184,675	\$ 2,513,004
Cost of sales:		
Raw materials	568,822	794,888
Payroll and related taxes	707,723	732,096
Production services and freight	128,637	122,826
Total Cost of Sales	1,405,182	1,649,810
Gross profit	779,493	863,194
Service fees	4,634,951	4,324,778
Client fees	149,042	150,556
Contributions, grants, and fund-raising	136,734	96,498
Rent	110,251	111,508
ODOT grants for transportation	54,639	48,273
Interest	2,161	484
DHS Note - Principal Forgiven	1,525	1,603
Gain (Loss) on Sale of Assets	81,237	(9,094)
Other	22,623	22,923
Total Support and Revenue	5,972,656	5,610,723
Expenses:		
Business Operations	1,707,237	1,562,773
Community inclusion services	974,987	820,305
Residential services	2,216,475	2,189,941
MV, LLC	103,605	99,313
Administration	<u>899,557</u>	956,246
Total Expenses	5,901,861	5,628,578
Change in Net Assets	70,795	(17,856)
Net Assets, Beginning of Year	3,240,110	3,310,905
Net Assets, End of Year	\$ 3,310,905	\$ 3,293,050

MID-VALLEY REHABILITATION, INC. and MV, LLC

Comparative Schedule of Cash Flows For the Years Ended June 30, 2010 and 2011

		2010		2011
Cash flows from operating activities:	ф	0.107.066	•	0.567.070
Cash received from product sales and services Interest received	\$	2,105,066 2,161	\$	2,567,978 484
Cash received for fees and contributions		5,117,240		4,755,741
Cash paid to suppliers and employees		(7,040,314)		(7,019,358)
Interest paid		(55,985)		(52,423)
2. Control of para		(,		<u>(,</u>)
Net cash from operating activities	•	128,168		252,422
Cash flows from investing activities:				
Proceeds from sale of property and equipment		155,030		19,024
Purchases of property and equipment		(87,456)		(70,075)
Net purchases (maturities) of investments		-		
Net withdrawals from certificates of deposit		84,302		
Net cash from investing activities	<u></u>	151,876		(51,051)
Cash flows from financing activities:				
Proceeds from long-term notes payable		-		-
Payments on long-term notes payable		(174,219)		(30,849)
Net cash from financing activities		(174,219)		(30,849)
Net change in cash and cash equivalents		105,825		170,522
Cash and cash equivalents, beginning of year		403,934		509,759
Cash and cash equivalents, end of year	\$	509,759	<u>\$</u>	680,281
Reconciliation of change in net assets				
to net cash from operating activities:				
Change in net assets	\$	70,795	\$	(17,855)
Adjustments to reconcile change in net				
assets to net cash from operating activities:				
(Gain)/Loss on sale of property and equipment		(81,237)		9,094
Depreciation and amortization		217,872		210,002
Change in market value of securities		(3,121)		(374)
Changes in operating assets and liabilities:		(7((40)		<i>EE</i>
Accounts receivable		(76,640)		55,500 (37,227)
Inventories Prepaid expenses		(57,009) (857)		(37,227) 2,545
Accounts payable and accrued expenses		50,698		2,343 31,288
Deferred revenue		7,667		(551)
Nied and Commonweather and inter-	a	120 160	ď	050 400
Net cash from operating activities	<u>\$</u>	128,168	\$	252,422