

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: DEC 22 1999

CONNECTING TIRES INC
PO BOX 2017
VALDEZ, AK 99686-2017

Employer Identification Number:
92-0150429
DLN:
17053275754039
Contact Person:
DAVID ROOT ID# 31297
Contact Telephone Number:
(877) 829-5500
Our Letter Dated:
December 1997
Addendum Applies:
No

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

Steven T. Miller

Steven T. Miller
Director, Exempt Organizations

Letter 1050 (DO/CG)

COVERAGE SUMMARY

Coverage Company	Expired 2018-2019	Proposed 2019-2020	Commission	Coverage Information
Package (Berkshire Irwin Siegel)	\$10,557.00	\$11,990.00	15%	Property \$732,320 Blanket Building, Business Personal Property & Property of Others (Agreed Value) \$220,000 Blanket Business Income & Extra Expense \$1,000 Deductible Crime \$50,000 Employee Dishonesty \$25,000 Forgery & Alteration \$10,000 Inside / \$10,000 Outside the Premises Robbery or Safe Burglary of Other Property \$1,000 Deductible General Liability \$3,000,000 Aggregate (Per Location) \$3,000,000 Products/Completed Operations Aggregate \$1,000,000 Occurrence \$1,000,000 Personal & Advertising Injury Limit \$1,000,000 Damage to Premise Rented to You \$20,000 Medical Expense – Any one person \$2,000,000 Abuse/Molestation Liability \$1,000,000 Employee Benefits (claims-made retro date 7/31/09) \$3,000,000 Professional Liability Aggregate \$1,000,000 Professional Occurrence Per Incident
Auto (Berkshire Irwin Siegel)	\$4,979.00	\$5,790.00	15%	\$1,000,000 Combined Single Limit \$1,000,000 – Uninsured/Underinsured Motorist \$5,000 Medical Payments \$1,000 Comp Deductible / \$1,000 Collision Deductible Hired/Non-Owned Auto Liability / Hired Auto Physical Damage
Workers' Compensation (Berkshire)	\$85,080.00	\$50,860.00	10%	\$1,000,000 Bodily Injury by Accident – Ea. Accident \$1,000,000 Bodily Injury by Disease – Policy Limit \$1,000,000 Bodily Injury by Disease – Ea. Employee Payroll – Same as Expiring
Umbrella (Berkshire Irwin Siegel)	\$2,771.00	\$2,954.00	15%	\$1,000,000 Ea. Occurrence / \$1,000,000 Aggregate \$10,000 Self Insured Retention Underlying: General Liability, Professional, Auto & Employers Liability
Directors & Officers/Employment Practices (Travelers)	\$2,314.00	\$2,314.00	15%	\$1,000,000 Shared Limit for D&O/EPL \$1,000,000 Directors & Officers (D&O) \$2,500 D&O Deductible \$1,000,000 Employment Practices Liability (EPL) \$10,000 EPL Deductible Claims Made Prior & Pending Date 8/26/01 2 Year Policy (7/31/18-7/31/20)

GRANT FUNDING REQUEST FOR COMMUNITY SERVICE ORGANIZATIONS

2020 FUNDING REQUEST/CERTIFICATION FORM

ORGANIZATION NAME: Connecting Ties, Inc. PHONE: 907-835-3274
 ADDRESS: PO Box 2017, 128 Chenega, Valdez, AK ZIP: 99686
 CONTACT PERSON: Robin James PHONE: 907-835-3274
 CONTACT PERSON E-MAIL: r.james@cties.org
 PROGRAM TITLE: Regulatory Compliance and Training

FUNDING REQUEST FOR 2020: \$ 50,000

1. Non-Profit Corporation? Yes X No
 Date of incorporation: 1994 Federal Tax ID #: 920150429
2. Organization's estimated TOTAL 2020 operating budget: \$
3. Historical Funding and Membership Information

	Total CSO Budget	City Funding	City % of Total	# of Members
2016	3,092,663			
2017	3,011,097			
2018	2,827,732	62,904	2.2%	
2019	2,869,264	32,000	1.11%	

4. What was previous grant funding used for? Be specific.

With last year's grant funding, Connecting Ties replaced our server, computers, and many other components of our network that were aged beyond their normal lifespans. The upgrades have kept us functional, helping us to meet ever-increasing government mandates and regulations, reducing errors, irregularities, and confusion. This enables us to grow our capacity to serve more people in our community with disabilities needing our services. We worked closely with the IT Solutions team at Copper Valley Telecom and appreciate the work and time they contributed.

ATTACHMENTS: (label as indicated)

- Copy of your organization's most recent fiscal year end financial statements including balance sheet and profit and loss, and sources and uses of revenues. These statements must also show all accumulated fund balances for all of the organization's assets. (label page 2)
- Copy of balance sheets from three prior fiscal years. (label page 3)
- Copy of your organization's estimated current operating budget, including revenues and expenditures. (label page 4)
- Copy of proposed 2020 budget, including revenues and expenditures. (label page 5)
- Copy of your organization's balance sheet and profit and loss as of 6/30/2019

CERTIFICATION: (must be signed by both individuals)

I certify that the information contained in this application, including all attachments and supporting materials, is true and correct to the best of my knowledge.

Robin James
EXECUTIVE DIRECTOR (or equivalent)

8/23/19
DATE

Christine A. Sasse
PRESIDENT, BOARD OF DIRECTORS (or equivalent)

9/24/2019
DATE

Connecting Ties, Inc.
Statement of Financial Income and Expense
 July 2018 through June 2019

	Jul '18 - Jun 19
Ordinary Income/Expense	
Income	
40000 · Income Accounts	
40045 · Fee Agent	255.00
40100 · Self Pay	25,895.95
40130 · Fundraisers	4,221.50
Total 40000 · Income Accounts	30,372.45
40300 · Contributions Income	
40305 · Board Member Contributions	500.00
40306 · Creative Connections	431.46
40320 · Second Time Around	1,065.50
40300 · Contributions Income - Other	8,024.00
Total 40300 · Contributions Income	10,020.96
40400 · Medicaid	
40410 · PCG801 - 1028261	181,796.92
40430 · HC8801 - 1005076	2,329,186.28
Total 40400 · Medicaid	2,510,983.20
41000 · Sales	
41005 · Store Sales	308,167.10
41010 · BB/BS Share Income	12,824.35
41020 · Creative Connections	19,739.42
Total 41000 · Sales	340,730.87
41100 · Grants	
41101 · DD Grant	16,058.00
41115 · Stone Soup Group	4,982.75
Total 41100 · Grants	21,040.75
41900 · Reimbursed Expenses	
41910 · Room & Board	3,963.84
Total 41900 · Reimbursed Expenses	3,963.84
44000 · Other Income	48,397.00
Total Income	2,965,509.07
Gross Profit	2,965,509.07
Expense	
Void Check Tracking	0.00
61000 · Reimbursable Expenses	0.00
65000 · PERSONAL SERVICES	
65060 · Salaries and Wages	2,076,011.56
65065 · Pension Admin & Match	24,919.39
65070 · Payroll Taxes	171,127.03
65075 · Workers' Comp Insurance	90,638.06
65080 · Employee Health Insurance	207,233.67
65081 · Employee Appreciation	211.50
65085 · WS Family Habilitation	59,484.88
65087 · Other Contract Labor	550.00
65088 · Education	6,134.01
Total 65000 · PERSONAL SERVICES	2,636,310.10

Connecting Ties, Inc.
Statement of Financial Income and Expense
July 2018 through June 2019

	Jul '18 - Jun 19
65100 · TRAVEL	
65105 · Car Rental - Admin	408.39
65110 · Fuel - Client	1,958.92
65115 · Fuel - Admin	3,120.47
65116 · Mileage - Admin	868.31
65117 · Mileage - Client	4,386.21
65125 · Airfare Admin	2,120.00
65126 · Ferry - Admin	778.00
65136 · Hotel - Admin	6,553.43
65140 · Per Diem - Admin	5,554.39
Total 65100 · TRAVEL	25,748.12
65200 · FACILITY EXPENSE	
65210 · Utilities	
65213 · Garbage	720.17
65215 · Electric	7,385.51
65216 · Heating Fuel	6,524.69
65218 · Sewer/Water	277.44
65231 · Internet	3,112.69
65232 · Cellular	4,734.61
65233 · Phone	4,056.29
Total 65210 · Utilities	26,811.40
65220 · Rent	88,276.60
65240 · Building Repairs	510.50
65245 · Kiln Repair	236.65
65246 · Snow Removal	2,428.11
65260 · Interest Expense	7,188.94
Total 65200 · FACILITY EXPENSE	125,452.20
65300 · SUPPLIES	
65310 · Fundraising Supplies	986.69
65320 · Store Supplies	3,445.12
65330 · Office Supplies	41,441.49
65350 · Day Prgrm Studio Supplies	701.35
65360 · Creative Connections Supplies	14,358.88
65440 · Program Supplies	5,210.01
Total 65300 · SUPPLIES	66,143.54
65400 · EQUIPMENT	
65410 · Truck & Van Repairs	3,311.42
65420 · Repairs - Non Auto	174.00
65430 · Depreciation	20,276.91
65450 · Computer - Software	11,938.06
Total 65400 · EQUIPMENT	35,700.39
65460 · Admin Meetings/Operations	345.21
65500 · OTHER	
65515 · Creative Connections Consignmnt	382.00
65530 · Advertisement	4,397.90
65540 · Bank Service Charges	6,602.05
65550 · Charitable Contributions	1,100.00
65570 · Licenses, Dues & Subscriptions	7,480.58
65580 · Professional Fees	
65581 · Medical	2,006.84
65582 · Accounting	20,107.85
65583 · Consulting	7,140.00
65584 · Legal Fees	1,869.20
65585 · Background Checks	3,371.50
65586 · IT/Security	4,588.12
Total 65580 · Professional Fees	39,083.51
65590 · Contractual Leases	8,347.54
Total 65500 · OTHER	67,393.58

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08/23/19

Accrual Basis

Connecting Ties, Inc.
Statement of Financial Income and Expense
July 2018 through June 2019

	Jul '18 - Jun 19
65600 · Insurance Expense	
65610 · Commercial Insurance Package	10,475.07
65615 · Excess Liability Insurance	2,778.08
65620 · Officers & Directors Liab Ins	2,177.02
65625 · Volunteer Accident Insurance	500.00
65640 · Auto Insurance and Registration	4,664.57
65600 · Insurance Expense - Other	45.00
Total 65600 · Insurance Expense	20,639.74
Total Expense	2,977,732.88
Net Ordinary Income	-12,223.81
Other Income/Expense	
Other Expense	
70000 · Pass Through	0.00
Total Other Expense	0.00
Net Other Income	0.00
Net Income	-12,223.81

Connecting Ties, Inc.
Balance Sheet
 As of June 30, 2018

	Jun 30, 18
ASSETS	
Current Assets	
Checking/Savings	
10000 · Petty Cash - Valdez Office	139.01
10005 · Petty Cash - HR Background	100.00
10010 · Petty Cash - Glennallen Office	200.00
10030 · Cash Drawer - STA	150.00
10040 · Certificate of Deposit	500.00
11000 · Checking	22,147.50
Total Checking/Savings	23,236.51
Accounts Receivable	
12000 · Accounts Receivable	316,846.10
Total Accounts Receivable	316,846.10
Other Current Assets	
12001 · Client Purchases	230.92
12020 · Prepaid Expenses	679.36
12060 · Rent Deposit	2,123.00
12070 · Refundable Deposits	450.00
12100 · Inventory	
12120 · Second Time Around Inventory	9,736.00
12130 · Creative Connections	14,418.45
Total 12100 · Inventory	24,154.45
13000 · Prepaid Insurance	1,646.56
Total Other Current Assets	29,284.29
Total Current Assets	369,366.90
Fixed Assets	
15000 · PP&E	
15010 · Vehicles	177,231.50
15020 · Computers and Office Equipment	29,567.46
15025 · Miscellaneous Equipment	27,257.89
15040 · Buildings	277,265.06
Total 15000 · PP&E	511,321.91
16000 · A/D PP&E	-279,001.83
Total Fixed Assets	232,320.08
TOTAL ASSETS	601,686.98
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	2,513.90
Total Accounts Payable	2,513.90
Credit Cards	
20107 · Wells Fargo - 2816 James/Devens	10,039.32
20115 · Line of Credit - 1713	55,189.47
Total Credit Cards	65,228.79

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12/05/18

Accrual Basis

Connecting Ties, Inc.
Balance Sheet
As of June 30, 2018

	Jun 30, 18
Other Current Liabilities	
21300 · Simple IRA- W/H & Match	2,162.24
21700 · Accrued Wages	72,045.54
21720 · Accrued Healthcare Premiums	-992.61
21750 · Accrued Mileage	374.64
21800 · Aflac Payable	1,082.40
21900 · Payroll Tax Liabilities	13,202.10
22000 · Accrued Leave	40,407.94
22200 · Workers' Comp Liability	5,786.17
Total Other Current Liabilities	134,068.42
Total Current Liabilities	201,811.11
Long Term Liabilities	
23000 · Wells Fargo Building Loan	67,013.45
Total Long Term Liabilities	67,013.45
Total Liabilities	268,824.56
Equity	
3000 · Opening Bal Equity	4,234.75
39000 · Net Assets	317,681.30
Net Income	10,946.37
Total Equity	332,862.42
TOTAL LIABILITIES & EQUITY	601,686.98

2:17 PM

8/31/17

accrual Basis

Connecting Ties, Inc.
Balance Sheet
 As of June 30, 2017

	Jun 30, 17
ASSETS	
Current Assets	
Checking/Savings	
10000 · Petty Cash - Valdez Office	200.00
10005 · Petty Cash - HR Background	100.00
10010 · Petty Cash - Glennallen Office	200.00
10030 · Cash Drawer - STA	150.00
10040 · Certificate of Deposit	500.00
11000 · Checking	14,516.15
Total Checking/Savings	15,666.15
Accounts Receivable	
12000 · Accounts Receivable	292,101.69
Total Accounts Receivable	292,101.69
Other Current Assets	
12001 · Client Purchases	-101.28
12020 · Prepaid Expenses	4,266.67
12060 · Rent Deposit	3,123.00
12070 · Refundable Deposits	450.00
12080 · Payroll Draw	-6.00
12100 · Inventory	
12120 · Second Time Around Inventory	8,872.50
Total 12100 · Inventory	8,872.50
13000 · Prepaid Insurance	12,362.20
Total Other Current Assets	28,967.09
Total Current Assets	336,734.93
Fixed Assets	
15000 · PP&E	
15010 · Vehicles	177,231.50
15020 · Computers and Office Equipment	42,708.64
15025 · Miscellaneous Equipment	34,258.01
15040 · Buildings	275,685.78
Total 15000 · PP&E	529,883.93
16000 · A/D PP&E	-277,512.24
Total Fixed Assets	252,371.69
TOTAL ASSETS	589,106.62
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	11,179.19
Total Accounts Payable	11,179.19
Credit Cards	
20107 · Wells Fargo - 2816 James/Davens	8,243.77
20115 · Line of Credit - 1713	40,000.00
Total Credit Cards	48,243.77

2:17 PM
8/31/17
accrual Basis

Connecting Ties, Inc.
Balance Sheet
As of June 30, 2017

	Jun 30, 17
Other Current Liabilities	
21300 - Simple IRA- W/H & Match	2,013.73
21700 - Accrued Wages	71,256.68
21720 - Accrued Healthcare Premiums	-589.97
21750 - Accrued Mileage	124.04
21800 - Aflac Payable	1,238.28
21900 - Payroll Tax Liabilities	13,349.30
22000 - Accrued Leave	31,716.93
22200 - Workers' Comp Liability	11,533.77
Total Other Current Liabilities	130,642.76
Total Current Liabilities	190,065.72
Long Term Liabilities	
23000 - Wells Fargo Building Loan	82,339.99
Total Long Term Liabilities	82,339.99
Total Liabilities	272,405.71
Equity	
39000 - Net Assets	444,203.90
Net Income	-127,502.99
Total Equity	316,700.91
TOTAL LIABILITIES & EQUITY	589,106.62

2:18 PM

8/31/17

accrual Basis

Connecting Ties, Inc.
Balance Sheet
 As of June 30, 2016

	Jun 30, 16
ASSETS	
Current Assets	
Checking/Savings	
10000 · Petty Cash - Valdez Office	200.00
10005 · Petty Cash - HR Background	100.00
10010 · Petty Cash - Glennallen Office	200.00
10030 · Cash Drawer - STA	150.00
10040 · Certificate of Deposit	500.00
10050 · Cash drawer for transportation	25.00
11000 · Checking	25,785.15
Total Checking/Savings	26,960.15
Accounts Receivable	
12000 · Accounts Receivable	360,126.67
Total Accounts Receivable	360,126.67
Other Current Assets	
12001 · Client Purchases	-109.00
12020 · Prepaid Expenses	10,970.27
12060 · Rent Deposit	3,123.00
12070 · Refundable Deposits	450.00
12080 · Payroll Draw	-6.00
12100 · Inventory	
12120 · Second Time Around Inventory	14,492.25
Total 12100 · Inventory	14,492.25
13000 · Prepaid Insurance	1,760.79
Total Other Current Assets	30,681.31
Total Current Assets	417,768.13
Fixed Assets	
15000 · PP&E	
15010 · Vehicles	218,008.00
15020 · Computers and Office Equipment	43,695.64
15025 · Miscellaneous Equipment	36,502.00
15040 · Buildings	275,685.78
Total 15000 · PP&E	573,891.42
16000 · A/D PP&E	-282,419.63
Total Fixed Assets	291,471.79
TOTAL ASSETS	709,239.92
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	8,748.06
Total Accounts Payable	8,748.06
Credit Cards	
20107 · Wells Fargo - 2816 James/Devens	4,210.95
Total Credit Cards	4,210.95

2:18 PM

8/31/17

accrual Basis

Connecting Ties, Inc.

Balance Sheet

As of June 30, 2016

	Jun 30, 16
Other Current Liabilities	
21020 · Accrued Education Expenses	137.44
20130 · Deferred Revenue	10,000.00
21300 · Simple IRA- W/H & Match	3,778.61
21700 · Accrued Wages	84,005.25
21720 · Accrued Healthcare Premiums	-3,398.45
21750 · Accrued Mileage	775.86
21760 · Accrued Per Diem	71.00
21770 · Accrued Fuel Expenses	93.54
21800 · Aflac Payable	976.32
21900 · Payroll Tax Liabilities	17,293.86
22000 · Accrued Leave	32,484.30
22200 · Workers' Comp Liability	6,479.01
Total Other Current Liabilities	152,696.74
Total Current Liabilities	165,655.75
Long Term Liabilities	
23000 · Wells Fargo Building Loan	99,380.27
Total Long Term Liabilities	99,380.27
Total Liabilities	265,036.02
Equity	
39000 · Net Assets	451,548.45
Net Income	-7,344.55
Total Equity	444,203.90
TOTAL LIABILITIES & EQUITY	709,239.92

CONNECTING TIES, INC.
FY20 CURRENT BUDGET

REVENUES	FY20 Budget
Fee Agent	\$ 250.00
Self Pay	\$ 4,774.00
Fundraising Events	\$ 5,000.00
CONTRIBUTIONS	
Board Members	\$ 500.00
Creative Connections-Donations	\$ 500.00
Second Time Around-Donations	\$ 1,000.00
MEDICAID	
PCG 801	\$ 172,707.00
HC 8801	\$ 2,212,727.00
STORE SALES	
Creative Connections Sales	\$ 25,000.00
Second Time Around Sales	\$ 302,000.00
BB/BBS Share Income	\$ 12,000.00
GRANTS	
City of Valdez	\$ 50,000.00
CVEA	\$ 500.00
Stone Soup Group	\$ 5,000.00
United Way	\$ 5,000.00
Room & Board	\$ 3,964.00
OTHER INCOME	\$ 5,000.00
Total Revenues	\$ 2,805,922.00

EXPENSES	
EXPENSES	FY20 Budget
PERSONAL SERVICES	
Salaries & Wages	\$ 2,023,450.00
Pension Admin & Match	\$ 23,500.00
Payroll Taxes	\$ 166,757.00
Workers' Comp Insurance	\$ 54,038.00
Employee Health Insurance	\$ 210,000.00
WS Family Habilitation	\$ 59,485.00
Education	\$ 7,000.00
TRAVEL	
Car Rental - Admin	\$ 500.00
Fuel - Client	\$ 2,000.00
Fuel - Admin	\$ 2,500.00
Mileage - Admin	\$ 750.00
Mileage - Client	\$ 4,000.00
Airfare Admin	\$ 1,000.00
Ferry Admin	\$ 550.00
Hotel - Admin	\$ 2,400.00
Per Diem - Admin	\$ 3,000.00

FACILITY EXPENSE	
Garbage	\$ 720.00
Electric	\$ 8,000.00
Heating Fuel	\$ 7,000.00
Sewer/Water	\$ 277.00
Internet	\$ 3,500.00
Cellular	\$ 3,000.00
Phone	\$ 4,500.00
FACILITY EXPENSE (cont.)	
Rent	\$ 86,904.00

CONNECTING TIES, INC.
FY20 CURRENT BUDGET

EXPENSES (CONT.)	FY20 Budget
Building Repairs	\$ 1,500.00
Kiln Repair	\$ 200.00
Snow Removal	\$ 3,000.00
Interest Expense	\$ 4,500.00
SUPPLIES	
Creative Connections	\$ 9,500.00
Day Program - Studio	\$ 800.00
Fundraising Supplies	\$ 1,200.00
Store Supplies	\$ 3,200.00
Office Supplies	\$ 11,000.00
Program Supplies	\$ 4,500.00
EQUIPMENT	
Truck and Van Repairs	\$ 3,200.00
Repairs - Non Auto	\$ 250.00
Computer/Software	\$ 10,000.00
Admin Meeting/Ops	\$ 350.00
OTHER	
Creative Connections Consignment	\$ 1,000.00
Advertisement	\$ 7,500.00
Bank Service Charges	\$ 6,000.00
Licenses, Dues & Subs	\$ 8,000.00
PROFESSIONAL FEES	
Medical	\$ 2,000.00
Accounting	\$ 2,400.00
Consulting	\$ 5,000.00
Legal Fees	\$ 750.00
Background Checks	\$ 3,500.00
IT/Security	\$ 5,500.00
Contractual Leases	\$ 7,050.00
PROFESSIONAL FEES (cont.)	
Commercial Insurance Pkg	\$ 11,990.00
Excess Liability Insurance	\$ 2,164.00
Officers' & Dir. Liab. Ins	\$ 2,954.00
Volunteer Accident Ins.	\$ 500.00
Auto Insurance & Reg.	\$ 5,790.00
Total Expenses	\$ 2,800,129.00
Net Profit/Loss	\$ 5,793.00

CONNECTING TIES, INC.
FY20 PROPOSED BUDGET

REVENUES	FY20 Budget
Fee Agent	\$ 250.00
Self Pay	\$ 4,774.00
Fundraising Events	\$ 5,000.00
CONTRIBUTIONS	
Board Members	\$ 500.00
Creative Connections-Donations	\$ 500.00
Second Time Around-Donations	\$ 1,000.00
MEDICAID	
PCG 801	\$ 172,707.00
HC 8801	\$ 2,212,727.00
STORE SALES	
Creative Connections Sales	\$ 25,000.00
Second Time Around Sales	\$ 302,000.00
BB/BBS Share Income	\$ 12,000.00
GRANTS	
City of Valdez	\$ 50,000.00
CVEA	\$ 500.00
Stone Soup Group	\$ 5,000.00
United Way	\$ 5,000.00
Room & Board	\$ 3,964.00
OTHER INCOME	\$ 5,000.00
Total Revenues	\$ 2,805,922.00

EXPENSES

EXPENSES	FY20 Budget
PERSONAL SERVICES	
Salaries & Wages	\$ 2,023,450.00
Pension Admin & Match	\$ 23,500.00
Payroll Taxes	\$ 166,757.00
Workers' Comp Insurance	\$ 54,038.00
Employee Health Insurance	\$ 210,000.00
WS Family Habilitation	\$ 59,485.00
Education	\$ 7,000.00
TRAVEL	
Car Rental - Admin	\$ 500.00
Fuel - Client	\$ 2,000.00
Fuel - Admin	\$ 2,500.00
Mileage - Admin	\$ 750.00
Mileage - Client	\$ 4,000.00
Airfare Admin	\$ 1,000.00
Ferry Admin	\$ 550.00
Hotel - Admin	\$ 2,400.00
Per Diem - Admin	\$ 3,000.00

FACILITY EXPENSE	
Garbage	\$ 720.00
Electric	\$ 8,000.00
Heating Fuel	\$ 7,000.00
Sewer/Water	\$ 277.00
Internet	\$ 3,500.00
Cellular	\$ 3,000.00
Phone	\$ 4,500.00
FACILITY EXPENSE (cont.)	
Rent	\$ 86,904.00

CONNECTING TIES, INC.

FY20 PROPOSED BUDGET

EXPENSES (CONT.)	FY20 Budget
Building Repairs	\$ 1,500.00
Kiln Repair	\$ 200.00
Snow Removal	\$ 3,000.00
Interest Expense	\$ 4,500.00
SUPPLIES	
Creative Connections	\$ 9,500.00
Day Program - Studio	\$ 800.00
Fundraising Supplies	\$ 1,200.00
Store Supplies	\$ 3,200.00
Office Supplies	\$ 11,000.00
Program Supplies	\$ 4,500.00
EQUIPMENT	
Truck and Van Repairs	\$ 3,200.00
Repairs - Non Auto	\$ 250.00
Computer/Software	\$ 10,000.00
Admin Meeting/Ops	\$ 350.00
OTHER	
Creative Connections Consignment	\$ 1,000.00
Advertisement	\$ 7,500.00
Bank Service Charges	\$ 6,000.00
Licenses, Dues & Subs	\$ 8,000.00
PROFESSIONAL FEES	
Medical	\$ 2,000.00
Accounting	\$ 2,400.00
Consulting	\$ 5,000.00
Legal Fees	\$ 750.00
Background Checks	\$ 3,500.00
IT/Security	\$ 5,500.00
Contractual Leases	\$ 7,050.00
PROFESSIONAL FEES (cont.)	
Commercial Insurance Pkg	\$ 11,990.00
Excess Liability Insurance	\$ 2,164.00
Officers' & Dir. Liab. Ins	\$ 2,954.00
Volunteer Accident Ins.	\$ 500.00
Auto Insurance & Reg.	\$ 5,790.00
Total Expenses	\$ 2,800,129.00
Net Profit/Loss	\$ 5,793.00

PROGRAM INFORMATION

ORGANIZATION NAME: Connecting Ties, Inc.

Program Title: Regulatory Compliance and Training

Complete section below. Limit comments to this page.

1. Summarize the program you are proposing. (You will provide the details in the scope of services form.)

Connecting Ties is requesting \$23,000 in funds to initiate the service and training required to begin electronic charting & GPS electronic visit verification (EVV). These Federally unfunded mandates are required to be in place by January 2020. We're also asking for \$27,000 in funds to fulfill increasing regulatory requirements for hiring and training our caregivers. Our total request is \$50,000.

2. Briefly, but specifically, describe why the program to be funded under this proposal is needed and how it will benefit the Valdez community. Is this a new or existing program? How have you determined the need for your program?

Both the electronic charting/EVV and employee training are federal and state unfunded mandates; we must comply in order to continue our services to the community. Both are beneficial for time savings, accuracy, accountability, and efficiency, overall resulting in financial savings and stability. As a company, we are looking forward to implementing the electronic charting and improving our employee training.

3. Is this program year-round, seasonal, or a one-time event? Year-round
Schedule: Beginning date: 2019 Ending date: 2020

4. Estimated number of people to be served by this program? 107
Provide formula for estimate:

Total number of employees: 63
Total number of clients: 44
Total impact: 107

5. Target population served: (ie: youth, adult, Senior Citizens, disadvantaged, etc.)

Valdez residents with physical and mental disabilities including youth, adults, veterans, and senior citizens

6. Is membership in your organization required for participation: Yes _____ No X

7. Fee to participant: Member \$ n/a Non-Member \$ n/a

8. Number of paid program staff: Full-time 42 Part-time 21 Temporary 0

ORGANIZATION NAME: Connecting Ties, Inc.

Program Information (continued)

9. Volunteer Services Information:

Number of volunteers:	Actual 2017	56
	Actual 2018	49
	Anticipated 2019	50
	Estimated 2020	51

Source of volunteers (parents, members, professionals, others):

Community members, other non-profit members and advocates, board members, employee family members, employees, clients

Types of services provided by volunteers:

Carpentry, lawn mowing/landscaping, cooking, cleaning, fundraising, advertising, professional nursing, IT work, renovations, art, teaching, "in-kind" donations including skilled and non-skilled labor, merchandise, supplies, and financial assistance.

10. Where will you operate this program? What facilities?

Our programs and services are offered in our clients homes, our administrative offices, Creative Connections - our community art studio, and in our community.

11. What is the specific impact on your program if City funding is available at the following percentages of your request?

75% Electronic charting/EVV will be implemented, but training on the system will be reduced. Employee health training will be less effective, increasing the likelihood of being out of compliance with regulations, ultimately reducing quality of care for clients.

50% Electronic charting/EVV will be implemented, but training on the system will be minimal; much self-learning will be required. Employee training will likely not stand up to regulations, fines may be imposed for lack of compliance.

25% Electronic charting/EVV will be implemented, but no training will be available; self-learning will be the only way to operate the system. Employee training will not comply with regulations, forcing fines and potential agency closure.

0% Connecting Ties will fail to comply with federal and state mandates; if an extension is not allowed, government regulators may force the closure of our agency. Clients will be relocated by authorities or have no services.

12. The City is prohibited from contracting with businesses or persons that violate the Americans with Disabilities Act (ADA). What methods does your organization employ to comply with the requirements of ADA?

Connecting Ties, Inc., exists to serve those members of the community living with disabilities. CTI is in compliance with the ADA by offering handicapped facilities including wheelchair ramps and handicapped public restrooms buildings. We serve and employ disabled people and do not discriminate against any disability of any kind, follows state and federal regulations, complying fully with the 1990 American with Disabilities Act.

ORGANIZATION NAME: Connecting Ties, Inc.
Program Information (continued)

13. Any other comments you would like to make about your program?

To continue serving your neighbors in the community living with disabilities, Connecting Ties must, by federal mandate, begin electronic charting and GPS electronic visit verification (EVV) for our clients no later than January 2020. Currently, we use a paper system to chart and document all of our client activities. As such, we are requesting funds to initiate the service and training required to begin electronic charting/EVV. We are excited to convert to an electronic system as there are benefits in charting and documentation accuracy, better accountability, and significant time-savings in administration, all of which add up to cost savings and a more streamlined organization. We already have an initial set of devices (equipment), and are working with our partners/friends at Copper Valley Telecom for the wifi and data service necessary to transmit the information our caregivers will gather during their shifts for administrative processing.

We're also asking for funds to fulfill regulatory requirements in training our caregivers. Connecting Ties is already highly regulated under both federal and state government. Over the 25 years we've been serving people with disabilities, the requirements have increased and the cost of those requirements has increased, as well. For example, just to hire a caregiver requires a 1) state-specific background check, 2) a tuberculosis screening, 3) state-specific CPR certification, 4) a driving record, 5) fingerprints, and 6) at least 9.75 hours of healthcare-specific training before the caregiver can even begin to work:

- Bloodborne Pathogens
- Defensive Driving
- Fire Safety
- Hand Hygiene
- Infection Control
- Medication Management for Individuals with Developmental Disabilities
- Privacy and Confidentiality for Non-HIPAA Covered Entities
- Supporting Everyday Lives for People with Disabilities
- Workplace Emergencies and Natural Disasters: Earthquakes and Tsunamis
- Writing Effective Incident Reports

We're requesting funding for an online service that is effective in the initial training and continuing education of health-specific requirements for our employees, and complies with federal and state regulations.

Average # Employee: 75	
Background Check cost: \$75/applicant =	\$5625
TB Yearly Screening: \$75 new/\$37 renewal =	\$5625 /\$2775
CPR Certification: \$100/person =	\$7500 Yearly
Driving Record: \$10/record =	\$750
Fingerprints: \$10/print =	\$750 Yearly
State Compliance Training: ~9.75hr/person x \$9.89/hr =	\$7232

ORGANIZATION NAME: Connecting Ties, Inc.

OPERATING EXPENSES OF PROPOSED PROGRAM

(Budget Form #1)

<u>Program Expenses:</u>	<u>Budget</u>	<u>Breakdown</u>
PERSONAL SERVICES:	\$ _____	.
Salaries/wages		\$ _____
Employee benefits		\$ _____
Other: _____		\$ _____
CONTRACTUAL SERVICES:	\$ _____	
Reproduction/copying		\$ _____
Equipment rental		\$ _____
Data processing		\$ _____
Dues/subscriptions		\$ _____
Contractual services		\$ _____
Professional fees & services		\$ _____
Other: _____		\$ _____
OTHER SERVICES:	\$ _____	
Volunteer services		\$ _____
Communications/postage		\$ _____
Printing		\$ _____
Advertising/promotion		\$ _____
Electricity		\$ _____
Heating		\$ _____
Travel/transportation		\$ 4,518
Other: _____		\$ _____
COMMODITIES:	\$ _____	
Clothing		\$ _____
Office supplies		\$ _____
Building maintenance		\$ _____
Operating supplies		\$ 15,000
Parts & supplies - equipment		\$ _____
OTHER CHARGES/EXPENSES:	\$ _____	
Insurance		\$ _____
Contingencies		\$ _____
Training		\$ 17,732
Rent		\$ _____
Capital equipment		\$ _____
Office equipment		\$ _____
Other expenses: <u>Mandates by State of Alaska</u>		\$ 12,750
TOTAL COST FOR OPERATION OF THIS PROGRAM:	\$ 50,000	

ORGANIZATION NAME: Connecting Ties Inc.

FUNDING SOURCES FOR PROPOSED PROGRAM
(Budget Form #2)

This program budget covers the period of July 1, 2019 to June 30, 2020

<u>SOURCES OF PROGRAM FUNDING</u>	<u>GOAL AMOUNT</u>	<u>%</u>	<u>COMMITTED (Y/N)</u>
Parent Organization	\$ <u>2,733,398.00</u>	<u> </u>	<u> </u>
Gifts and Contributions	\$ <u>1,500.00</u>	<u> </u>	<u> </u>
Membership Dues	\$ <u>500.00</u>	<u> </u>	<u> </u>
Fees & charges to participants	\$ <u>250.00</u>	<u> </u>	<u> </u>
Private sector grants (specify source and date of award)			
Self Pay	\$ <u>4,774.00</u>	<u> </u>	<u> </u>
CVEA	\$ <u>500.00</u>	<u> </u>	<u> </u>
United Way/CVEA	\$ <u>5,000.00</u>	<u> </u>	<u> </u>
Fundraisers (specify major fundraising events/programs)			
Valdez Fly In	\$ <u>2,000.00</u>	<u> </u>	<u> </u>
Fourth of July	\$ <u>1,000.00</u>	<u> </u>	<u> </u>
Gold Rush	\$ <u>2,000.00</u>	<u> </u>	<u> </u>
Subtotal of Financial Support for this program:	\$ <u>2,755,992.00</u>	<u> </u>	
Supplemental Funding Requested from City of Valdez:	\$ <u>50,000.00</u>	<u> </u>	
<u>TOTAL FUNDING FOR OPERATION OF THIS PROGRAM:</u>	\$ <u>2,805,922.00</u>	100%	

NOTE: Projected program financial support should meet or exceed projected program expenditures. If not, you must provide an explanation. If the financial support is projected to exceed the expenditures by a substantial amount, please provide an explanation as to why grant funds are being requested for this program.

ORGANIZATION NAME: Connecting Ties, Inc.

SCOPE OF SERVICES

Timeline OUTCOMES for 2020 (What do you plan to accomplish in 2020 - be specific)

1) Regulatory compliance is detrimental to staying operational, and can cause strenuous expense to any company. At Connecting Ties, however, we are looking forward to the positive changes that will be ushered in with the new State and Federal requirements. Upon full implementation of the electronic charting/EVV system, we are anticipating much higher accuracy in reporting of all the information our caregivers are responsible for. Moving from our current paper system to electronic will also increase administrative time available to focus on efficiently seeking other funding opportunities. The funding we receive will provide the means for Connecting Ties to better serve existing clients in our community, while striving to become self-sufficient.

2) In order for our caregivers to be employed with Connecting Ties, they must be compliant with State and Federal regulations. Being able to offer certification in various aspects of our training translates to increased staff retention and more job satisfaction for our employees, which results in better care for clients.

3) Maintaining compliance with regulations allows Connecting Ties to stay in business, so we can continue to provide the much-needed services in our community. The types of services exclusively offered by Connecting Ties are:

- person-centered day habilitation
- supportive living in individuals' homes
- residential habilitation
- supported employment for people with disabilities.

Without our organization, our clients will no longer be able to stay in Valdez, their home.

4) Connecting Ties also supports all community members in need with household goods and clothing through Second Time Around, our thrift store. Maintaining proper compliance keeps the doors open for this much-needed community resource.

Attach additional pages if necessary

Definition: Outcome - End product or result accomplished.

Connecting Ties, Inc.

Balance Sheet

As of June 30, 2019

	Jun 30, 19
ASSETS	
Current Assets	
Checking/Savings	
10000 · Petty Cash - Valdez Office	139.01
10005 · Petty Cash - HR Background	100.00
10010 · Petty Cash - Glennallen Office	200.00
10030 · Cash Drawer - STA	150.00
10040 · Certificate of Deposit	500.00
11000 · Checking	112,845.36
Total Checking/Savings	113,934.37
Accounts Receivable	
12000 · Accounts Receivable	269,666.18
12051 · Allowance for Uncollectible Rec	-11,082.00
Total Accounts Receivable	258,584.18
Other Current Assets	
12001 · Client Purchases	-339.51
12020 · Prepaid Expenses	6,194.18
12060 · Rent Deposit	1,000.00
12100 · Inventory	
12120 · Second Time Around Inventory	9,703.25
12130 · Creative Connections	17,033.50
Total 12100 · Inventory	26,736.75
13000 · Prepaid Insurance	9,737.79
Total Other Current Assets	43,329.21
Total Current Assets	415,847.76
Fixed Assets	
15000 · PP&E	
15010 · Vehicles	185,255.90
15020 · Computers and Office Equipment	23,455.74
15025 · Miscellaneous Equipment	31,057.89
15040 · Buildings	280,823.03
Total 15000 · PP&E	520,592.56
16000 · A/D PP&E	-286,057.88
Total Fixed Assets	234,534.68
TOTAL ASSETS	650,382.44
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	33,715.93
Total Accounts Payable	33,715.93
Credit Cards	
20107 · Wells Fargo - 2816 James/Devens	6,776.65
Total Credit Cards	6,776.65

Connecting Ties, Inc.
Balance Sheet
As of June 30, 2019

	Jun 30, 19
Other Current Liabilities	
21300 · Simple IRA- W/H & Match	3,136.63
21700 · Accrued Wages	150,410.48
21720 · Accrued Healthcare Premiums	1,267.10
21750 · Accrued Mileage	60.20
21800 · Aflac Payable	1,062.54
21900 · Payroll Tax Liabilities	20,119.45
22000 · Accrued Leave	54,303.78
22200 · Workers' Comp Liability	19,245.20
Total Other Current Liabilities	249,605.38
Total Current Liabilities	290,097.96
Long Term Liabilities	
23000 · Wells Fargo Building Loan	50,727.75
Total Long Term Liabilities	50,727.75
Total Liabilities	340,825.71
Equity	
3000 · Opening Bal Equity	4,234.75
39000 · Net Assets	317,545.79
Net Income	-12,223.81
Total Equity	309,556.73
TOTAL LIABILITIES & EQUITY	650,382.44

Connecting Ties, Inc.

Profit & Loss

July 2018 through June 2019

	Jul '18 - Jun 19
Ordinary Income/Expense	
Income	
40000 · Income Accounts	
40045 · Fee Agent	255.00
40100 · Self Pay	25,895.95
40130 · Fundraisers	4,221.50
Total 40000 · Income Accounts	30,372.45
40300 · Contributions Income	
40305 · Board Member Contributions	500.00
40306 · Creative Connections	431.46
40320 · Second Time Around	1,065.50
40300 · Contributions Income - Other	8,024.00
Total 40300 · Contributions Income	10,020.96
40400 · Medicaid	
40410 · PCG801 - 1028261	181,796.92
40430 · HC8801 - 1005076	2,329,186.28
Total 40400 · Medicaid	2,510,983.20
41000 · Sales	
41005 · Store Sales	308,167.10
41010 · BB/BS Share Income	12,824.35
41020 · Creative Connections	19,739.42
Total 41000 · Sales	340,730.87
41100 · Grants	
41101 · DD Grant	16,058.00
41115 · Stone Soup Group	4,982.75
Total 41100 · Grants	21,040.75
41900 · Reimbursed Expenses	
41910 · Room & Board	3,963.84
Total 41900 · Reimbursed Expenses	3,963.84
44000 · Other Income	48,397.00
Total Income	2,965,509.07
Gross Profit	2,965,509.07
Expense	
Void Check Tracking	0.00
61000 · Reimbursable Expenses	0.00
65000 · PERSONAL SERVICES	
65060 · Salaries and Wages	2,076,011.56
65065 · Pension Admin & Match	24,919.39
65070 · Payroll Taxes	171,127.03
65075 · Workers' Comp Insurance	90,638.06
65080 · Employee Health Insurance	207,233.67
65081 · Employee Appreciation	211.50
65085 · WS Family Habilitation	59,484.88
65087 · Other Contract Labor	550.00
65088 · Education	6,134.01
Total 65000 · PERSONAL SERVICES	2,636,310.10

Connecting Ties, Inc.
Profit & Loss
July 2018 through June 2019

	Jul '18 - Jun 19
65100 · TRAVEL	
65105 · Car Rental - Admin	408.39
65110 · Fuel - Client	1,958.92
65115 · Fuel - Admin	3,120.47
65116 · Mileage - Admin	868.31
65117 · Mileage - Client	4,386.21
65125 · Airfare Admin	2,120.00
65126 · Ferry - Admin	778.00
65136 · Hotel - Admin	6,553.43
65140 · Per Diem - Admin	5,554.39
Total 65100 · TRAVEL	25,748.12
65200 · FACILITY EXPENSE	
65210 · Utilities	
65213 · Garbage	720.17
65215 · Electric	7,385.51
65216 · Heating Fuel	6,524.69
65218 · Sewer/Water	277.44
65231 · Internet	3,112.69
65232 · Cellular	4,734.61
65233 · Phone	4,056.29
Total 65210 · Utilities	26,811.40
65220 · Rent	88,276.60
65240 · Building Repairs	510.50
65245 · Kiln Repair	236.65
65246 · Snow Removal	2,428.11
65260 · Interest Expense	7,188.94
Total 65200 · FACILITY EXPENSE	125,452.20
65300 · SUPPLIES	
65310 · Fundraising Supplies	986.69
65320 · Store Supplies	3,445.12
65330 · Office Supplies	41,441.49
65350 · Day Prgrm Studio Supplies	701.35
65360 · Creative Connections Supplies	14,358.88
65440 · Program Supplies	5,210.01
Total 65300 · SUPPLIES	66,143.54
65400 · EQUIPMENT	
65410 · Truck & Van Repairs	3,311.42
65420 · Repairs - Non Auto	174.00
65430 · Depreciation	20,276.91
65450 · Computer - Software	11,938.06
Total 65400 · EQUIPMENT	35,700.39
65460 · Admin Meetings/Operations	345.21
65500 · OTHER	
65515 · Creative Connections Consignmnt	382.00
65530 · Advertisement	4,397.90
65540 · Bank Service Charges	6,602.05
65550 · Charitable Contributions	1,100.00
65570 · Licenses, Dues & Subscriptions	7,480.58
65580 · Professional Fees	
65581 · Medical	2,006.84
65582 · Accounting	20,107.85
65583 · Consulting	7,140.00
65584 · Legal Fees	1,869.20
65585 · Background Checks	3,371.50
65586 · IT/Security	4,588.12
Total 65580 · Professional Fees	39,083.51
65590 · Contractual Leases	8,347.54
Total 65500 · OTHER	67,393.58

Connecting Ties, Inc.
Profit & Loss
July 2018 through June 2019

	Jul '18 - Jun 19
65600 · Insurance Expense	
65610 · Commercial Insurance Package	10,475.07
65615 · Excess Liability Insurance	2,778.08
65620 · Officers & Directors Liab Ins	2,177.02
65625 · Volunteer Accident Insurance	500.00
65640 · Auto Insurance and Registration	4,664.57
65600 · Insurance Expense - Other	45.00
Total 65600 · Insurance Expense	20,639.74
Total Expense	2,977,732.88
Net Ordinary Income	-12,223.81
Other Income/Expense	
Other Expense	
70000 · Pass Through	0.00
Total Other Expense	0.00
Net Other Income	0.00
Net Income	-12,223.81