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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 private foundations)

Do not enter Social Security numbers on this form as it may be made public. Information about Form 990 and its instructions is at www.irs.gov/form990.

2013

Open to Public Inspection

Department of the Treasury Internal Revenue Service

A For the 2013 calendar year, or tax year beginning, 2013, and ending

Form header section containing B (Check if applicable), C (Organization name: MONROE HARDING INC), D (Employer ID: 62-0476670), E (Telephone: (615) 298-5573), F (Principal officer: MARY BAKER), G (Gross receipts: \$6,772,715), H(a) (Subordinates), H(b) (Subordinates included), J (Website: MONROEHARDING.ORG), K (Form of organization: Corporation), L (Year of formation: 1976), M (State of legal domicile: TN)

Part I Summary

Summary table with columns for Revenue, Expenses, and Net Assets or Fund Balances. Rows include mission statement, membership counts, revenue breakdown (Total revenue: 5,374,529), expense breakdown (Total expenses: 5,409,789), and net assets (Total assets: 8,304,324).

Part II Signature Block

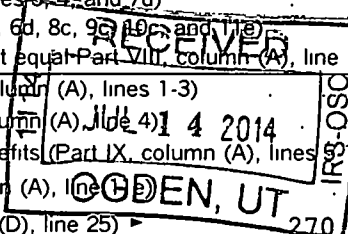
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature block for Mark Patterson, Treasurer, dated 7/9/2014.

Preparer information for Sara G. Moon, CPA, dated 7-9-14, at Frasier, Dean & Howard, PLLC, Nashville, TN.

May the IRS discuss this return with the preparer shown above? (see instructions) [X] Yes [ ] No

SCANNED JUL 23 2014



90-17

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

X

1 Briefly describe the organization's mission

SEE SCHEDULE O

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

Yes No X

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

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?

Yes No X

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

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

4a (Code: ) (Expenses \$ 1,832,217. including grants of \$ ) (Revenue \$ 1,882,101.)

SEE SCHEDULE O

4b (Code: ) (Expenses \$ 1,349,145. including grants of \$ 22,859.) (Revenue \$ 1,062,651.)

COOPERATIVE LIVING: SEVENTY-FIVE ADOLESCENT MALES LIVED ON OUR MAIN CAMPUS IN OUR COOPERATIVE LIVING PROGRAM DURING 2013. THESE YOUNG MEN ATTENDED SCHOOL, PARTICIPATED IN MANY THERAPEUTIC CLASSES, LEARNED TO SHOP ON A BUDGET, AND DEVELOPED THE SKILLS NEEDED TO TRANSITION TO HEALTHY, INDEPENDENT ADULTS. THESE YOUNG MEN RANGED FROM 16 TO 18 YEARS OLD, AND WERE 50% CAUCASIAN AND 50% AFRICAN-AMERICAN. WE HAD A VERY SUCCESSFUL COLLABORATION WITH CARING CONNECTIONS, A DOG REHABILITATION PROGRAM OF CROSSROADS CAMPUS. THIS PROGRAM PAIRS ABUSED DOGS WITH THE YOUTH IN STATE'S CUSTODY AND TEACHES THE YOUNG MEN HOW TO CARE FOR AND TRAIN ANIMALS. BOTH THE DOGS AND THE YOUNG MEN BENEFITED FROM THIS PARTNERSHIP, WHICH ENDS IN THE YOUNG MEN BUILDING AN AGILITY COURSE AND HAVING THE DOGS DO AN EXHIBITION OF LEARNED SKILLS DURING THE COURSE OF THE PROGRAM.

4c (Code: ) (Expenses \$ 881,764. including grants of \$ 19,438.) (Revenue \$ 1,127,137.)

FOSTER CARE: MONROE HARDING INC. (MHI) PROVIDED SAFE FAMILIES FOR NINETY-FIVE FOSTER CHILDREN IN 2013, MANY OF WHICH WERE PART OF SIBLING GROUPS. FIVE OF THOSE CHILDREN WERE ADOPTED, AND NINETEEN OF THOSE CHILDREN WERE REUNITED WITH THEIR BIRTH FAMILIES. ALSO IN 2013, MHI PILOTED A SUMMER DIVERSION PROGRAM FOR ADOLESCENT FOSTER YOUTH. THIS PROGRAM PROVIDED EDUCATIONAL, THERAPEUTIC, AND RECREATIONAL ACTIVITIES FOR MALE TEENS IN FOSTER CARE.

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

SEE SCHEDULE O

(Expenses \$ 565,569. including grants of \$ 39,617.) (Revenue \$ 296,034.)

4e Total program service expenses 4,628,695.

**Part IV Checklist of Required Schedules**

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If 'Yes,' complete Schedule A	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I		X
4 <b>Section 501(c)(3) organizations.</b> 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		X
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		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If 'Yes,' complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If 'Yes,' complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If 'Yes,' complete Schedule D, Part IV		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If 'Yes,' complete Schedule D, Part V	X	
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.		
a Did the organization report an amount for land, buildings and equipment in Part X, line 10? If 'Yes,' complete Schedule D, Part VI	X	
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		X
c 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		X
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	X	
e Did the organization report an amount for other liabilities in Part X, line 25? If 'Yes,' complete Schedule D, Part X	X	
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	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If 'Yes,' complete Schedule D, Parts XI, and XII	X	
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 and XII is optional		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If 'Yes,' complete Schedule F, Parts I and IV		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If 'Yes,' complete Schedule F, Parts II and IV		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If 'Yes,' complete Schedule F, Parts III and IV		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If 'Yes,' complete Schedule G, Part I (see instructions)		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If 'Yes,' complete Schedule G, Part II	X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If 'Yes,' complete Schedule G, Part III		X
20 a Did the organization operate one or more hospital facilities? If 'Yes,' complete Schedule H		X
b If 'Yes' to line 20a, did the organization attach a copy of its audited financial statements to this return?		

**Part IV Checklist of Required Schedules (continued)**

	Yes	No
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organizations or government on Part IX, column (A), line 1? If 'Yes,' complete Schedule I, Parts I and II		X
22 Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? If 'Yes,' complete Schedule I, Parts I and III	X	
23 Did the organization answer 'Yes' to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If 'Yes,' complete Schedule J		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If 'Yes,' answer lines 24b through 24d and complete Schedule K. If 'No,' go to line 25a		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If 'Yes,' complete Schedule L, Part I.		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If 'Yes,' complete Schedule L, Part I.		X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If so, complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If 'Yes,' complete Schedule L, Part III		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? If 'Yes,' complete Schedule L, Part IV.		X
b A family member of a current or former officer, director, trustee, or key employee? If 'Yes,' complete Schedule L, Part IV.		X
c 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.		X
29 Did the organization receive more than \$25,000 in non-cash contributions? If 'Yes,' complete Schedule M.		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If 'Yes,' complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If 'Yes,' complete Schedule N, Part I.		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If 'Yes,' complete Schedule N, Part II		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Schedule R, Part I		X
34 Was the organization related to any tax-exempt or taxable entity? If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1		X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b If 'Yes' to line 35a, 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		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If 'Yes,' complete Schedule R, Part VI		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O.	X	

BAA

Form 990 (2013)

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

Table with columns for line numbers (1a-14b), descriptions of tax compliance items, and Yes/No response boxes. Includes items like Form 1096 reporting, Form W-2G, backup withholding, Form W-3, unrelated business gross income, prohibited tax shelter transactions, charitable contributions, and Form 8899.

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

Check if Schedule O contains a response or note to any line in this Part VI.

**Section A. Governing Body and Management**

		Yes	No
<b>1 a</b> Enter the number of voting members of the governing body at the end of the tax year . . . . .	<b>1 a</b> 13		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O. <b>SEE SCH. O</b>			
<b>b</b> Enter the number of voting members included in line 1a, above, who are independent . . . . .	<b>1 b</b> 13		
<b>2</b> 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? . . . . .	<b>2</b>		X
<b>3</b> 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? . . . . .	<b>3</b>		X
<b>4</b> Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . . . . <b>SEE SCH O</b>	<b>4</b>	X	
<b>5</b> Did the organization become aware during the year of a significant diversion of the organization's assets? . . . . .	<b>5</b>		X
<b>6</b> Did the organization have members or stockholders? . . . . .	<b>6</b>		X
<b>7 a</b> Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? . . . . .	<b>7 a</b>		X
<b>b</b> Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or other persons other than the governing body? . . . . .	<b>7 b</b>		X
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
<b>a</b> The governing body? . . . . .	<b>8 a</b>	X	
<b>b</b> Each committee with authority to act on behalf of the governing body? . . . . .	<b>8 b</b>	X	
<b>9</b> 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 . . . . .	<b>9</b>		X

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

	Yes	No
<b>10 a</b> Did the organization have local chapters, branches, or affiliates? . . . . .	<b>10 a</b>	X
<b>b</b> If 'Yes,' did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? . . . . .	<b>10 b</b>	
<b>11 a</b> Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? . . . . .	<b>11 a</b>	X
<b>b</b> Describe in Schedule O the process, if any, used by the organization to review this Form 990. <b>SEE SCHEDULE O</b>		
<b>12 a</b> Did the organization have a written conflict of interest policy? If 'No,' go to line 13 . . . . .	<b>12 a</b>	X
<b>b</b> Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .	<b>12 b</b>	X
<b>c</b> Did the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this was done <b>SEE SCHEDULE O</b> . . . . .	<b>12 c</b>	X
<b>13</b> Did the organization have a written whistleblower policy? . . . . .	<b>13</b>	X
<b>14</b> Did the organization have a written document retention and destruction policy? . . . . .	<b>14</b>	X
<b>15</b> 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?		
<b>a</b> The organization's CEO, Executive Director, or top management official <b>SEE SCHEDULE O</b> . . . . .	<b>15 a</b>	X
<b>b</b> Other officers of key employees of the organization <b>SEE SCHEDULE O</b> . . . . .	<b>15 b</b>	X
If 'Yes' to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
<b>16 a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . . . .	<b>16 a</b>	X
<b>b</b> If 'Yes,' did the organization follow 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? . . . . .	<b>16 b</b>	

**Section C. Disclosure**

- 17** List the states with which a copy of this Form 990 is required to be filed ▶ TN
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available Check all that apply.  
 Own website  Another's website  Upon request  Other (explain in Schedule O)
- 19** Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public during the tax year. **SEE SCHEDULE O**
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization:  
 ▶ THOMAS KUSH 1120 GLENDALE LANE NASHVILLE TN 37204 (615) 298-5573

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

Check if Schedule O contains a response or note to any line in this Part VII

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

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

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, 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 per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) JEFF HAUSMAN BOARD MEMBER	1 0							0.	0.	0.
(2) COE HEARD BOARD MEMBER	1 0							0.	0.	0.
(3) JOHN HORST BOARD MEMBER	1 0							0.	0.	0.
(4) JOE LACHER BOARD MEMBER	1 0							0.	0.	0.
(5) TOM WILSON BOARD MEMBER	1 0							0.	0.	0.
(6) KATHRYN A. STEPHENSON CHAIR	2 0	X		X				0.	0.	0.
(7) MIKE BLOSSER VICE CHAIR	2 0	X		X				0.	0.	0.
(8) DARRYL CAMPBELL SECRETARY	2 0	X		X				0.	0.	0.
(9) MARK PATTERSON TREASURER	2 0	X		X				0.	0.	0.
(10) BETTE CHRISTOFERSEN BOARD MEMBER	1 0	X						0.	0.	0.
(11) CHRIS ANDERSON BOARD MEMBER	1 0	X						0.	0.	0.
(12) GLYNN DOWDLE BOARD MEMBER	1 0	X						0.	0.	0.
(13) MARY LEE BARTLETT BOARD MEMBER	1 0	X						0.	0.	0.
(14) LISA CHEEK BOARD MEMBER	1 0	X						0.	0.	0.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) SHERRE PHILLIPS BOARD MEMBER	1 0	X						0.	0.	0.
(16) RONALD DOUGLAS, JR BOARD MEMBER	1 0	X						0.	0.	0.
(17) DEVIN SCHULTZ BOARD MEMBER	1 0	X						0.	0.	0.
(18) MARY BAKER PRESIDENT & CEO	40 0			X				122,411.	0.	11,025.
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
<b>1 b Sub-total</b>								122,411.	0.	11,025.
<b>c Total from continuation sheets to Part VII, Section A</b>								0.	0.	0.
<b>d Total (add lines 1b and 1c)</b>								122,411.	0.	11,025.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **1**

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

**Section B. Independent Contractors**

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
GROUP EFFORT PO BOX 2488 BRENTWOOD, TN 37024	RESIDENTIAL SVCS	1,514,152.
VOLUNTEER BEHAVIOR SERVICES PO BOX 4755 CHATTANOOGA, TN 37405	RESIDENTIAL SVCS	244,716.

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

**Part VII** Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII.

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
<b>CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS</b>	<b>1 a</b> Federated campaigns	<b>1 a</b>				
	<b>b</b> Membership dues	<b>1 b</b>				
	<b>c</b> Fundraising events	<b>1 c</b> 46,983.				
	<b>d</b> Related organizations	<b>1 d</b>				
	<b>e</b> Government grants (contributions)	<b>1 e</b> 18,799.				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	<b>1 f</b> 599,135.				
	<b>g</b> Noncash contributions included in lines 1a-1f	\$ 14,747.				
	<b>h Total.</b> Add lines 1a-1f.	664,917.				
			<b>Business Code</b>			
<b>PROGRAM SERVICE REVENUE</b>	<b>2 a</b> CHILD SUPPORT	900099	4,367,923.	4,367,923.		
	<b>b</b>					
	<b>c</b>					
	<b>d</b>					
	<b>e</b>					
	<b>f</b> All other program service revenue					
	<b>g Total.</b> Add lines 2a-2f		4,367,923.			
<b>OTHER REVENUE</b>	<b>3</b> Investment income (including dividends, interest and other similar amounts)		195,122.		195,122.	
	<b>4</b> Income from investment of tax-exempt bond proceeds					
	<b>5</b> Royalties					
	<b>6 a</b> Gross rents	(i) Real				
		(ii) Personal				
		<b>b</b> Less: rental expenses				
		<b>c</b> Rental income or (loss)				
	<b>d</b> Net rental income or (loss)					
	<b>7 a</b> Gross amount from sales of assets other than inventory	(i) Securities	1,393,153.			
		(ii) Other				
		<b>b</b> Less: cost or other basis and sales expenses	1,357,925.	7,290.		
		<b>c</b> Gain or (loss)	35,228.	-7,290.		
	<b>d</b> Net gain or (loss)		27,938.		27,938.	
	<b>8 a</b> Gross income from fundraising events (not including \$ 46,983. of contributions reported on line 1c). See Part IV, line 18	<b>a</b>	105,140.			
		<b>b</b> Less: direct expenses	32,971.			
		<b>c</b> Net income or (loss) from fundraising events		72,169.		72,169.
	<b>9 a</b> Gross income from gaming activities. See Part IV, line 19	<b>a</b>				
		<b>b</b> Less: direct expenses				
		<b>c</b> Net income or (loss) from gaming activities				
	<b>10 a</b> Gross sales of inventory, less returns and allowances	<b>a</b>				
<b>b</b> Less: cost of goods sold						
<b>c</b> Net income or (loss) from sales of inventory						
<b>Miscellaneous Revenue</b>		<b>Business Code</b>				
<b>11 a</b> MISCELLANEOUS	900099	46,460.			46,460.	
	<b>b</b>					
	<b>c</b>					
	<b>d</b> All other revenue					
	<b>e Total.</b> Add lines 11a-11d		46,460.			
<b>12 Total revenue.</b> See instructions		5,374,529.	4,367,923.	0.	341,689.	

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A)

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21.				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22.	81,914.	81,914.		
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	122,411.	94,153.	17,386.	10,872.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	0.	0.	0.	0.
7 Other salaries and wages.	1,686,633.	1,297,280.	239,550.	149,803.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	29,024.	23,788.	2,032.	3,204.
9 Other employee benefits.	220,240.	180,507.	15,419.	24,314.
10 Payroll taxes.	133,487.	103,289.	18,693.	11,505.
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	16,000.		16,000.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17.				
f Investment management fees.	41,417.		41,417.	
g Other. (If line 11g amt exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	60,648.	46,943.	10,380.	3,325.
12 Advertising and promotion				
13 Office expenses	143,168.	70,655.	29,764.	42,749.
14 Information technology				
15 Royalties				
16 Occupancy	309,405.	234,904.	67,282.	7,219.
17 Travel	42,387.	35,961.	5,085.	1,341.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	96,985.	88,245.	7,565.	1,175.
23 Insurance	88,061.	76,021.	8,388.	3,652.
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <u>OUTSIDE SERVICES</u>	1,770,887.	1,769,037.	1,255.	595.
b <u>FOSTER CARE</u>	342,312.	342,312.		
c <u>SUPPLIES</u>	86,573.	81,557.	3,757.	1,259.
d <u>TRAINING</u>	75,304.	50,499.	21,504.	3,301.
e All other expenses	62,933.	51,630.	5,544.	5,759.
25 Total functional expenses. Add lines 1 through 24e	5,409,789.	4,628,695.	511,021.	270,073.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**

Check if Schedule O contains a response or note to any line in this Part X.

		(A) Beginning of year		(B) End of year	
ASSETS	1	Cash – non-interest-bearing	381,656.	1	276,648.
	2	Savings and temporary cash investments	787,347.	2	437,978.
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	479,336.	4	530,529.
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Loans and other 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). Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	27,591.	9	52,120.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 2,372,680.		
	b	Less: accumulated depreciation	10b 1,269,380.		
	11	Investments – publicly traded securities	4,668,238.	11	5,271,745.
	12	Investments – other securities. See Part IV, line 11		12	
	13	Investments – program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11	558,073.	15	632,004.
16	<b>Total assets.</b> Add lines 1 through 15 (must equal line 34)	7,906,735.	16	8,304,324.	
LIABILITIES	17	Accounts payable and accrued expenses	277,530.	17	285,729.
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	135,673.	25	170,025.
	26	<b>Total liabilities.</b> Add lines 17 through 25	413,203.	26	455,754.
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets	6,410,649.	27	6,759,682.
	28	Temporarily restricted net assets	385,062.	28	317,136.
	29	Permanently restricted net assets	697,821.	29	771,752.
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
33	<b>Total net assets or fund balances</b>	7,493,532.	33	7,848,570.	
34	<b>Total liabilities and net assets/fund balances</b>	7,906,735.	34	8,304,324.	

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**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	5,374,529.
2	Total expenses (must equal Part IX, column (A), line 25)	2	5,409,789.
3	Revenue less expenses. Subtract line 2 from line 1	3	-35,260.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)).	4	7,493,532.
5	Net unrealized gains (losses) on investments	5	390,298.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	7,848,570.

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII

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?  Yes  No

If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:

Separate basis  Consolidated basis  Both consolidated and separate basis

b Were the organization's financial statements audited by an independent accountant?  Yes  No

If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:

Separate basis  Consolidated basis  Both consolidated and separate basis

c If 'Yes' to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?  Yes  No

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

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?  Yes  No

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

	Yes	No
1		
2a		X
2b	X	
2c	X	
3a		X
3b		

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Form 990 (2013)

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**

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

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2013**

**Open to Public Inspection**

<b>Name of the organization</b> MONROE HARDING INC	<b>Employer identification number</b> 62-0476670
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**Part I Reason for Public Charity Status (All organizations must complete this part.)** See instructions.

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

- 1  A church, convention of churches or association of churches described in section 170(b)(1)(A)(i).
- 2  A school described in section 170(b)(1)(A)(ii). (Attach Schedule E.)
- 3  A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
- 4  A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II.)
- 6  A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 8  A community trust described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 9  An organization that normally receives: (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions – subject to certain exceptions, and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Complete Part III.)
- 10  An organization organized and operated exclusively to test for public safety. See section 509(a)(4).
- 11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h.
  - a  Type I
  - b  Type II
  - c  Type III – Functionally integrated
  - d  Type III – Non-functionally integrated
- e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in column (i) listed in your governing document?		(v) Did you notify the organization in column (i) of your support?		(vi) Is the organization in column (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
<b>Total</b>									

**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.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include 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						
4 <b>Total.</b> 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 <b>Public support.</b> Subtract line 5 from line 4						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 <b>Total support.</b> Add lines 7 through 10						
12 Gross receipts from related activities, etc (see instructions)					12	
13 <b>First five years.</b> 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 <b>stop here</b> ▶ <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f)).	14	%
15 Public support percentage from 2012 Schedule A, Part II, line 14	15	%
16a <b>33-1/3% support test – 2013.</b> If the organization did not check the box on line 13, and the line 14 is 33-1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
b <b>33-1/3% support test – 2012.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33-1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
17a <b>10%-facts-and-circumstances test – 2013.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
b <b>10%-facts-and-circumstances test – 2012.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
18 <b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ <input type="checkbox"/>		

**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 yr beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
<b>1</b> Gifts, grants, contributions and membership fees received. (Do not include any 'unusual grants'.)	509,232.	670,894.	815,503.	1,017,869.	660,667.	3,674,165.
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose . . . . .	3,333,569.	3,294,516.	3,039,490.	3,650,266.	4,473,063.	17,790,904.
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 . . . . .						0.
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						0.
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						0.
<b>6 Total.</b> Add lines 1 through 5 . . . . .	3,842,801.	3,965,410.	3,854,993.	4,668,135.	5,133,730.	21,465,069.
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons . . . . .	381,924.	75,000.	117,885.	319,093.	177,107.	1,071,009.
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year. . . . .	0.	0.	0.	0.	0.	0.
<b>c</b> Add lines 7a and 7b. . . . .	381,924.	75,000.	117,885.	319,093.	177,107.	1,071,009.
<b>8 Public support</b> (Subtract line 7c from line 6.) . . . . .						20,394,060.

**Section B. Total Support**

Calendar year (or fiscal yr beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
<b>9</b> Amounts from line 6 . . . . .	3,842,801.	3,965,410.	3,854,993.	4,668,135.	5,133,730.	21,465,069.
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .	148,807.	137,064.	141,949.	156,162.	195,122.	779,104.
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 . . . . .						0.
<b>c</b> Add lines 10a and 10b . . . . .	148,807.	137,064.	141,949.	156,162.	195,122.	779,104.
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on . . . . .						0.
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets. (Explain in Part IV.) SEE PART IV . . . . .	50,072.	25,064.	21,655.	41,466.	46,460.	184,717.
<b>13 Total Support.</b> (Add lines 9, 10c, 11 and 12.) . . . . .	4,041,680.	4,127,538.	4,018,597.	4,865,763.	5,375,312.	22,428,890.

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

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f)) . . . . .	15	90.93 %
<b>16</b> Public support percentage from 2012 Schedule A, Part III, line 15 . . . . .	16	89.33 %

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f)) . . . . .	17	3.47 %
<b>18</b> Investment income percentage from 2012 Schedule A, Part III, line 17 . . . . .	18	3.81 %

**19a 33-1/3% support tests – 2013.** If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.

**b 33-1/3% support tests – 2012.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.

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



**SCHEDULE D  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**Supplemental Financial Statements**

▶ Complete if the organization answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.  
▶ Attach to Form 990.

▶ Information about Schedule D (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

**2013**

Open to Public Inspection

Employer identification number

MONROE HARDING INC

62-0476670

**Part II Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.**

Complete if the organization answered 'Yes' to Form 990, Part IV, line 6.

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

**Part III Conservation Easements.**

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

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

Preservation of land for public use (e.g., recreation or education)       Preservation of an historically important land area

Protection of natural habitat       Preservation of a certified historic structure

Preservation of open space

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

	Held at the End of the Tax Year
a Total number of conservation easements	2 a
b Total acreage restricted by conservation easements	2 b
c Number of conservation easements on a certified historic structure included in (a).	2 c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register.	2 d

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?  Yes  No

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

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?  Yes  No

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

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**

Complete if the organization answered 'Yes' to Form 990, Part IV, line 8.

1 a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

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

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

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

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

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

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

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

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

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

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

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

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

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

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

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

b If 'Yes,' explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII.

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1 a Beginning of year balance	5,226,311.	4,416,017.	4,762,554.	4,689,769.	4,250,827.
b Contributions	120,316.	275,694.		10,092.	
c Net investment earnings, gains, and losses	578,061.	548,494.	-55,684.	473,676.	869,180.
d Grants or scholarships					
e Other expenditures for facilities and programs	20,939.	13,894.	290,853.	410,983.	430,238.
f Administrative expenses					
g End of year balance	5,903,749.	5,226,311.	4,416,017.	4,762,554.	4,689,769.

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment  86.93 %
- b Permanent endowment  13.07 %
- c Temporarily restricted endowment  %

The percentages in lines 2a, 2b, and 2c should equal 100%.

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

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

4 Describe in Part XIII the intended uses of the organization's endowment funds. **SEE PART XIII**

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1 a Land		17,409.		17,409.
b Buildings		1,728,543.	815,774.	912,769.
c Leasehold improvements				
d Equipment		265,985.	184,187.	81,798.
e Other		360,743.	269,419.	91,324.
<b>Total.</b> Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c))				1,103,300.

BAA Schedule D (Form 990) 2013

**Part VII Investments – Other Securities.**

N/A

Complete if the organization answered 'Yes' to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) -----		
(B) -----		
(C) -----		
(D) -----		
(E) -----		
(F) -----		
(G) -----		
(H) -----		
(I) -----		
Total. (Column (b) must equal Form 990, Part X, column (B) line 12.)		

**Part VIII Investments – Program Related.**

N/A

Complete if the organization answered 'Yes' to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, column (B) line 13.)		

**Part IX Other Assets.**

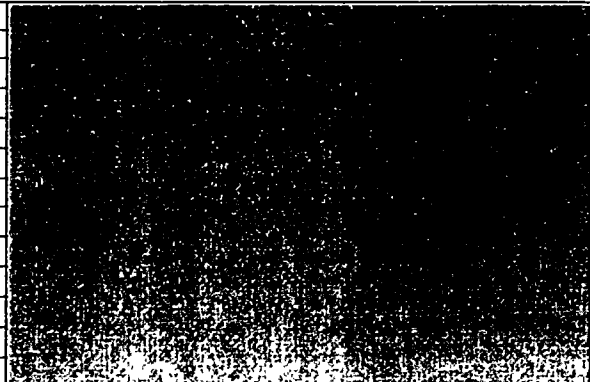
Complete if the organization answered 'Yes' to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) BENEFICIAL INTERESTS IN PERPETUAL TRUSTS	632,004.
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, column (B), line 15.)	632,004.

**Part X Other Liabilities.**

Complete if the organization answered 'Yes' to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25

(a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) ACCRUED EXPENSES	167,564.
(3) RESIDENTS' ACCOUNTS	2,461.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, column (B) line 25.)	170,025.



2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

SEE PART XIII

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.**

Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1	5,765,369.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12			
	a Net unrealized gains on investments	2 a 390,298.		
	b Donated services and use of facilities	2 b 8,988.		
	c Recoveries of prior year grants	2 c		
	d Other (Describe in Part XIII.) SEE PART XIII	2 d -8,446.		
	e Add lines 2a through 2d		2 e	390,840.
3	Subtract line 2e from line 1		3	5,374,529.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
	a Investment expenses not included on Form 990, Part VIII, line 7b	4 a		
	b Other (Describe in Part XIII.)	4 b		
	c Add lines 4a and 4b		4 c	
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)		5	5,374,529.

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**

Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1	5,410,331.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
	a Donated services and use of facilities	2 a 8,988.		
	b Prior year adjustments	2 b		
	c Other losses	2 c		
	d Other (Describe in Part XIII.) SEE PART XIII	2 d 32,971.		
	e Add lines 2a through 2d		2 e	41,959.
3	Subtract line 2e from line 1		3	5,368,372.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
	a Investment expenses not included on Form 990, Part VIII, line 7b	4 a 41,417.		
	b Other (Describe in Part XIII.)	4 b		
	c Add lines 4a and 4b		4 c	41,417.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)		5	5,409,789.

**Part XIII Supplemental Information.**

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b, Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information

PART V, LINE 4 - INTENDED USES OF ENDOWMENT FUND

OUR BOARD DESIGNATED TRUST FUNDS ARE USED TO SUPPORT MHI PROGRAMS WHEN FUNDING

SHORTFALLS ARISE AND MAY BE USED FOR CAPITAL IMPROVEMENT PROJECTS OR OTHER NEEDS AS

DESIGNATED BY THE BOD. OUR DONOR MANAGED PERMANENTLY RESTRICTED FUNDS PROVIDE ANNUAL

UNRESTRICTED DISTRIBUTIONS OF EXCESS EARNING AS DEFINED BY THE DONOR TO SUSTAIN THE

CORPUS. MHI MANAGED PERMANENTLY RESTRICTED FUNDS PROVIDE UNRESTRICTED INVESTMENT

INCOME WHOSE USE IS DESIGNATED BY THE BOD. A MHI MANAGED TEMPORARILY RESTRICTED TRUST

EXISTS TO SUPPORT POST-SECONDARY EDUCATION FOR YOUTH WHO ARE OR HAVE BEEN IN THE

**Part XIII** Supplemental Information (continued)

**PART V, LINE 4 - INTENDED USES OF ENDOWMENT FUND (CONTINUED)**

STATE FOSTER CARE SYSTEM. THE BOD MAY DRAW ON THE CORPUS WHILE IN SUPPORT OF THE TRUST'S TEMPORARY RESTRICTIONS.

**PART X - FIN 48 FOOTNOTE**

THE ORGANIZATION IS EXEMPT FROM FEDERAL INCOME TAXES UNDER THE PROVISIONS OF INTERNAL REVENUE CODE SECTION 501(C) (3). ACCORDINGLY, NO PROVISION FOR INCOME TAXES IS INCLUDED IN THE ACCOMPANYING FINANCIAL STATEMENTS. THE ORGANIZATION FOLLOWS FINANCIAL ACCOUNTING STANDARDS BOARD ACCOUNTING STANDARDS CODIFICATION ("FASB ASC") GUIDANCE THAT CLARIFIES THE ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES RECOGNIZED IN AN ENTITY'S FINANCIAL STATEMENTS. THIS GUIDANCE PRESCRIBES A MINIMUM PROBABILITY THRESHOLD THAT A TAX POSITION MUST MEET BEFORE A FINANCIAL STATEMENT BENEFIT IS RECOGNIZED. THE MINIMUM THRESHOLD IS DEFINED AS A TAX POSITION THAT IS MORE LIKELY THAN NOT TO BE SUSTAINED UPON EXAMINATION BY THE APPLICABLE TAXING AUTHORITY, INCLUDING RESOLUTION OF ANY RELATED APPEALS OR LITIGATION PROCESSES, BASED ON THE TECHNICAL MERITS OF THE POSITION. THE TAX BENEFIT TO BE RECOGNIZED IS MEASURED AS THE LARGEST AMOUNT OF BENEFIT THAT IS GREATER THAN FIFTY PERCENT LIKELY OF BEING REALIZED UPON ULTIMATE SETTLEMENT. THE ORGANIZATION HAS NO TAX PENALTIES OR INTEREST REPORTED IN THE ACCOMPANYING FINANCIAL STATEMENTS. TAX YEARS THAT REMAIN OPEN FOR EXAMINATION INCLUDE THE YEARS ENDED DECEMBER 31, 2010 THROUGH DECEMBER 31, 2013. THE ORGANIZATION HAD NO UNCERTAIN TAX POSITIONS AT DECEMBER 31, 2013.

**SCHEDULE G**  
(Form 990 or 990-EZ)

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.  
 ▶ Information about Schedule G (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

**2013**



Name of the organization

**MONROE HARDING INC**

Employer identification number

**62-0476670**

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

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

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

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

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

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in column (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
<b>Total</b>						<b>0.</b>

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

TN

**Part II Fundraising Events.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		LAUGHTER FOR T (event type)	SEEDS OF HOPE (event type)	NONE (total number)	(add column (a) through column (c))
REVENUE	1	Gross receipts . . . . .	141,598.	10,525.	152,123.
	2	Less Charitable contributions . . . . .	46,983.		46,983.
	3	Gross income (line 1 minus line 2) . . . . .	94,615.	10,525.	105,140.
DIRECT EXPENSES	4	Cash prizes . . . . .			
	5	Noncash prizes . . . . .			
	6	Rent/facility costs . . . . .	11,188.		11,188.
	7	Food and beverages . . . . .	7,236.	1,225.	8,461.
	8	Entertainment . . . . .	5,094.		5,094.
	9	Other direct expenses . . . . .	7,894.	334.	8,228.
	10	Direct expense summary. Add lines 4 through 9 in column (d) . . . . .			32,971.
	11	Net income summary. Subtract line 10 from line 3, column (d) . . . . .			72,169.

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

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add column (a) through column (c))
		REVENUE	1	Gross revenue . . . . .	
EXPENSES	2	Cash prizes . . . . .			
	3	Noncash prizes . . . . .			
	4	Rent/facility costs . . . . .			
	5	Other direct expenses . . . . .			
	6	Volunteer labor . . . . .	Yes _____ % No _____ %	Yes _____ % No _____ %	Yes _____ % No _____ %
	7	Direct expense summary. Add lines 2 through 5 in column (d) . . . . .			
	8	Net gaming income summary. Subtract line 7 from line 1, column (d) . . . . .			

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

a Is the organization licensed to operate gaming activities in each of these states?  Yes  No

b If 'No,' explain \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?  Yes  No

b If 'Yes,' explain: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_



**SCHEDULE I**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Grants and Other Assistance to Organizations,  
Governments, and Individuals in the United States**  
Complete if the organization answered 'Yes' to Form 990, Part IV, line 21 or 22.  
▶ Attach to Form 990.

OMB No. 1545-0047

**2013**

Open to Public  
Inspection

▶ Information about Schedule I (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization

**MONROE HARDING INC**

Employer identification number

**62-0476670**

**Part I General Information on Grants and Assistance**

**1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . .  **Yes**  **No**

**2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States. . . . . **SEE PART IV**

**Part II Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount 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) -----							
(2) -----							
(3) -----							
(4) -----							
(5) -----							
(6) -----							
(7) -----							
(8) -----							

**2** Enter total number of section 501(c)(3) and government organizations listed in the line 1 table. . . . . **0**

**3** Enter total number of other organizations listed in the line 1 table. . . . . **0**

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

TEEA3901L 07/12/13

Schedule I (Form 990) (2013)

**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. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1 YOUTH SPECIFIC ASSISTANCE	594	81,914.			
2					
3					
4					
5					
6					
7					

**Part IV** Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

PART I, LINE 2 - PROCEDURES FOR MONITORING USE OF GRANTS FUNDS IN U.S.

(77) COOPERATIVE LIVING PROGRAM YOUTH RECEIVED SPECIFIC ASSISTANCE IN THE FORM OF CLOTHING, HAIRCUTS, MEDICAL CARE NOT COVERED BY TN CARE, EDUCATIONAL OUTINGS, ALLOWANCES AND GED INCENTIVES. THESE YOUTH ARE RESIDENTS OF THE MHI CAMPUS AND ARE UNDER THE DIRECT SUPERVISION OF MHI STAFF. ALL ALLOWANCES AND GED INCENTIVES ARE DEPOSITED INTO MHI MANAGED INDIVIDUAL YOUTH SAVINGS ACCOUNTS. ALL YOUTH REQUESTS FOR WITHDRAWALS MUST BE APPROVED IN WRITING BY MHI STAFF FOR SPECIFICALLY APPROVED PURPOSES SUCH AS COURT COSTS, SCHOOL CLOTHING AND DISCHARGE, ETC.

(99) FOSTER CARE PROGRAM YOUTH RECEIVED ALLOWANCES. THESE YOUTH ARE UNDER THE DIRECT SUPERVISION OF FOSTER FAMILIES THAT ARE AUTHORIZED AND TRAINED BY MHI AND STATE OF

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is  
at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

**2013**

Open to Public  
Inspection

Employer identification number

MONROE HARDING INC

62-0476670

**FORM 990, PART III, LINE 1 - ORGANIZATION MISSION**

MONROE HARDING CHANGES YOUNG PEOPLE'S LIVES BY PROVIDING RESIDENTIAL AND COMMUNITY  
BASED SERVICES TO CHILDREN AND YOUTH IN STATE CUSTODY. WE RECRUIT AND TRAIN FOSTER  
PARENTS WHO THEN CARE FOR CHILDREN AGES BIRTH TO 18; WE PROVIDE COOPERATIVE LIVING  
ON OUR MAIN CAMPUS FOR YOUNG MEN FROM 16 TO 18 WHO HAVE BEEN REMOVED FROM THEIR  
PARENT(S) DUE TO ABUSE AND NEGLECT OR THE JUSTICE SYSTEM; WE HELP OLDER TEENS  
ESTABLISH THEMSELVES AS INDEPENDENT YOUNG ADULTS THROUGH INDEPENDENT LIVING  
APARTMENTS AND A COMMUNITY RESOURCE CENTER. WE BECOME THE FAMILY SUPPORT SYSTEM FOR  
ALL OF OUR CHILDREN AND YOUTH BY FOCUSING ON SAFE AND NURTURING HOMES, SPIRITUAL  
DEVELOPMENT, EDUCATION, HEALTH AND WELLNESS, SOCIAL SKILLS, RELATIONSHIP BUILDING,  
LIFE SKILLS, AND JOBS.

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

MONROE HARDING DOES FOR CHILDREN AND YOUTH IN STATE'S CUSTODY WHAT A FAMILY WOULD DO  
- LOVE, SUPPORT, AND A CHANCE FOR SUCCESS. WE HAVE BEEN DOING THIS SINCE 1893 AND  
TODAY ACCOMPLISH OUR MISSION THROUGH FIVE PROGRAMS:

MIDDLE TENNESSEE COLLABORATIVE: MONROE HARDING, INC. IS THE LEAD AGENCY AND A MEMBER  
OF THE MIDDLE TENNESSEE COLLABORATIVE. THE MIDDLE TENNESSEE COLLABORATIVE CONTRACTS  
WITH THE STATE OF TENNESSEE TO PROVIDE A WIDE RANGE OF SERVICES THROUGH IT'S MEMBER  
AGENCIES. THE COLLABORATIVE ADMINISTERS MEMBER BILLINGS TO THE STATE, PAYMENTS FROM  
THE STATE AND MONITORS THE MEMBER AGENCIES PERFORMANCE. THE COLLABORATIVE PROVIDES  
MEMBER AGENCIES WITH EXPERTISE AND SUPPORT TO HELP MEMBERS ACHIEVE THEIR SERVICE  
OBLIGATIONS. IN 2013, THE COLLABORATIVE MEMBERS PROVIDED SERVICES FOR SIXTY-THREE  
(108) ONE HUNDRED EIGHT FOSTER FAMILY YOUTH, ONE HUNDRED TWENTY-SIX (126) RESIDENTIAL  
YOUTH AND ONE HUNDRED NINETEEN (119) THERAPUTIC CARE RESIDENTIAL YOUTH. THE YOUTH  
SERVED BY THE COLLOABORATIVE INCLUDE BOYS AND GIRLS RANGING IN AGE FROM BIRTH TO

Name of the organization

MQNROE HARDING INC

Employer identification number

62-0476670

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

TWENTY-ONE.

**FORM 990, PART III, LINE 4D - OTHER PROGRAM SERVICES DESCRIPTION**

YOUTH CONNECTIONS: YOUTH CONNECTIONS, OUR RESOURCE CENTER FOR YOUTH AGING OUT OF STATE'S CUSTODY, SERVED OVER 200 YOUTH IN 2013. THESE FORMER FOSTER YOUTH ATTENDED GED CLASSES, FINANCIAL LITERACY CLASSES, PREGNANCY PREVENTION CLASSES, AND OTHERS. THEY ALSO RECEIVED ASSISTANCE WRITING RESUMES AND COVER LETTERS, PRACTICING INTERVIEWING SKILLS, AND APPLYING FOR JOBS. THESE YOUTH ALSO ATTENDED COLLEGE TOURS AND COMPLETED FINANCIAL AID FORMS.

INDEPENDENT LIVING: NINETEEN FORMER FOSTER CARE YOUTH TRANSITIONED INTO ADULTHOOD WHILE RESIDING IN OUR INDEPENDENT LIVING HOMES. ALL OF THESE YOUNG PEOPLE HAVE "AGED OUT" OF FOSTER CARE. THIS HOUSING FOR YOUTH, WHO ARE STILL IN SCHOOL, ALSO PROVIDES SUPPORT IN FINDING AND MAINTAINING EMPLOYMENT, AS WELL AS PARTICIPATING IN CASE MANAGEMENT AND FINANCIAL LITERACY CLASSES.

ALL FIVE OF OUR PROGRAMS BENEFITED FROM VOLUNTEERS AND DONATED MATERIALS. THIS WAS PARTICULARLY EVIDENT DURING THE HOLIDAY SEASON, WHEN EACH OF THE CHILDREN AND YOUTH WERE SPONSORED BY INDIVIDUALS OR GROUPS AND WERE THROWN HOLIDAY PARTIES BY VOLUNTEERS.

**FORM 990, PART VI, LINE 1A - EXPLANATION OF DELEGATED BROAD AUTHORITY TO COMMITTEE**

THE BOARD DELEGATED THE SIGNING OF A LISTING AGREEMENT FOR A SMALL AMOUNT OF PROPERTY TO THE PROPERTY COMMITTEE.

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

IN 2013, AN AMENDMENT TO THE ORGANIZATION'S BYLAWS WAS MADE TO CHANGE THE NUMBER OF BOARD MEMBERS FROM A MINIMUM OF 18 TO A MAXIMUM OF 25 IN PRIOR YEARS, TO A MINIMUM

Name of the organization

MONROE HARDING INC

Employer identification number

62-0476670

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

OF 15 TO A MAXIMUM OF 20.

**FORM 990, PART VI, LINE 11B - FORM 990 REVIEW PROCESS**

THE FINANCE COMMITTEE REVIEWS THE 990 FOR REVISIONS. ONCE THE FINANCE COMMITTEE REVIEW IS COMPLETE, THE CEO WILL SEND AN ELECTRONIC VERSION OF THE DRAFT 990 TO ALL MEMBERS OF THE BOARD OF DIRECTORS FOR THEIR REVIEW PRIOR TO FILING.

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

THE CEO AND EXECUTIVE ASSISTANT ENSURE THAT THE BOARD COMPLETES A CONFLICT OF INTEREST POLICY STATEMENT YEARLY. THE BOARD IS REQUIRED TO SELF REPORT ANY POTENTIAL CONFLICT DURING YEAR.

**FORM 990, PART VI, LINE 15A - COMPENSATION REVIEW & APPROVAL PROCESS - CEO, TOP MANAGEMENT**

THE EXECUTIVE COMMITTEE SURVEYED THE BOARD OF DIRECTORS AND CERTAIN STAFF MEMBERS TO OBTAIN EVALUATIONS OF THE CEO'S PERFORMANCE. THE EXECUTIVE COMMITTEE ALSO CONTACTED A CONSULTANT FOR A SURVEY OF SALARIES FOR COMPARABLE POSITIONS IN COMPARABLE ORGANIZATIONS. THE EXECUTIVE COMMITTEE MET AND DISCUSSED THE INFORMATION OBTAINED, AND THEN MADE A RECOMMENDATION TO THE FULL BOARD, WHICH DISCUSSED AND ARRIVED AT A CONSENSUS DECISION REGARDING THE CEO'S COMPENSATION.

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

THE ORGANIZATION HIRED AN EXTERNAL COMPENSATION CONSULTANT THROUGH THE CENTER FOR NONPROFIT MANAGEMENT TO CONDUCT A SALARY SURVEY. THIS WORK INCLUDED A REVIEW OF ALL JOB DESCRIPTIONS, EXAMINATION OF COMPARABLE JOB DESCRIPTIONS, AND ANALYSIS OF REGIONAL AND NATIONAL SURVEY DATA. THE RESULTS WERE USED TO CONFIRM THAT THE 2013 SALARIES WERE UNDER MEDIAN, AND TO SET SALARY LEVELS FOR 2014 AND 2015.

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

FINANCIAL STATEMENT INFORMATION AND FORM 990 ARE POSTED ON GIVINGMATTERS.COM

## PART I, LINE 2 - PROCEDURES FOR MONITORING USE OF GRANTS FUNDS IN U.S. (CONTINUED)

TENNESSEE. THE FOSTER FAMILIES MONITOR THE USE OF THESE ALLOWANCE FUNDS.

(29) INDEPENDENT LIVING PROGRAM YOUTH RECEIVED A COMBINATION OF EDUCATIONAL ADVANCEMENT INCENTIVES, BUS PASSES TO/FROM YOUTH CONNECTIONS CENTER, JOB TRAINING STIPENDS AND MATCHING FUNDS FOR INVESTMENTS IN TUITION, EDUCATIONAL MATERIALS SUCH AS BOOKS AND COMPUTER EQUIPMENT, AND VEHICLES FOR TRANSPORTATION TO SCHOOL AND/OR JOBS.

(389) YOUTH CONNECTIONS PROGRAM YOUTH RECEIVED A COMBINATION OF GED TRAINING, EDUCATIONAL ADVANCEMENT INCENTIVES, JOB TRAINING STIPENDS AND MATCHING FUNDS FOR INVESTMENTS IN TUITION, EDUCATIONAL MATERIALS SUCH AS BOOKS AND COMPUTER EQUIPMENT, AND VEHICLES FOR TRANSPORTATION TO SCHOOL AND/OR JOBS.

2013

SCHEDULE D, PART XIII - SUPPLEMENTAL INFORMATION PAGE 4

MONROE HARDING INC

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SCHEDULE D, PART XI, LINE 2D  
OTHER REVENUE INCLUDED IN F/S BUT NOT INCLUDED ON FORM 990

INVESTMENTS FEES .....	\$	-41,417.
SPECIAL EVENT EXPENSES .....		<u>32,971.</u>
TOTAL	\$	<u><u>-8,446.</u></u>

SCHEDULE D, PART XII, LINE 2D  
OTHER EXPENSES AND LOSSES PER AUDITED F/S

SPECIAL EVENT EXPENSES.. ..	TOTAL	\$	<u>32,971.</u>
		\$	<u><u>32,971.</u></u>

MONROE HARDING INC

62-0476670

## PART III, LINE 12 - OTHER INCOME

<u>NATURE AND SOURCE</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
MISCELLANEOUS	\$ 46,460.	\$ 41,466.	\$ 21,655.	\$ 25,064.	\$ 50,072.
TOTAL	<u>\$ 46,460.</u>	<u>\$ 41,466.</u>	<u>\$ 21,655.</u>	<u>\$ 25,064.</u>	<u>\$ 50,072.</u>