



MORRISTOWN HAMBLEN

Ready by 6

March 14, 2025,

Dear County Commission Budget Committee,

Ready by 6 (Rb6), a program of the Hamblen County Foundation for Educational Excellence and Achievement (HC*EXCELL) is applying to the Hamblen County Commission for a grant of \$7,500 to assist the Ready by 6 Council with their 2025-2026 prenatal to 6-year-old early childhood initiative. According to the most recent Hamblen County Census Data, children under 5 constitute 6.1 % of the county population.

To help better serve these families, in 2025-2026 Rb6 will be publishing a Prenatal Planner in English and Spanish for Hamblen County parents. Additionally, Rb6 will be developing a collaborative strategic plan within the community to address early childcare challenges for parents, businesses and industries and existing childcare facilities. Rb6 will continue to strengthen and expand existing programs including the services of the Family Resource Center to provide more counseling and support for families in Hamblen County.

We hope that you will agree that providing early learning tools play a crucial role in preparing children for success as they enter school. These tools, which include books, educational games, hands-on activities, digital resources, and family counseling help develop essential skills such as language, problem-solving, and social interaction. Investing in early learning not only supports a smoother transition into school but also helps close learning gaps and promotes lifelong learning.

After a review of Programming in 2016, HC*EXCELL found that many Hamblen County children were not prepared with the skills required to enter kindergarten. HC*EXCELL brought together approximately 20 organizations to develop a participatory community early childhood strategy. The purpose was to begin an effort to increase the number of Hamblen County early childhood families prepared with adequate skills for school entry. To understand the actions implemented over the life of Rb6, we have included a timeline of program and services below.

- June of 2017, the Morristown Hamblen Ready by 6 Strategic Plan was published.
- Fall of 2017, a Rb6 Council was formed and began implementing strategies to address the Rb6 Mission with a focus on strengthening support for early childhood families. The Strategic Plan focuses on four intersectional aspects of childhood health and development: Early Learning, Financial Stability, Health Equity and Secure Housing, to ensure that our county's children have support and the tools they need for early development, school entry and a successful transition Preschool/K through grade 12.
- 2018, Rb6 opened an office in the Tennessee Valley Housing Services and hired an office coordinator, sent Council members for Adverse Childhood Experience Training, worked with

Morristown Hamblen Parks and Recreation to place Born Learning Trail Signs in Fred Miller Park and developed Rb6 Tips sheets for a Rb6 Toolkit.

- 2019 Rb6 began distributing Ready by 6 Toolkits to new mothers at Morristown Hamblen Healthcare System, initiated a Rb6 Awareness Campaign, started New Moms Time (NMT), held Common Sense Parenting Classes, created New Moms Time Facebook Page and Pregnancy Crisis Center began using Rb6 Tip Sheets in client classes.
- During COVID Rb6 supported Council members and their clients by providing items and resources including diapers, car seats, formula, rent and utilities, converted New Moms Time meetings into a Private Facebook Group, communicated with homebound mothers and caregivers through emails, texts and surveys and grew NMT Facebook group.
- 2021 a Car Seat and Training Program was launched for our most vulnerable birthing and early childhood families and a collaborative to establish a Storybook Trail at Civic Park from Rb6 Council members.
- 2022, Walters State Community College received a Campus Grant to provide childcare assistance for students, Rb6 participated in the Temporary Assistance for Needy Families (TANF) information process in the First Development District. Hosted an ETSU Research Focus Group at Tennessee Valley Housing Services, conducted a Preschool Kindergarten COVID Impact Survey, designed and implemented a web-based approach for searching for Hamblen County resources and services. Rb6 established Healthy Habits, a weekly program, held at Morristown Hamblen Library for children 2-5 years of age and their parents.
- 2023-2024, Rb6 Council reorganized the Ready by 6 Tip Sheets into the Hello Baby: A Guide for Parents Book and developed and published From Toddler to Kindergarten: A Guide for Parents both in English and Spanish. The Council created an Early Childhood Family Resource Center at MH Central Services and to date the Center has distributed over 4,500 brochures and educational materials (i.e., COVID Cards, WIC Cards, poison control magnets, Toddler Book, infant books, flyers and educational sheets). 72 packages of new free books (360 books), 50 emotional support bears and books for children with addicted caregivers, Christmas gifts and educational materials to parents of children 1 years of age and under, conducted 32 family Intensive Case Management and Counseling sessions and made 9 referrals to Strong Families Program.

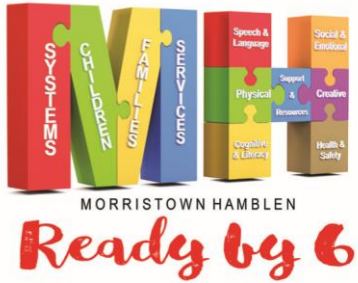
To date more than 3,500 Rb6 Toolkits have been distributed to new mothers at Morristown Hamblen Healthcare Systems and 362 Car Seats have been distributed with training to vulnerable families at Central Services. Approximately 435 Hello Baby: A Guide for Parents and 475 From Toddler to Kindergarten books have been distributed to Rb6 Council Members for their clients.

For more information on Ready by 6 please go to www.readyby6.org or www.rb6.org.

Thank you for considering our request for funding.

Sincerely,

Tish Jones, Coordinator Rb6 Council



Guiding Principles

1

Community Support and engagement is vital to the success of our children and community sustainability

2

Families are our children's First Teachers

3

Children deserve to enter school with the tools and skills needed for success in the areas of cognitive, creative, language, physical and social/emotional development

HC*EXCELL Ready by 6 Council Strategic Plan Review

MORRISTOWN HAMBLEN READY BY 6 INITIATIVE

VISION: All Children Ready by 6

MISSION: Engage the Morristown Hamblen community in strengthening systems to ensure delivery of appropriate services that will promote the development and wellbeing of prenatal to five-year old children and their families.

The Idea

The **Hamblen County Foundation for Educational Excellence and Achievement, (HC*EXCELL)**, learned during the 2013- 2016 **"Cradle through Career Initiative"** that many of Hamblen County's children were entering school without the skills they needed for success.

To address this challenge, in 2015, **HC*EXCELL** solicited funding from **The Arconic Foundation, City of Morristown and the Walters Foundation** to create a community-wide early childhood strategy. These funds allowed HC*EXCELL to create a participatory process to develop a **Morristown Hamblen Early Childcare Strategic Plan**. The plan's purpose was to begin an effort to increase the number of Morristown and Hamblen County children prepared with the skills needed for school entry. Stakeholder organizations involved in the general health and wellbeing of prenatal to five-year-old clients and their families, were invited to be part of a **Ready by Six Steering Committee**. Committee members collaborated from February 2016 until June 2017 to collect and review local, regional, and national early childhood policies and worked together to design an early childhood strategic plan for Morristown and Hamblen County. In June of 2017, the **Morristown Hamblen Ready by 6 Strategic Plan** was published, presented, and distributed to local governmental bodies and community organizations. Fall of 2017, a **Ready by 6 (Rb6) Council** was formed and began implementing strategies to achieve the Ready by 6 Mission with goals of facilitating early childhood learning and preparing Hamblen County's children and families for school entry and life.

See above and beside the **Strategic Plan Vision and Mission and its three guiding principles**. The Strategic Plan focuses on intersectional aspects of childhood health and development to ensure that our city and county's children have support and the tools they need for early development, school entry and for successful transition Preschool/K through grade 12.

To meet this goal, **Ready by 6** addressed four key elements of childhood health and development: **Early Learning, Financial Stability, Health Equity and Secure Housing**. Financial stability and socioeconomic status have been linked to physical and psychological health. Poverty hinders childhood nutrition and can also lead to lower self-esteem and lower school achievement. Health disparities, frequently resulting from factors such as poverty, negatively affect a child's ability to learn and develop. While physical health disparities, such as malnutrition, can directly inhibit a child's development, therefore addressing mental health disparities is vital in ensuring a child's social and cognitive development. Secure housing allows children to learn and grow in a safe and stable environment in their preschool years. Homelessness and low-quality housing can result in physiological stress on children, hindering emotional and mental development. Because the first five years of a child's life are so vital to development, addressing these foundational aspects of a child's life is fundamental to promoting school readiness and success.

2017-2024 PROGRAM OUTCOMES

Fall of 2017 - Formation of a Ready by 6 Council: Ready by Six Steering Committee Members invited other Early Childhood stakeholders to join them in increasing the number of Hamblen County children and their Families prepared for school entry. Current Council Members included: Kay Hale, Curt Amos (Head Start) Douglas Cherokee Economic Authority (DCEA); Tish Jones, Ready by 6 Coordinator; Stan Harville, HC*EXCELL Executive Director; Ashley Lyons, Director. Ashley Miner; Kim Smith, Josefa Nolasco, Hamblen County Health Department; Constance Hansen, Kali Spiers, Lesley Ronning, RB6, New Mom's Time; Dr. Christine Hogan-Young, HCBOE Federal Programs and Tony Dalton, HCBOE Early Childhood Specialist; Constance Hansen, RB6 Office Manager; Ashley Hux, Avy Scott, Kayla Oakes, MH Central Services; Tammy Wilson TN Voices; Karen Stooksbury, WSCC Associate Professor/Coordinator of Early Childhood Education, Lisa Mandracchia, Retired Early Childhood Education Associate Professor; Shelly Shropshire, MH Library Director; Amanda McNally Children Librarian; Sean Gilbert, Director MHA/Tennessee Valley Housing Services (TVHS) Shasta Hill, Residence Services Coordinator; Lanette Breeden, Carrie Rodgers, Alisha Johnson, Translator, Pregnancy Crisis Center. Melissa Cupp, Helen McNabb Center; Courtney Weaver, Department of Children Services. Betsy B. Jimenez-Hurst, Executive Director, HOLA Lakeway, Virginia Kidwell, Executive Director Tennessee Institute of Public Health (TNIPH), Jennifer Gentry, Recreation Program Manager, Morristown Parks, and Recreation; Tammy Johnson, Andi Ferrant, Amanda Denditraszek, Covenant MHHS; Laura Moore, Director Stepping Out, Sherry Delay, MOPS; Whitney Myers, Healthy Habits, Patricia Cox, Amerigroup Regional Representative III; Shana Watkins, TN Justice Center.

Ready by 6 Toolkits: Council Members divided into four committees to create tipsheets for a Ready by 6 Toolkit to be offered and distributed to families giving birth at Morristown Hamblen Healthcare Systems. The purpose of the toolkits was to offer support items and useful information on Health Equity, Early Learning, and Secure Housing and Financial Stability. In 2023, the tips sheets were turned into a guide: **Hello Baby: Guide for Parents**. Currently the toolkits include a Read n' Go Bag, the **Hello Baby: Guide for Parents**, and helpful items and information for new parents. Distribution of toolkits to Morristown Hamblen Healthcare Systems began January 1, 2019. Delivery of Ready by 6 Toolkits to HOLA Lakeway, Inc. birthing mothers began Fall of 2022. Over 3000 toolkits have been dispersed as of December 2024.

Design of ACEs Community Training Plan Council Members were identified to attend Adverse Childhood Experiences "Train the Trainer Trainings. These members hosted community awareness information sessions of 30, 60 minutes or 3 hours for educators, government, community organizations & non-profits. Sessions were designed to provide community leaders with information on recognizing and addressing challenges created by Adverse Childhood Experiences (ACEs). HC*EXCELL, Hamblen County School System. Head Start and TN Voices employees participated in ACEs training followed by providing training sessions. These organizations, along with the Rotary Club of Morristown A.M. and the Rotary Family and Youth Initiative then offered sessions to educate the Hamblen County Community on the impact of ACEs on families, communities, and economies. Training has been given to area schoolteachers, the government entities and community organizations. RB6 planned a large community event at WSCC but it had to be cancelled due to COVID-19. Funding not used due to COVID was directed to MH Central Services and the Pregnancy Crisis Center for vulnerable Hamblen County families to purchase diapers, baby food, formula, food and to pay rent, utilities, and most recently pay for necessities since gas and food costs rose due to inflation.

Ready by 6 Office: Through the generosity of the Morristown Housing Authority now Tennessee Valley Housing Services (TVHS), in 2018 the **Ready by 6 Council** opened a **Ready by 6 Pilot Office** to serve Housing residents and vulnerable birth-6-year-old families. Manager duties include but are not limited to assembly of RB6 toolkits, management of New Moms Time (NMT), texts and emails to toolkit recipients and NMT participants, promotion of RB6 program at events, and building relationships with families and organizations that support early childhood families. In Stember of 2024, the Ready by 6 Office moved to Morristown

Central Services provide greater interaction with vulnerable prenatal to 6-year-old families.

Born Learning Trail: The Rb6 Council partnered with Morristown Parks and Recreation a Rb6 Council member, to develop a Born Learning Trail at Fred Miller Park to encourage parents to participate in teachable physical and cognitive moments with their children. Signs are in English and Spanish and illustrate activities parents can perform with their children while walking the trail.

New Moms Time: In 2019, the Council started a New Moms Time weekly meeting program at Morristown Hamblen Library to provide support for new mothers and mothers with young children. With the beginning of COVID 19 the program had to be cancelled. However, Council members regrouped and after discussion decided to create a New Moms Time Private Facebook Group. New Mom's Time (NMT) is a peer-to-peer Facebook group to connect new moms to one another and local resources available in the Hamblen County/Lakeway area. NMT's goal is to create stronger and healthier families to better prepare their children for school. Currently, the site is being evaluated as the Council seeks to find a manager for it.

Car Seat Disbursement and Training: car seats were purchased, and training began for at risk family newborns and toddlers in 2020 in partnership with the Rotary Club of Morristown A.M., Morristown Hamblen Central Services and 911 to expand the local car seat storage, disbursement, and training program. Once COVID Car Seat disbursement and training were moved to Morristown Hamblen Central Services. To date, over 388 car seat have been given away with training sessions. Multiple partners have contributed to the purchase of car seats including the East Tennessee Foundation, Well Point, Rotary Family and Youth Initiative ETSU/CDC, Rotary Club of Morristown, and the Pregnancy Crisis Center.

Storybook Trail: RB6 Council members applied in 2021 for a Governors Early Literacy Foundation (GELF) Grant to build a "Storybook Trail" at Civic Park in Morristown, TN. Upon receipt of grant, the Council members with additional solicited funding opened the "Storybook Trail" in October of 2022 with *When the Storm Comes* by Linda Ashman and *The Snowy Day* by Ezra Jack Keats. The Storybook Trail partnership included, RB6, Morristown Parks and Recreation, Morristown Housing Authority, Colortech, Inc. Rotary Club of Morristown A.M. HOLA, Morristown Hamblen Library, Hamblen County School System, and the Dollywood Foundation. In 2023 through the Sponsorship of Colortech Inc., RB6, Morristown Parks and Recreation, Governors Early Literacy Foundation, and the Dollywood Foundation an additional two Dolly Parton Imagination Library books, *Abuela* by Arthur Dorros and *Peace is an Offering* by Annette Le Box were added to the Trail.

East Tennessee Foundation (ETF) Grant: In the summer of 2022 RB6 received a grant from The East Tennessee Foundation and formed an Elevating ACE's awareness and Targeted Support, which supported Ready by 6 Toolkit distribution through Covenant MH Healthcare Systems, as well as assisted the Council in updating and refining RB6 tip sheets. The council used the funds to develop a new tip sheet on Postpartum Depression which has been found to be a major problem during COVID. With the help of this grant the New Moms Time Facebook Group grew substantially. The Council then created a sub-committee to determine actions to elevate ACEs awareness and provide targeted support. From this meeting 3 projects emerged. A survey to learn about the impact of COVID on preschool/kindergarten families; development of a Ready by 6/HiC Hamblen County resource app and the establishment of a pilot family resource center at Morristown Hamblen Central Services. All have been completed.

STRONG ACC Grant: Ready by 6 joined Strong ACC to include Hamblen County as one of ten counties in Northeast Tennessee to apply for a (TANF) grant. The purpose of the grant was to offer a pathway to self-sufficiency for TANF (low-income or under-paid) recipients and provide for an investment in the community wellbeing. STRONG ACC was awarded \$25 million dollars for the 10 County Northeast Tennessee First Development District. These funds were and are helping to move residents from poverty to self-sufficiency. Currently, the funds support a social worker partner at Morristown Hamblen Central Services. This partner advocate works with the Ready by 6 Family Resource Center Manager to provide counseling and support to the county's most at risk populations.

Tennessee Department of Health East Tennessee University Administered Grant: HC*EXCELL received, in 2022, a Tennessee Department of Health Grant administered by East Tennessee State University for Ready by 6. From June of 2022 through November of 2023 Ready by 6 was reimbursed funds for Ready by 6 staffing, programming, and initiatives. This allowed the Morristown Ready by 6 program to grow and expand.

This grant helped Rb6 to add additional employees, increase existing employee hours, expand programming, develop new initiatives, hire translators for events, and print publications. Ready by 6 was able to turn their Ready by 6 Tip Sheets into the English and Spanish versions of **Hello Baby: A Guide for Parents, create From Toddler to Kindergarten: A Guide for Parents**, both in English and Spanish. The funds allowed for the purchase of laptop computers for HOLA Lakeway, free car seats for Morristown and Hamblen County's youngest residents and supported Healthy Habits, a weekly program, held at Morristown Hamblen Library for children 2-5 years of age and their parents. Ready by 6 was able to distribute information on COVID and TennCare to Morristown's and Hamblen County early childhood families in both English and Spanish through print materials and online. Ready by 6 with MH Central Services created the Hamblen Resource Guide to provide an accessible, web-based approach for community members to search for resources and social services in Morristown and Hamblen County (www.hamblenresourceguide.com) and opened the Family Resource Center at Central Services for prenatal to 6-year-old families.

2024-2026 Rb6 Work Focus: Starting in 2024 The Ready by 6 Council began working on a Prenatal Guide, with expectations of printing the guide in English and Spanish by the end of 2025. The Council is exploring the history, status, and challenges of early childcare learning in Hamblen County. As part of this effort in December 2024 the Rb6 Council convened local and state early childcare stakeholders to discuss how to improve affordable and assessable childcare in Hamblen County. Actions from this meeting include the development with state assistance of an early childcare center survey, visiting area innovative childcare centers, and an employment survey of manufacturing and industries on the need and challenges of supporting local affordable, assessable, and sustainable quality early childcare.

Ready by 6 Newsletter: produced quarterly. The newsletter focuses on Council members, their work, and activities.



Department of the Treasury
Internal Revenue Service

P.O. Box 2508
Cincinnati OH 45201

In reply refer to: 0752139618
Dec. 24, 2019 LTR 4168C 0
62-1470855 000000 00

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BODC: TE

HAMBLÉN COUNTY FOUNDATION FOR
EDUCATIONALEXCELLENCE AND
HC EXCELL
PO BOX 2156
MORRISTOWN TN 37816-2156



015890

Employer ID number: 62-1470855
Form 990 required: Yes

Dear Taxpayer:

We're responding to your request dated Dec. 13, 2019, about your tax-exempt status.

We issued you a determination letter in December 1991, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(03).

We also show you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If you're required to file a return, you must file one of the following by the 15th day of the 5th month after the end of your annual accounting period:

- Form 990, Return of Organization Exempt From Income Tax
- Form 990EZ, Short Form Return of Organization Exempt From Income Tax
- Form 990-N, Electronic Notice (e-Postcard) for Tax-Exempt Organizations Not Required to File Form 990 or Form 990-EZ
- Form 990-PF, Return of Private Foundation or Section 4947(a)(1) Trust Treated as Private Foundation

According to IRC Section 6033(j), if you don't file a required annual information return or notice for 3 consecutive years, we'll revoke your tax-exempt status on the due date of the 3rd required return or notice.

You can get IRS forms or publications you need from our website at www.irs.gov/forms-pubs or by calling 800-TAX-FORM (800-829-3676).

If you have questions, call 877-829-5500 between 8 a.m. and 5 p.m.,

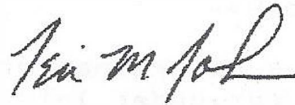
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HAMBLEEN COUNTY FOUNDATION FOR
EDUCATIONALEXCELLENCE AND
HC EXCELL
PO-BOX 2156
MORRISTOWN TN 37816-2156

local time, Monday through Friday (Alaska and Hawaii follow Pacific time).

Thank you for your cooperation.

Sincerely yours,



Teri M. Johnson
Operations Manager, AM Ops. 3

Hamblen County Foundation for Educational Excellence and Achievement

(A Nonprofit Corporation)

FINANCIAL STATEMENTS

June 30, 2024

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STEWART & WHEELER, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

729 West First North Street

P. O. Box 1398

Morristown, Tennessee 37816

Thomas C. Stewart, CPA
Tony R. Wheeler, CPA

Telephone (423) 581-3131
Fax (423) 586-4729

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Hamblen County Foundation for Educational Excellence and Achievement

Opinion

We have audited the accompanying financial statements of Hamblen County Foundation for Educational Excellence and Achievement (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hamblen County Foundation for Educational Excellence and Achievement as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Hamblen County Foundation for Educational Excellence and Achievement and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Hamblen County Foundation for Educational Excellence and Achievement's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Members of

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Hamblen County Foundation for Educational Excellence and Achievement's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Hamblen County Foundation for Educational Excellence and Achievement's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Stewart & Wheeler, P.C.

Morristown, Tennessee

October 23, 2024

**HAMBLLEN COUNTY FOUNDATION FOR EDUCATIONAL
EXCELLENCE AND ACHIEVEMENT
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024**

ASSETS

CURRENT ASSETS

Cash, interest-bearing	\$ 26,786
Unconditional promises to give	48,500
Marketable securities, fair market value	<u>964,904</u>

TOTAL CURRENT ASSETS 1,040,190

OTHER ASSETS

Restricted cash	50,000
Long-term unconditional promises to give, net	<u>82,223</u>

TOTAL OTHER ASSETS 132,223

TOTAL ASSETS \$ 1,172,413

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 11,622
Payroll taxes payable	1,412
Scholarships payable	<u>12,000</u>

TOTAL LIABILITIES 25,034

NET ASSETS

Without donor restrictions	854,396
With donor restrictions	<u>292,983</u>

TOTAL NET ASSETS 1,147,379

TOTAL LIABILITIES AND NET ASSETS \$ 1,172,413

See the accompanying notes to the financial statements.

**HAMBLEN COUNTY FOUNDATION FOR EDUCATIONAL
EXCELLENCE AND ACHIEVEMENT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT			
Contributions of cash and other financial assets	\$ 95,765	\$ 84,154	\$ 179,919
Fund-raising income	29,188	-	29,188
Investment income, net of \$5,595 expense	27,428	-	27,428
Interest income	23	-	23
Net realized and unrealized gain on investments	65,419	-	65,419
Net assets released from expiration of time restrictions	81,110	(81,110)	-
TOTAL REVENUE, GAINS, AND OTHER SUPPORT	298,933	3,044	301,977
EXPENSES			
Program services	200,603	-	200,603
Fundraising	23,328	-	23,328
General and administrative	53,752	-	53,752
TOTAL EXPENSES	277,683	-	277,683
CHANGE IN NET ASSETS	21,250	3,044	24,294
NET ASSETS AT BEGINNING OF YEAR	833,146	289,939	1,123,085
NET ASSETS AT END OF YEAR	\$ 854,396	\$ 292,983	\$ 1,147,379

See the accompanying notes to the financial statements.

**HAMBLEN COUNTY FOUNDATION FOR EDUCATIONAL
EXCELLENCE AND ACHIEVEMENT
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Program Services	Fundraising	General & Administrative	Total Expenses
Salaries and wages	\$ 59,840	\$ 10,666	\$ 36,151	\$ 106,657
Payroll taxes	4,580	816	2,767	8,163
Programs	120,267	-	-	120,267
Scholarships and grants	8,749	-	-	8,749
Advertising and marketing	4,226	-	-	4,226
Fundraising	-	11,846	-	11,846
Awards	1,793	-	-	1,793
Insurance	-	-	2,198	2,198
Office expense	-	-	5,570	5,570
Rent	-	-	4,506	4,506
Utilities	-	-	765	765
Dues	-	-	647	647
Meetings	1,148	-	1,148	2,296
TOTAL FUNCTIONAL EXPENSES	\$ 200,603	\$ 23,328	\$ 53,752	\$ 277,683

See the accompanying notes to the financial statements.

**HAMBLÉN COUNTY FOUNDATION FOR EDUCATIONAL
EXCELLENCE AND ACHIEVEMENT
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

CASH FLOWS FROM OPERATING ACTIVITIES

Increase in net assets	\$ 24,294
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Allowance for uncollectible promises	(2,615)
Unamortized discount on future promises	5,344
Net realized and unrealized gain on investments	(65,419)
Decrease in operating assets:	
Unconditional promises to give	41,612
Increase (decrease) in operating liabilities:	
Accounts payable	7,489
Payroll taxes payable	(1,712)
Scholarships payable	2,000
NET CASH PROVIDED BY OPERATING ACTIVITIES	10,993

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from the sale and maturity of marketable securities	672,647
Purchase of marketable securities	(615,075)
NET CASH PROVIDED BY INVESTING ACTIVITIES	57,572
NET INCREASE IN CASH	68,565
CASH AT BEGINNING OF YEAR	8,221
CASH AT END OF YEAR	\$ 76,786

SUPPLEMENTAL DISCLOSURES

Non-cash investing and financing transactions:	
Unrealized gain on investments	\$ 86,006

See the accompanying notes to the financial statements.

**HAMBLEN COUNTY FOUNDATION FOR EDUCATIONAL
EXCELLENCE AND ACHIEVEMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE A – NATURE OF ACTIVITIES

Hamblen County Foundation for Educational Excellence and Achievement (the Foundation) was incorporated under the laws of the State of Tennessee in July 1990. The Foundation is responsible for charitable funds and the income generated by donor funds. The Foundation is committed to promoting excellence in education and achievement in Hamblen County through charitable scholarships, grants, and other related educational projects at the discretion of the board of directors.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized. Short-term investments consist of debt securities with original maturities of twelve months or less. Long-term investments consist of debt securities with original maturities greater than twelve months.

Net Assets

Net assets, revenue and support are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets With Donor Restrictions – Net assets subject to donor restrictions. Some restrictions are temporary in nature, such as those that will be met by the passage of time.

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor restrictions.

**HAMBLEN COUNTY FOUNDATION FOR EDUCATIONAL
EXCELLENCE AND ACHIEVEMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE B – Continued

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Foundation uses the allowance method to determine uncollectible promises to give. The allowance is based on prior years' experience and management's analysis of specific promises made. For the year-ended June 30, 2024, decrease in allowance for uncollectible promises of \$2,615 is recorded as an increase of contribution revenue.

Revenue Recognition

The Foundation adopted the requirements of FASB ASC 606, Revenue from Contracts with Customers. Under FASB ASC 606, revenue is recognized when a customer obtains control of promised goods or services in an amount that reflects the consideration which the Foundation expects to receive in exchange for those goods or services. The Foundation has identified fund-raising income as income subject to ASC 606. The Foundation recognizes fund-raising income at a point in time when the fund-raising activity takes place.

Contributed Services

No amounts have been reflected in the financial statements for donated services. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Foundation, but these services do not meet the criteria for recognition as contributed services.

Contributions

Contributions received are recorded as net assets with donor restriction or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

Income Tax Status

The Foundation is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is not classified as a private foundation.

**HAMBLEN COUNTY FOUNDATION FOR EDUCATIONAL
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE B – Continued

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied.

Concentrations of Credit Risk

The Foundation's concentrations of credit risk consist principally of promises to give. Concentrations of credit risk with respect to promises to give are dependent on factors affecting the economy in which contributors live and work.

Grants and Scholarships

Grants and scholarships are recorded as expenses when they are approved by the Board of Directors for payment.

Advertising Expense

The Foundation expenses advertising costs in the period they are incurred. Advertising costs for the year-ended June 30, 2024 amounted to \$4,226.

Adoption of ASU 2016-13, Financial Instruments – Credit Losses (Topic 326)

The Foundation adopted ASU 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, as amended, which modifies the measurement of expected credit losses on certain financial instruments. Topic 326 requires measurement and recognition of expected versus incurred losses for financial assets held.

**HAMBLENT COUNTY FOUNDATION FOR EDUCATIONAL
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE C – CASH AND CASH EQUIVALENTS

The following details cash and cash equivalents of the Foundation at June 30, 2024:

HomeTrust Bank Operating	\$ 75,167
HomeTrust Bank Money Market	<u>1,619</u>
Total	<u>\$ 76,786</u>

Cash balances held in financial institutions are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). At times amounts on deposit may exceed the federally insured limit. At June 30, 2024, no amount on deposit exceeded the federally insured limit.

NOTE D – UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give at June 30, 2024, are as follows:

Unconditional promises to give	\$ 145,200
Less: allowance for uncollectible	(7,260)
Less: discounts to net present value	<u>(7,217)</u>
Net unconditional promises to give	<u>\$ 130,723</u>

Amounts due in:

June 30, 2025	\$ 48,500
June 30, 2026	48,000
June 30, 2027	40,500
June 30, 2028	7,000
June 30, 2029	<u>1,200</u>
	\$ 145,200
Less: allowance for uncollectible	(7,260)
Less: discounts to net present value	<u>(7,217)</u>
	<u>\$ 130,723</u>

Unconditional promises to give due in more than one year are recognized at fair value, using present value of estimated future cash flows and a discount rate of 5%, when the donor makes an unconditional promise to give to the Foundation. For the year-ended June 30, 2024, decrease in amortization of discounts of \$5,344 is recorded as an increase of contribution revenue.

**HAMBLÉN COUNTY FOUNDATION FOR EDUCATIONAL
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE E – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Foundation's financial assets as of the balance sheet date, reduced by amounts not available for general use within one year of the balance sheet date.

Financial assets at year-end	\$ 1,172,413
Less: Restricted cash	(50,000)
Less: Unconditional promises to give expected to be received in more than one year	<u>(82,223)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,040,190</u>

NOTE F – MARKETABLE SECURITIES

FASB ASC 820-10, *Fair Value Measurement*, defines fair value, establishes a framework for measuring fair value, establishes a three-level valuation hierarchy for disclosure of fair value measurement and enhances disclosure requirements for fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of the fair value of an asset or liability as of the measurement date. Three levels are defined as follows:

Level 1—Represented by quoted prices that are available in an active market. Level 1 securities include liquid government bonds, treasury securities, mortgage products and exchange traded equities.

Level 2—Represented by assets and liabilities similar to Level 1 where quoted prices are not available, but are observable, either directly or indirectly through corroboration with observable market data and estimated using pricing models or discounted cash flows.

Level 3—Represented by financial instruments where there is limited activity or unobservable market prices and pricing models significant to determining the fair value measurement include the reporting entity's own assumptions about the market risk.

Fair value of assets measured on a recurring basis a June 30, 2024, are as follows:

	<u>Fair Value</u>	Quoted Prices In Active Markets for Identical Assets (Level 1)
Money Market	\$ 20,194	\$ 20,194
Equities	469,163	469,163
Fixed Income	<u>475,547</u>	<u>475,547</u>
Marketable securities	<u>\$ 964,904</u>	<u>\$ 964,904</u>

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE F – Continued

Investment income consisted of the following:

Interest, dividend, and capital gain income	\$ 33,023
Investment management fees	<u>(5,595)</u>
Investment income, net	<u>\$ 27,428</u>
Realized loss	\$ (20,587)
Unrealized gain	<u>86,006</u>
Net realized and unrealized gain	<u>\$ 65,419</u>

NOTE G – SCHOLARSHIPS PAYABLE

Scholarships payable in the amount of \$12,000 at June 30, 2024, are approved and committed for future payment. The Foundation approves scholarships with conditions and submits payment directly to the recipient's school of attendance. The probability is remote that the grantees will not meet those conditions. Accordingly, conditional scholarships are accounted for as scholarships payable when approved. All scholarships are estimated to be payable within one year.

NOTE H – PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets of \$105,000 at June 30, 2024, represent permanent endowment funds that will remain in perpetuity, and the Foundation does not have the right to invade the original or appreciated principal. Earnings net of investment expense from the endowment funds are unrestricted.

NOTE I – RESTRICTED CASH

The Foundation has cash in the amount of \$50,000 that is to be used to fund future scholarships per donor restrictions.

NOTE J – FUNDING

The Foundation receives a substantial amount of support from industry and the general public. A major reduction of funds by these supporters, should this occur, may have a significant effect on future operations.

**HAMBLETON COUNTY FOUNDATION FOR EDUCATIONAL
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JUNE 30, 2024**

NOTE K – UNCERTAIN TAX POSITIONS

The Foundation has adopted professional standards pertaining to recording uncertain tax positions. As of June 30, 2024, the Foundation had no uncertain tax positions that require either recognition or disclosure in the Foundation's financial statements.

The Foundation's federal income tax returns are subject to possible examination by the taxing authority until the expiration of the related statutes of limitations on those returns. In general, the federal tax returns have a three-year statute of limitations.

NOTE L – MANAGEMENT'S REVIEW

Management has reviewed subsequent events through October 23, 2024, the date the financial statements were available to be issued.

Hamblen County Foundation for Educational Excellence and Achievement (HC*EXCELL)		
Fiscal Year 2024/2025		
Income/Expenses	FY 2025 Forecast / Budget	Notes
Sustaining SUCCESS Donations	53,600	Pledged receivables
Donations	50,000	Solicited Donations
GRANTS	60,000	\$5,000 First Horizon; \$20,000 ETF; \$25,000 Howmet; \$10,000 additional grants to request
Ready by Six	30,000	\$10,000 City/County, \$15,000 from Wellmont, \$4,000 Dr. Delay
Youth LEADERSHIP	5,000	Tuition fees
Imagin. Library	5,000	Pass through from Rotary Club
Future Ready Expo Income	10,000	
Wine Pairing Income	30,000	
Interest - Checking	50	
Interest - Money Market	250	
Unsolicited Income/ALS Educational Trust	15,000	Patricia Bible Dinner and other unsolicited donations
Total Income/Revenue	258,900	Total Income/Revenue
Administrative Expenses		Administrative Expenses
Office Expenses	3,000	
Office Rent	5,000	\$330/mo (Feb 2023)/\$421/mo (Feb 2024)
Office Utilities	800	Phone & Internet \$63.78/mo
Taxes, Licenses, Annual Report	200	Annual Report/Charitable Solicitations Yearly Renewal
Insurance (D&O, Crime coverage)	1,700	
Insurance (Office Liability)	700	
Dues, Subscriptions, Conferences	2,000	
Wages & PR Taxes	67,000	
Board Retreat	-	
Board Meeting Lunches	800	
Audit Expense	4,500	
Administrative Expense Totals	85,700	Administrative Expense Totals
Miscellaneous (Non-Administrative) Expenses		Miscellaneous (Non-Administrative) Expenses
Awards / Appreciation	500	
Wine Pairing Expenses	13,000	
Miscellaneous Expenses (bank, cc fees)	500	
Misc (Non-Admin Expense Totals)	14,000	Misc (Non-Admin Expense Totals)
SUCCESS Program Expenses		SUCCESS Program Expenses
Ready by Six	79,244	
HC IML Advisory Council	5,000	HC*EXCELL annual \$5,000 pledge
Ready by Six	37,924	
Ready by Six - Salaries	36,320	Tish, Barbara (PT), Rebecka (PT), Whitney
Arts Build Skills	2,500	
Arts Build Skills	-	Art 360 Grant match (last year)
Art in Industry	2,500	\$500 to (4) middle schools+ \$500 Bravo Awards
Workforce Development	45,000	
JA BizTown/It's My Future	25,000	
BizTown T-shirts	5,000	
Future Ready Expo	10,000	
Youth Leadership Hamblen County	5,000	\$6,300 student fees for FY23 (45-50 students @ \$150 ea)
SCHOOL GRANTS		
Post-Secondary Access & Completion	4,000	
Scholarships/ALS Educational Trust	4,000	2022 Scholarship disbursement
Herbert S. Walters Educator Fund	16,000	
Teacher Appreciation & Recognition	5,000	TOY Awards/Billboards, NBPTS Awards
Educator & System Grants	11,000	PSAT, Freshmen Orientation
Community Engagement	10,000	
P16 Council	-	
Marketing	10,000	ads, sponsorships
SUCCESS Program Expense Totals	156,744	SUCCESS Program Expense Totals
Total Expenses - SUCCESS, ADMIN, MISC	256,444	Total Expenses - SUCCESS, ADMIN, MISC
NET INCOME / LOSS	2,456	NET INCOME / LOSS