

Form **990**

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2010

Department of the Treasury
Internal Revenue Service

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

Open to Public Inspection

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

A For the 2010 calendar year, or tax year beginning and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization AID TO DISTRESSED FAMILIES OF APPALACHIAN COUNTIES		D Employer identification number 58-1727751
	Doing Business As		E Telephone number (865) 425-0256
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	
	P.O. BOX 5953		G Gross receipts \$ 1,128,512.
	City or town, state or country, and ZIP + 4 OAK RIDGE, TN 37831-5953		
F Name and address of principal officer ANNIE CACHEIRO SAME AS C ABOVE		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)	
J Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
J Website: WWW.ADFAC.ORG			
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other			L Year of formation: 1987
			M State of legal domicile: TN

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: AID TO DISTRESSED FAMILIES OF APPALACHIAN COUNTIES, INCORPORATED (ADFAC, INC.) IS AN INDEPENDENT,		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3 19	
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4 19	
	5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5 12	
	6 Total number of volunteers (estimate if necessary)	6 400	
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a 0.	
	b Net unrelated business taxable income from Form 990-T, line 34	7b 0.	
	Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year 1,012,011. Current Year 934,108.
		9 Program service revenue (Part VIII, line 2g)	396,412. 178,541.
		10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,033. 266.
		11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0. 1,650.
		12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,409,456. 1,114,565.
		13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	988,315. 647,837.
		14 Benefits paid to or for members (Part IX, column (A), line 4)	0. 0.
		15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	325,545. 361,370.
		16a Professional fundraising fees (Part IX, column (A), line 11e)	0. 0.
		b Total fundraising expenses (Part IX, column (D), line 25) 21,281.	
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	69,802. 99,244.	
18 Total expenses (Add lines 13-17 (must equal Part IX, column (A), line 25)	1,383,662. 1,108,451.		
19 Revenue less expenses. Subtract line 18 from line 12	25,794. 6,114.		
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year 2,121,026. End of Year 2,201,715.	
	21 Total liabilities (Part X, line 26)	51,871. 126,446.	
	22 Net assets or fund balances. Subtract line 21 from line 20	2,069,155. 2,075,269.	

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.

Sign Here
 Signature of officer: *Annie Cacheiro* Date: **9/29/11**
 Type or print name and title: **ANNIE CACHEIRO, EXECUTIVE DIRECTOR**

Paid Preparer Use Only
 Print/Type preparer's name: **SHIRLEY J. HARRIS** Preparer's signature: *Shirley Harris CPA* Date: **9-27-11** Check if self-employed: PTIN: **P00050891**
 Firm's name: **BIBLE HARRIS SMITH, PC** Firm's EIN: **62-1333840**
 Firm's address: **507 W. CLINCH AVE. KNOXVILLE, TN 37902-2104** Phone no.: **(865) 546-2300**

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

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Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

X

1 Briefly describe the organization's mission:

AID TO DISTRESSED FAMILIES OF APPALACHIAN COUNTIES, INCORPORATED (ADFAC, INC.) IS AN INDEPENDENT, NOT-FOR-PROFIT AGENCY SERVING THE CHARITABLE NEEDS OF ANDERSON AND SURROUNDING COUNTY RESIDENTS. WORKING THROUGH THE SOCIAL SERVICES AND AFFORDABLE HOUSING PROGRAMS,

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 X No

If "Yes," describe these new services on Schedule O.

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

Yes X No

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

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

4a (Code:) (Expenses \$ 603,466. including grants of \$ 375,848.) (Revenue \$ 177,372.) AFFORDABLE HOUSING - ADFAC, INC.'S AFFORDABLE HOUSING PROGRAM REPAIRS, IMPROVES OR RECONSTRUCTS SUBSTANDARD OWNER-OCCUPIED HOMES AND CONSTRUCTS NEW AFFORDABLE HOMES FOR LOW INCOME FAMILIES BY MATCHING GOVERNMENT GRANTS WITH VOLUNTEER CREWS AND LOCAL CONTRACTORS.

4b (Code:) (Expenses \$ 266,690. including grants of \$ 172,058.) (Revenue \$) ENERGY ASSISTANCE - ADFAC, INC. PROVIDES EMERGENCY UTILITY ASSISTANCE TO QUALIFYING FAMILIES THROUGH PROJECTS SAFE AND ASSIST AND THROUGH SUPPORT BY LOCAL GOVERNMENT. LOCAL UTILITY COMPANIES SPONSOR THESE PROGRAMS.

4c (Code:) (Expenses \$ 57,406. including grants of \$ 37,338.) (Revenue \$) OCCUPANCY ASSISTANCE - ADFAC, INC. PROVIDES RENT, MORTGAGE, AND OTHER ASSISTANCE IN MEETING BASIC SHELTER NEEDS OF FAMILIES IN EMERGENCY SITUATIONS AS WELL AS THE SCHOOL SUPPLIES AND WARM FUZZIES PROGRAMS. THIS ASSISTANCE IS PROVIDED BY CONTRIBUTIONS AND SUPPORT FROM INDIVIDUALS AND ORGANIZATIONS IN THE LOCAL COMMUNITY.

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

(Expenses \$ 98,268. including grants of \$ 62,593.) (Revenue \$)

4e Total program service expenses ▶ 1,025,830.

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Part IV Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		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? <i>If "Yes," complete Schedule C, Part III</i>		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9	Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11	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		
11a	a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
11b	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? <i>If "Yes," complete Schedule D, Part VII</i>		X
11c	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? <i>If "Yes," complete Schedule D, Part VIII</i>		X
11d	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? <i>If "Yes," complete Schedule D, Part IX</i>		X
11e	e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>		X
11f	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)? <i>If "Yes," complete Schedule D, Part X</i>		X
12a	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>	X	
12b	b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i>		X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?		X
14b	b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a	Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i>		X
20b	b If "Yes" to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)		

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Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and 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 25		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 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
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
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)?		X
a 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 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	X	

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Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
1a	16		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
1c			
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
2a	12		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
3b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
b	If "Yes," enter the name of the foreign country <input type="checkbox"/> See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d	If "Yes," indicate the number of Forms 8282 filed during the year		
7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		
7e			
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		
7f			
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
7h			
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
8			
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?		
9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
9b			
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12		
10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
10b			
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders		
11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
11b			
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year		
12b			
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.		
13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans		
13b			
c	Enter the amount of reserves on hand		
13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?		X
14a			
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O		
14b			

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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 to any question in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year		
1b	Enter the number of voting members included in line 1a, above, who are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Does the organization have members or stockholders?		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
8a	a The governing body?	X	
8b	b Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

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

		Yes	No
10a	Does the organization have local chapters, branches, or affiliates?		X
10b	b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
11b	b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
12b	b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12c	c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	X	
13	Does the organization have a written whistleblower policy?		X
14	Does the organization have a written document retention and destruction policy?		X
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
15a	a The organization's CEO, Executive Director, or top management official		X
15b	b Other officers or key employees of the organization		X
15c	If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
16b	b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed **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
- 19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization. **THE ORGANIZATION - (865)425-0256**
1051 OAK RIDGE TURNPIKE, OAK RIDGE, TN, OAK RIDGE, TN 37830

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

Check if Schedule O contains a response to any question in this Part VII

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

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

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. 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 (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
SHERRY LIVENGOOD PRESIDENT	2.00	X		X			0.	0.	0.	
CANDE SEAY VICE PRESIDENT	2.00	X		X			0.	0.	0.	
MARY LOU DAUGHERTY SECRETARY	2.00	X		X			0.	0.	0.	
DAVE MULLINS TREASURER	2.00	X		X			0.	0.	0.	
ROXY BENNING BOARD MEMBER	2.00	X					0.	0.	0.	
RICHARD BUTTURINI BOARD MEMBER	2.00	X					0.	0.	0.	
DARRELL DAUGHERTY BOARD MEMBER	2.00	X					0.	0.	0.	
JENNIFER DIXON BOARD MEMBER	2.00	X					0.	0.	0.	
SALLY HAYWOOD BOARD MEMBER	2.00	X					0.	0.	0.	
SHERI JONES BOARD MEMBER	2.00	X					0.	0.	0.	
KEITH JOY BOARD MEMBER	2.00	X					0.	0.	0.	
TOM MARSHALL BOARD MEMBER	2.00	X					0.	0.	0.	
BEAR STEPHENSON BOARD MEMBER	2.00	X					0.	0.	0.	
CHARLOTTE ONEIL BOARD MEMBER	2.00	X					0.	0.	0.	
CRYSTAL SCHROF BOARD MEMBER	2.00	X					0.	0.	0.	
RAY SMITH BOARD MEMBER	2.00	X					0.	0.	0.	
MARTIN TULL BOARD MEMBER	2.00	X					0.	0.	0.	

**AID TO DISTRESSED FAMILIES OF
APPALACHIAN COUNTIES**

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Part VIII Statement of Revenue

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1 a Federated campaigns	1a 82,453.			
	b Membership dues	1b			
	c Fundraising events	1c 500.			
	d Related organizations	1d			
	e Government grants (contributions)	1e 462,309.			
	f All other contributions, gifts, grants, and similar amounts not included above	1f 388,846.			
	g Noncash contributions included in lines 1a-1f \$	108,528.			
	h Total. Add lines 1a-1f		934,108.		
Program Service Revenue	2 a CLIENT MORTGAGE LOAN S	Business Code 624100	134,837.	134,837.	
	b INTEREST ON MORTGAGES	624100	43,704.	43,704.	
	c				
	d				
	e				
	f All other program service revenue				
	g Total. Add lines 2a-2f		178,541.		
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		3,085.		3,085.
	4 Income from investment of tax-exempt bond proceeds				
	5 Royalties				
	6 a Gross Rents	(i) Real (ii) Personal			
	b Less: rental expenses				
	c Rental income or (loss)				
	d Net rental income or (loss)				
	7 a Gross amount from sales of assets other than inventory	(i) Securities (ii) Other			
	b Less: cost or other basis and sales expenses				
	c Gain or (loss)				
	d Net gain or (loss)		<2,819.>	<2,819.>	
	8 a Gross income from fundraising events (not including \$ 500. of contributions reported on line 1c). See Part IV, line 18	a			
	b Less: direct expenses	b			
	c Net income or (loss) from fundraising events			0.	
	9 a Gross income from gaming activities. See Part IV, line 19	a			
b Less: direct expenses	b				
c Net income or (loss) from gaming activities					
10 a Gross sales of inventory, less returns and allowances	a				
b Less: cost of goods sold	b				
c Net income or (loss) from sales of inventory					
Miscellaneous Revenue		Business Code			
11 a ENERGY AUDITS	624100	1,650.	1,650.		
b					
c					
d All other revenue					
e Total. Add lines 11a-11d		1,650.			
12 Total revenue. See instructions.		1114565.	177,372.	0.	3,085.

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Form 990 (2010)

**AID TO DISTRESSED FAMILIES OF
APPALACHIAN COUNTIES**

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Part IX Statement of Functional Expenses

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

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	647,837.	647,837.		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	25,095.	1,440.	19,981.	3,674.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	287,286.	252,898.	21,775.	12,613.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	1,020.	841.	130.	49.
9 Other employee benefits	22,487.	19,937.	1,832.	718.
10 Payroll taxes	25,482.	22,406.	2,214.	862.
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	7,685.		7,685.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other	1,146.	1,146.		
12 Advertising and promotion	1,217.	529.	232.	456.
13 Office expenses	26,262.	21,045.	2,317.	2,900.
14 Information technology				
15 Royalties				
16 Occupancy	6,800.	6,773.	18.	9.
17 Travel	2,797.	2,783.	14.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	5,078.	5,078.		
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	9,215.	9,215.		
23 Insurance	24,638.	22,334.	2,304.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a DUES, FEES AND TAXES	5,593.	3,913.	1,680.	
b MEMBERSHIPS AND SUBSCRI	3,239.	2,886.	353.	
c EDUCATION AND STAFF DEV	1,233.	1,171.	62.	
d				
e				
f All other expenses	4,341.	3,598.	743.	
25 Total functional expenses. Add lines 1 through 24f	1,108,451.	1,025,830.	61,340.	21,281.
26 Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

**AID TO DISTRESSED FAMILIES OF
APPALACHIAN COUNTIES**

Form 990 (2010)

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Part X Balance Sheet

		(A) Beginning of year		(B) End of year	
Assets	1	Cash - non-interest-bearing	111,457.	1	176,411.
	2	Savings and temporary cash investments	739,066.	2	716,014.
	3	Pledges and grants receivable, net	96,610.	3	12,825.
	4	Accounts receivable, net	28,666.	4	43,069.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), 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)		6	
	7	Notes and loans receivable, net	1,038,066.	7	967,169.
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	5,515.	9	4,798.
	10a	Land, buildings, and equipment: cost or other basis Complete Part VI of Schedule D	242,717.		
	10b	Less: accumulated depreciation	29,913.		
			33,672.	10c	212,804.
	11	Investments - publicly traded securities		11	
	12	Investments - other securities See Part IV, line 11		12	
	13	Investments - program-related See Part IV, line 11		13	
	14	Intangible assets		14	
15	Other assets. See Part IV, line 11	67,974.	15	68,625.	
16	Total assets. Add lines 1 through 15 (must equal line 34)	2,121,026.	16	2,201,715.	
Liabilities	17	Accounts payable and accrued expenses	51,871.	17	126,446.
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities. Complete Part X of Schedule D		25	
	26	Total liabilities. Add lines 17 through 25	51,871.	26	126,446.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets	491,768.	27	426,627.
	28	Temporarily restricted net assets	1,577,387.	28	1,648,642.
	29	Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	2,069,155.	33	2,075,269.
	34	Total liabilities and net assets/fund balances	2,121,026.	34	2,201,715.

Form 990 (2010)

**AID TO DISTRESSED FAMILIES OF
APPALACHIAN COUNTIES**

Form 990 (2010)

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Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	1,114,565.
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,108,451.
3	Revenue less expenses Subtract line 2 from line 1	3	6,114.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	2,069,155.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	2,075,269.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question 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?
- b Were the organization's financial statements audited by an independent accountant?
- c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O
- d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both:
 Separate basis Consolidated basis Both consolidated and separate basis
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.

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

Form **990** (2010)

AID TO DISTRESSED FAMILIES OF

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) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	1,177,332.	726,185.	1,164,788.	1,012,011.	934,108.	5,014,424.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	1,177,332.	726,185.	1,164,788.	1,012,011.	934,108.	5,014,424.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						5,014,424.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4	1,177,332.	726,185.	1,164,788.	1,012,011.	934,108.	5,014,424.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	1,519.	7,988.	3,976.	1,033.	3,085.	17,601.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						5,032,025.

12 Gross receipts from related activities, etc. (see instructions) 12 1,091,398.

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f))	14	99.65 %
15 Public support percentage from 2009 Schedule A, Part II, line 14	15	99.70 %

16a 33 1/3% support test - 2010. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶

b 33 1/3% support test - 2009. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶

17a 10% -facts-and-circumstances test - 2010. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶

b 10% -facts-and-circumstances test - 2009. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶

18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 Total support (Add lines 9, 10c, 11, and 12)						

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

Section C. Computation of Public Support Percentage

15 Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2010 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2010. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

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

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

Supplemental Financial Statements

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

Attach to Form 990. See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization AID TO DISTRESSED FAMILIES OF APPALACHIAN COUNTIES

Employer identification number 58-1727751

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

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate contributions, aggregate grants, aggregate value, and questions about donor property and grant fund usage.

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include purpose of easements, total number, acreage, and number of easements on historic structures, and questions about monitoring and reporting.

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.

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include questions about reporting works of art, historical treasures, or other similar assets.

**AID TO DISTRESSED FAMILIES OF
APPALACHIAN COUNTIES**

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

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange programs
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

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

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b If "Yes," explain the arrangement in Part XIV and complete the following table:
- | | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a Did the organization include an amount on Form 990, Part X, line 21? Yes No
- b If "Yes," explain the arrangement in Part XIV.

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

- 2 Provide the estimated percentage of the year end balance held as:
- a Board designated or quasi-endowment _____ %
 - b Permanent endowment _____ %
 - c Term endowment _____ %
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|---------------------------------------------------------------------------------------|--------|----|
| (i) unrelated organizations | 3a(i) | |
| (ii) related organizations | 3a(ii) | |
| b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? | 3b | |

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	161,351.			161,351.
b Buildings				
c Leasehold improvements				
d Equipment	68,086.		21,499.	46,587.
e Other	13,280.		8,414.	4,866.
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				212,804.

**AID TO DISTRESSED FAMILIES OF
APPALACHIAN COUNTIES**

Schedule D (Form 990) 2010

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Part VII Investments - Other Securities. 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. (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶		

Part VIII Investments - Program Related. 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. (Col (b) must equal Form 990, Part X, col (B) line 13.) ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15.) ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) ▶	

FIN 48 (ASC 740) Footnote In Part XIV, 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)

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Schedule D (Form 990) 2010

**AID TO DISTRESSED FAMILIES OF
APPALACHIAN COUNTIES**

Schedule D (Form 990) 2010

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	1,114,565.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	1,108,451.
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	6,114.
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net). Add lines 4 through 8	9	0.
10	Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9	10	6,114.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	1,225,485.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	108,101.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	108,101.
3	Subtract line 2e from line 1	3	1,117,384.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	<2,819.>
c	Add lines 4a and 4b	4c	<2,819.>
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	1,114,565.

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

1	Total expenses and losses per audited financial statements	1	1,219,371.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	108,101.
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV.)	2d	2,819.
e	Add lines 2a through 2d	2e	110,920.
3	Subtract line 2e from line 1	3	1,108,451.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	1,108,451.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

PART X, LINE 2: NOTE 10 \emptyset INCOME TAXES

ADFAC, INC. IS EXEMPT FROM FEDERAL AND STATE INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE. ACCORDINGLY, NO PROVISION FOR INCOME TAXES IS MADE IN THE ACCOMPANYING FINANCIAL STATEMENTS AS ADFAC, INC. HAD NO NET UNRELATED BUSINESS INCOME. ADFAC, INC. HAS ADOPTED THE AUTHORITATIVE GUIDANCE FOR THE UNCERTAINTY IN INCOME TAXES RECOGNIZED IN AN ENTITY'S FINANCIAL STATEMENTS THAT PRESCRIBES A THRESHOLD OF \emptyset MORE

Part XIV Supplemental Information (continued)

LIKELY THAN NOT FOR RECOGNITION AND DERECOGNITION OF TAX POSITIONS TAKEN OR EXPECTED TO BE TAKEN IN A TAX RETURN. ADFAC, INC. PERFORMED AN EVALUATION OF UNCERTAIN TAX POSITIONS FOR THE YEAR ENDED DECEMBER 31, 2010, AND DETERMINED THAT THERE WERE NO MATTERS THAT WOULD REQUIRE RECOGNITION IN THE FINANCIAL STATEMENTS OR WHICH MAY HAVE ANY AFFECT ON ITS TAX-EXEMPT STATUS. AS OF DECEMBER 31, 2010, THE STATUTE OF LIMITATIONS FOR TAX YEARS 2007 THROUGH 2009 REMAINS OPEN WITH THE U.S. FEDERAL JURISDICTION OR THE VARIOUS STATES AND LOCAL JURISDICTIONS IN WHICH ADFAC, INC. FILES TAX RETURNS. IT IS ADFAC, INC.'S POLICY TO RECOGNIZE INTEREST AND/OR PENALTIES RELATED TO UNCERTAIN TAX POSITIONS, IF ANY, IN INCOME TAX EXPENSE. AS OF DECEMBER 31, 2010, ADFAC, INC. HAD NO ACCRUALS FOR INTEREST AND/OR PENALTIES.

PART XII, LINE 4B - OTHER ADJUSTMENTS:

LOSS ON SALE OF ASSET -2,819.

PART XIII, LINE 2D - OTHER ADJUSTMENTS:

LOSS ON SALE OF ASSET 2,819.

AID TO DISTRESSED FAMILIES OF APPALACHIAN COUNTIES

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
HOUSING SERVICES - SEE FORM 990 PART III LINE 4A	519	375,848.	0.		
ENERGY ASSISTANCE - SEE FORM 990 PART III LINE 4B	900	172,058.	0.		
OCCUPANCY ASSISTANCE - SEE FORM 990 PART III LINE 4C	152	37,338.	0.		
OTHER INDIVIDUAL ASSISTANCE - SEE FORM 990 PART III LINE 4D	2582	51,957.	10,636.	ESTIMATE	SCHOOL SUPPLIES, PRESCRIPTIONS, PERSONAL AND CLEANING ITEMS, ETC.

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

SCHEDULE I, PART I, LINE 2: INDIVIDUAL ASSISTANCE IS PROVIDED TO QUALIFYING ELDERLY, DISABLED, OR OTHER LOW-INCOME FAMILIES BASED UPON BASIC SHELTER NEEDS AND EMERGENCY SITUATIONS.

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No 1545-0047

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

Name of the organization **AID TO DISTRESSED FAMILIES OF APPALACHIAN COUNTIES** Employer identification number **58-1727751**

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods	X		10,893.	ESTIMATE
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded	X	1	1,129.	QUOTED PRICE
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential	X	1	77,648.	TAX APPRAISAL
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (OFFICE EQUIPM)	X	1	20,244.	ESTIMATE
26 Other ▶ ()				
27 Other ▶ ()				
28 Other ▶ ()				

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

	Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?		X
b If "Yes," describe the arrangement in Part II.		
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?		X
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?		X
b If "Yes," describe in Part II.		
33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.		

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

Schedule M (Form 990) (2010)

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

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.

OMB No 1545-0047

2010

Open to Public
Inspection

Name of the organization

AID TO DISTRESSED FAMILIES OF
APPALACHIAN COUNTIES

Employer identification number

58-1727751

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

NOT-FOR-PROFIT AGENCY SERVING THE CHARITABLE NEEDS OF ANDERSON AND
SURROUNDING COUNTY RESIDENTS. WORKING THROUGH THE SOCIAL SERVICES AND
AFFORDABLE HOUSING PROGRAMS, ADFAC, INC'S GOAL IS TO HELP IMPOVERISHED
FAMILIES BECOME STABLE AND SELF-SUFFICIENT THROUGH A VARIETY OF DIRECT
ASSISTANCE AND EDUCATIONAL SERVICES.

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

ADFAC, INC'S GOAL IS TO HELP IMPOVERISHED FAMILIES BECOME STABLE AND
SELF-SUFFICIENT THROUGH A VARIETY OF DIRECT ASSISTANCE AND EDUCATIONAL
SERVICES.

FORM 990, PART III, LINE 4D, OTHER PROGRAM SERVICES:

OTHER INDIVIDUAL ASSISTANCE - ADFAC, INC. PROVIDES HELP TO NEEDY
FAMILIES BY COVERING THE COST OF MEDICINE, FOOD, AND OTHER URGENT
NEEDS. THIS ASSISTANCE IS PROVIDED BY CONTRIBUTIONS AND SUPPORT FROM
INDIVIDUALS AND ORGANIZATIONS IN THE LOCAL COMMUNITY AND THROUGH
SUPPORT BY LOCAL GOVERNMENT.

EXPENSES \$ 98,268. INCLUDING GRANTS OF \$ 62,593. REVENUE \$ 0.

FORM 990, PART VI, SECTION B, LINE 11: A DRAFT OF FORM 990 IS PROVIDED TO
THE BOARD.

FORM 990, PART VI, SECTION B, LINE 12C: THE ORGANIZATION DOES NOT ENTER
INTO CONTRACTS WITH BOARD MEMBERS OR OTHER RELATED PARTIES, NOR DOES IT
MAKE PURCHASES WHICH WOULD GENERATE PERSONAL PROFITS TO ANY RELATED

Name of the organization **AID TO DISTRESSED FAMILIES OF
APPALACHIAN COUNTIES**

Employer identification number
58-1727751

PARTIES.

**FORM 990, PART VI, SECTION C, LINE 19: GOVERNING DOCUMENTS, CONFLICT OF
INTEREST POLICY, AND FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC UPON
REQUEST.**

FORM 990, PART XII, LINE 2C

**THE FINANCE COMMITTEE ASSUMES RESPONSIBILITY FOR AUDIT OVERSIGHT. THIS
HAS NOT CHANGED FROM PRIOR YEARS.**