



Mecklenburg County
Community Development Block Grant Program
Application for FY 2017-2018 Funding

DEADLINE SUBMISSION DATE

Friday, February 17, 2017 at 4:00PM

Mail to:

Attn: Victoria Rittenhouse

Office of Community & Economic Development

Re: Mecklenburg County CDBG Program

525 North Tryon St., 12th Floor

Charlotte, NC 28202

or

Email to:

cedc@centralina.org

Subject: Mecklenburg County CDBG Program

(Incomplete applications will not be considered for funding)

Section I

Application Information

APPLICATION SUMMARY

Full Legal Name of Applicant: Ada Jenkins Families and Careers Development Center

Program/Project Name: Center-wide HVAC system

Street Address: 212 Gamble Street

City, State, Zip Code: Davidson, NC 28036

Contact Person: Tamara Roach

Title: Operations Director

Phone: 704-896-0471, ext 125

Email: tamara.roach@adajenkins.org

Is this Project/Program:

☐ Existing

☒ New

☐ Pilot Program

LEGAL STATUS

☐ Municipality

☒ Private-Non-Profit

☐ Community-Based Development Organization

Federal EIN: 56-1927067

DUNS #: 00-201-0051

*To the best of my knowledge and belief all data in this application are true and current.
The document has been duly authorized by the governing board of the applicant.*

Certifying Official:

Title:

Date:

Funds Requested: Please list below the amount funding for which you are applying.

Past CDBG Awards

What is the amount of CDBG/HOME funds your agency has received in the past four years?

	FY 16-17	FY 15-16	FY 14-15	FY 13-14
CDBG	\$101,087 awarded	\$257,000	\$146,546	\$146,546

Note: Applicants should not change the formatting of the application. Please provide your responses in the space provided directly following each question.

Section II

Project Need & Description

Project Description

- Below provide a **detailed** description of the project/program and the community need. Include the project/program name and physical location. The description should only address the specific activities, services, or project that is to be assisted with CDBG funds. Please include maps or other supporting material as attachments. If CDBG funds will assist the entire program or activity, then provide a description of the entire program or activity.

HVAC Installation – Campus-wide at Ada Jenkins Center located at 212 Gamble Street, Davidson, NC 28036

The Ada Jenkins is requesting CDBG funds to update/replace the current systems for heating and cooling the campus buildings. The buildings are currently heated by a 35+ year old boiler system that has been patched repeatedly and earlier this winter received its final opportunity to be patched (a new system would be required instead), we also use space heaters to heat in areas where the boiler system is not functioning properly.

To cool Ada Jenkins campus buildings, we are utilizing over 25 window units and multiple box fans.

The system that has been recommended for installation is a VRF (variable refrigerant system), which among many other features is recommended for historical buildings. The system allows for maintaining comfortable interior temperatures and reasonable utility costs, while also using small-diameter pipes instead of large air ducts that can be unobtrusively installed. Thereby, heating and cooling historical buildings with modern energy efficiency.

Please refer to the pro bono project quote and brochure provided to Ada Jenkins by Trane for additional details and specifications related to this project. (Both of these are included in this grant application).

- What type of CDBG activity is your project? (choose one)

- | | |
|--|--|
| <input type="checkbox"/> Public Service | <input type="checkbox"/> Rehabilitation of residential and non-residential structures |
| <input type="checkbox"/> Economic Development | <input checked="" type="checkbox"/> Construction of public facilities and improvements |
| <input type="checkbox"/> Land Acquisition | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Relocation and demolition | |
| <input type="checkbox"/> Property Clearance Activities | |

2.a. If you checked Public Service above is this a new service provided by your organization?

N/A

2.b. If the service is not new, will the existing public service activity level be substantially increased or improved? Provide details of how it will be improved. For increase in service provide data on the past three years illustrating service level and provides estimate for increase in service.

N/A

- Explain why the program activities are the right strategies to use to achieve the intended outcome?

Ada Jenkins is pursuing this project to create a more stable and more easily regulated indoor environment for those we serve, as well as our staff, numerous volunteers, and community partners who work out of the Center. We have client-partners (beneficiaries) who come to the Center, not only to receive services, but also to take refuge from the heat or cold, depending on the time of year. This project will also increase the Center's energy efficiency.

Ada Jenkins current source of heat is a 35+ year old boiler system that has been patched repeatedly. The last patch was in late December 2016, costing the Center almost \$25,000 in funds and about 10 weeks without heat. We have lost complete heat to the Center for at least a week in each of the past four years due to boiler issues.

The main current source of air conditioning for Ada Jenkins includes over twenty-five window units and multiple box fans. However, our main hallway (and waiting area) does not have the capability for an A/C unit and has a huge swing in temperature compared to areas closer to window units.

- How will your organization use community and/or participant input in planning the program design and/or activities?

The Ada Jenkins staff received input from several community members as well as Center Board members who have contact with different HVAC companies to gain input on recommendations for the type of system and expected cost that would best fit the size, layout, and age of the Center's campus. This was compared to the cost of completely replacing the boiler with a new boiler, while continuing to use numerous window units for cooling in the spaces that have the capacity for window units. This was all reviewed with the Ada Jenkins Finance Committee and the decision was made to pursue a Center-wide HVAC system. The Center has a long-standing partnership with Ingersoll-Rand, which owns Trane. Trane has offered the Center a discounted quote on the HVAC system recommended and installation of the system. Our project budget is based on

this quote, knowing that we would still need to follow the sealed bid process. A brief discussion has also been had with Historic Preservation who viewed this as a viable project.

Project Benefit

- Who is the project/program designed to benefit? Describe the project/program's target population, citing (if relevant) specific age, gender, income, community location or other characteristic of the population this project/program intends to serve.

Ada Jenkins Center improves the quality of life for residents of Davidson, Huntersville and Cornelius through the integrated delivery of health, education, and human services. We are the only agency in north Mecklenburg offering comprehensive services to those in need. Our numerous program and services work collaboratively to prevent or intervene in issues leading, or related, to poverty. Programs support client-partners in responding to changes in life circumstances (job loss, health issues); others are utilized as tools to make positive change. Our goal is to partner with our client-partners as they work to make sustainable shifts in their lives and in generations to follow.

Our approach uses an integrated system with a two generational approach to have greater impact on the potential for upward mobility. Two generation approaches provide opportunities for and meet the needs of vulnerable children and their parents/grandparents/guardians together. They build education, economic supports, social capital, and health and well-being to create a legacy of economic security that passes from one generation to the next.

Human Services

This program offers the services of Social Workers and Care Coordinators to work with individual clients and families to assist them in working toward a higher level of sustainability and economic status. This program helps the area's unemployed and underemployed to evaluate their current situation with the help of a case manager and to participate in employment readiness courses, computer classes, financial and budgeting education, and life skills counseling. In addition to these mid- to long-term efforts, participants receive assistance with any immediate financial needs, making this coordinated effort unique in the area. We have to first meet people in their crisis, help them become more stable and then support them as they work toward sustainability. Of the 2,821 individuals we served in our human services programs last fiscal year, 79% came from households earning less than \$25,000 annually. 1,628 unduplicated individuals and their families received food from our Food Pantry.

Free Medical Clinic

The Ada Jenkins Center Free Medical Clinic leverages the time and talents of volunteer doctors, nurses and other medical personnel to treat patients with a varying array of conditions. In FY15/16, the clinic had 598 patient visits. We see many patients who don't meet minimum Affordable Health Care thresholds, cannot afford the premiums, or who are not eligible due to immigration status. Our clinic has become a primary care provider to many of our patients who are working to manage chronic conditions such as diabetes and heart disease. Many (619) patients work closely with our Community Health Nurses in an effort to gain/maintain control of these conditions.

Free Mobile Dental Clinic

In partnership with the Free Medical Clinic, the Free Mobile Dental Clinic serves uninsured and underinsured patients with vital dental care. The clinic also works with area dentists who provide specialty services in their offices to indigent patients at low or no cost. In addition to holding regular clinics at the Ada Jenkins Center and Huntersville Baptist Church, the mobile clinic partners with area nonprofits and churches to serve other communities in need. Last year the Clinic served 515 individual visits thru our local dental clinics and many more via regional dental clinics. We work closely with community partners in order to expand the reach of the mobile dental unit. Our regional partners include: Urban Ministry Center-Charlotte, Community Free Clinic-Concord, Queen City Lions Club, Our Lady of Guadalupe Church, the Salvation Army Women's Shelter, Free Clinic of Rock Hill, Hessed House in Lincolnton, and East Lincoln Christian Ministry.

LEARN Works

The Ada Jenkins Center LEARN Works program (Linking Everyone to Achievement Resources Now), operating for more than 16 years, has established itself as a positive and productive program for students, staff, and volunteers. The mission of this program is to partner with families and schools to enhance and enrich the educational experiences of students in our local communities. Students enrolled in the program are in grades one through eighth and attend JV Washam, Davidson or Cornelius Elementary Schools and Bailey Middle School. Students are referred to the program by classroom teachers or school administrators based on a demonstrated need for additional academic support.

Basic Goals of the LEARN Works program:

- Promote and foster literacy as a foundation for student development
- Foster growth in academics by building academic skills
- Increase academic confidence
- Encourage and promote leadership development through enrichment activities and exposure to community resources and leaders.

In the current academic year, there are 121 children enrolled; there is currently a waiting list. There is a \$50 fee per child per year for the program; however, no child is turned away from the program due to the inability to pay. It costs the Ada Jenkins an average of \$2,860 a year, per child enrolled in this program.

- How will you reach the targeted population?
Client-partners (beneficiaries) come into the Ada Jenkins system of care from many avenues: walk-ins, community referrals, faith-based referrals, referrals from other community non-profits, school system referrals, as well as numerous other agencies and community partners.
- Beneficiary Type, please choose either subcategory a, b, c or d.
 - ☐ Area Benefit: The project or facility is available to all persons located within an area where at least 70% of the residents are low/moderate income. Please provide a map of the project area and documentation showing the census tract number and universal LMI percentage for the defined project area.
 - ☒ Limited Clientele: The project serves a specific population (e.g., services for seniors, homeless, severely disabled adults, homeless persons, illiterate adults, migrant farm workers, abused children, persons with AIDS or battered spouses); where at least 70% of clients served are LMI.
 - ☐ Housing Benefit: Housing structures must be occupied by LMI households.
 - ☐ Jobs Benefit: Activities must create or retain permanent jobs and 70% of the jobs created/retained must be available to or held by LMI persons.
- Benefit to low and moderate income persons must be documented. How will your organization document the benefit chosen above? (check only one box - a, b, c or d)
 - a. ☒ You will receive income data verification from each participant in the program. Please attach sample documentation of how you will document, income, race and ethnicity of clientele, i.e. worksheets, intake forms, etc.

- Census Tract # _____ Block Groups# _____

- What are the intended outcomes for this project/program?

- How will beneficiaries benefit as a result of participation?

- List your goals/objectives and activities that will take place to implement the project/program and the associated proposed outcomes.

8

- Provide the project/program benchmarks you hope to achieve in FY 17-18. For example, how many unduplicated persons will be served, how many homes assisted, how many jobs created or retained, how many linear feet of sidewalks constructed, etc. How will you measure and evaluate the success of the project/program to meet the goals/objectives (measures should be both qualitative and quantitative)? *Do not inflate your estimates - the numbers provided will be used to assess your proposed project's success.*

Ada Jenkins is implementing a two-generational approach to serving beneficiaries, which means that we are going deeper with those we are serving and providing some “out-of-the-box” assistance that we may not have provided in previous years to help move these families along the continuum. Our goal in the upcoming fiscal year is to serve ~ 4100 unduplicated individuals via our various programs and services.

- Will this project have a long-term benefit for program participants/beneficiaries? Please explain.

Ada Jenkins Center is a place of hope and respite for our client-partners (beneficiaries). While client-partners come to the Center to receive assistance, services and referrals, they also spend time in the Center to get relief from the heat and/or cold by spending several hours at the Center when they are here. We have done our best to upgrade our facility (1937 and 1946 buildings) through volunteer labor and donations, and other community partnerships. However, the Center really needs an overhaul in the areas of heating and cooling, making this a project that falls outside the realm of what unskilled volunteers can accomplish. A Center-wide HVAC system that is built to provide a facility of Ada Jenkins Center’s age with a modern and efficient heating and cooling system in a minimally invasive manner will provide long-term stability to the Center’s environment and a lot less time/resources trying to patch what is currently being utilized.

Workplan, Timeline and Milestones

- Provide a work plan detailing how the project will be organized, implemented and administered. Include a timeline and milestones from initiation through project completion.

We will organize the project as we have organized our other capital projects beginning shortly after we receive the signal to move forward.

- Advertise for RFPs for a HVAC consultant who will handle the final drawings, plans, specs and will act as the project manager through installation. The consultant will handle any necessary approval from Town of Davidson and Mecklenburg County.

- Advertise for sealed bids for equipment and installation of the HVAC system, hold a pre-bid meeting, open bids, hire an HVAC company and hold a pre-installation meeting.
- Develop a timeline with the HVAC company and move forward to complete the installation. Typically we have meetings every two weeks until the project is completed.

Staff Roles and Responsibilities

- Description of the management of your program/project, include name, job title, job description and qualifications. Attach any supporting documentation if necessary.

The project will be managed by Tamara Roach, Ada Jenkins Center Operations Director. Tamara has managed the past four CDBG awarded grants, as well as the health services renovation. She is very familiar with the CDBG process.

Georgia Krueger, Ada Jenkins Center Executive Director, will also be involved in the project on an as needed basis.

Staff from the Town of Davidson may become involved in the project as needed.

Project/installation updates are shared monthly with the Center's finance committee and board. Finance committee members and/or board members may become involved in the project on an as needed basis.

Scott Krueger, Ada Jenkins Center volunteer, also a facility manager for a large regional nonprofit. Scott will be involved in the project on an as needed basis as a volunteer consultant working with Tamara Roach.

Income Eligibility

- Discuss how the project directly benefits low and moderate income residents.

From July 1, 2015 – June 30, 2016, Ada Jenkins Center provided services to over 3,980 client-partners (beneficiaries) for over 15,000 different service visits to those in poverty situations. They were served in our food pantry, medical and dental clinics, afterschool tutoring program and case management. The Center is also a daily host to other community agencies including: Crisis Assistance Ministries, weekly Nar-Anon and Surrender to Win Support groups, Safe Alliance counselors, YMCA English as a second language classes, La Escuilita preschool, Goodwill, Town of Davidson, state agencies, Freedom School and so on.

A Center-wide HVAC system will positively impact our client-partners (beneficiaries) and those who serve them by providing a more comfortable (appropriately temperature-controlled) environment to be in.

- For the project/program, please estimate on how beneficiaries will breakout into the income categories listed in the table below, during the total grant period. See attached income limits chart.

Income Group	Number of Beneficiaries
< 30% of AMI	2525
31-50% AMI	1075
51-80% AMI	520
> 80% AMI	15
Total	4135

PLEASE NOTE: CDBG funds can only be used to reimburse for services to low and moderate income residents within the Mecklenburg County CDBG Program Area. An eligible program may assist persons over 80% median incomes, but at least 70% overall must be below the 80% median income to be eligible for CDBG funding. **Income documentation must be retained and reported for all served in order to determine the percent of low/moderate income. Income documentation must be made available to Mecklenburg County and its agents in order to verify program eligibility.**

Organizational Capacity

- Describe your organization's experience in managing and operating projects or activities funded by CDBG or other Federal sources. Include within the description a resource list (partnerships) in addition to the source and commitment of funds for the operation and maintenance of the program.

We have received four Mecklenburg County CDBG grants: a) Phase 1 Classroom restroom renovations, which in addition to CDBG funds, was funded with private donations as well as funds from Lowes Home Improvement, Cannon Foundation, MSC Tools, and the Town of Davidson b) Phase 2 Gym Entry and Restroom Renovations, which in addition to CDBG funds, was funded with private donations as well as funds from Lowes Home Improvement, Ingersoll Rand, Electrolux and the Town of Davidson c) Phase 3 Campus Roofing Renovations, funded by CDBG funds and the Town of Davidson d) we are reviewing architect proposals and waiting on a signed contract to begin our Phase 4 Main Building Renovations, funded by CDBG and private donations.

- For what period of time has this organization provided the proposed services?

Ada Jenkins Center has been providing health, human services and educational programs for over 20 years in the same location.

- What services, other than those proposed in this proposal does the organization provide?

N/A

- If the organization does not have experience in providing the proposed service, what experience and success has the organization had in carrying out similar projects/programs?

Ada Jenkins Center's experience with capital renovation projects similar to the one detailed in this application comes from prior CDBG grant awarded capital projects, a Health Services renovation project in partnership and funding from local Rotary Clubs and Rotary International, and a complete overhaul of two former classroom spaces into a new food pantry funded solely with private donations.

Section III

Project Budget & Funding

BUDGET

1. Provide a clear description of what you will do with the CDBG investment in the project/program. How will you spend the funds, provide specific details? If the CDBG funded activity will start on a date other than July 1, 2017 please indicate the start date.

If awarded, we will plan to begin the project as soon after July 1, 2017 as possible.

In summary, we will install a VRF HVAC system across the entire Ada Jenkins Center campus. Please see the pro bono scope of project provided by Trane for detailed specifications.

2. Show Program/Project fiscal budget (not entire agency), add or remove expense categories as needed.

Expense (Example)	Requested CDBG Funds	Other Funds	Source of Other Funds	TOTAL BUDGET
HVAC Consultant costs to include design and project management	\$7,000			\$7,000
HVAC EQUIPMENT AND INSTALLATION: See attached Trane pro bono "Scope of Service"	\$132,175		Private donations, grants, corporate gifts, capital campaign	\$132,175
Miscellaneous Costs: Plan reviews, any asbestos or lead abatement, advertisings, FF & E	\$7,000	\$8,000	Private donations, grants, corporate gifts, capital campaign	\$15,000
20% Contingency	\$3,825	\$27,010	Private donations, grants, corporate gifts, capital campaign	\$30,835
Total Budget	\$150,000	\$35,010		\$185,010
Other:				

3. What are the other funding sources? Are those funds secured?

Other funding sources will include private donations, corporate donations, and grant requests. These have not been secured yet; however, the Center is constantly researching potential sources of capital improvement funding. Once we receive approval for any potential CDBG funding of the project, we will more easily be able to bring additional partners aboard for funding.

4. If you do not receive the requested funds or only receive a portion of what you requested, how will that impact the project/program?

If we do not receive the requested funds or only a portion of the requested funds for the HVAC system, Ada Jenkins will use a combination of its reserve dollars and line of credit to fund any cost differential. The Center would then replenish its reserves and pay off its line of credit as soon as additional funding is secured. The Center believes it is not wise or safe to continue to limp along with such a deficient boiler system for heat, and it is not cost-effective to replace the boiler in lieu of a Center-wide HVAC system.

5. If your request includes recurring costs, what are your plans to secure funds for these needs in the future?

Our request does not include recurring costs. We currently budget for utility costs, and hope that this expense will decrease due to the energy efficiency provided by a new HVAC system.

**The purpose of CDBG funds is not to fund projects that are the general responsibility of government or to maintain the operation of a non-profit organization.*

Section IV Conflict of Interest

Federal law (2CFR200.317 and 200.318) prohibits person who exercise or who have exercised any functions or responsibilities with respect to the above grants...or who are in a position to participate in a decision-making process or to gain inside information regarding such activities, may obtain a financial interest or benefit from an assisted activity.... either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

Are any of the Board Members or employees of the agency which will be carrying out this project, or members of their immediate families, or their business associates:

- a) Employees of or closely related to employees of your agency or the member government through which this application is made?

☐ Yes ☒ No

- b) Members of or closely related to Members of City/County/Town Council or Commission of the member government through which this application is made:

☐ Yes ☒ No

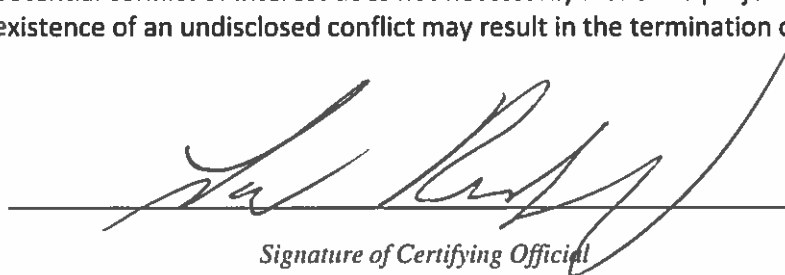
- c) Current beneficiaries of the program for which funds are requested?

☐ Yes ☒ No

- d) Paid providers of goods or services to the program or having other financial interest in the program?

☐ Yes ☒ No

If you have answered YES to any question above, please attach a full explanation. The existence of a potential conflict of interest does not necessarily make the project ineligible for funding, but the existence of an undisclosed conflict may result in the termination of any grant awarded.



Signature of Certifying Official

2/15/17

Date

Section V

501(c)3 Designation

(If you are not a 501(c)3 please disregard this section)

Name of organization: Ada Jenkins Families and Careers Development Center, Inc.

Address: PO Box 1842 (physical: 212 Gamble Street), Davidson, NC 28036

Telephone Number: 704-896-0471

Contact Person: Tamara Roach

Title: Operations Director

Telephone Number: 704-896-0471, ext 125

Email Address: tamara.roach@adajenkins.org

How long have you been operating? Incorporated in 1994

What is your annual budget? \$1.8 million

How often does your Board of Directors meet? Monthly

The following information must be submitted with your application:

1. Most recent financial statement and/or audit
2. Current 501C (3) Non-Profit determination letter
3. Current names of Board of Directors and program staff members
4. Brochure or flyer of services provided

SECTION VI

(Non-profit Agencies Only)

THREE-MONTH CASH RULE TEST

The three (3)- month rule is used by the CDBG Program Office as a guideline to determine whether an Agency is solvent and has enough available cash to take a CDBG project from beginning to end during the 12-month period allowed to complete the project. CDBG projects should not harm the day-to-day operations of the Agency, so enough funds must be available for both purposes.

Provide the information requested below to demonstrate that the agency has enough cash on hand to operate the proposed project on a reimbursement basis.

Balance Sheet- Audited Financial Statements FY: 7/1/15- 6/30/16 Page's #: 2-5
(Documents must be attached to the Application)

Enter Agency Cash Balance \$312,314
(Cash cannot include investments of receivables)

A. Multiply Agency Balance by 4 and enter in adjacent box.
Cash available for project(s) \$1,249,256

List the amount of FY 18 CDBG funding applied for in this application. \$150,000

List the amount of FY 18 CDBG funding applied for on any other application. N/A

B. Sum all the amount for FY 2018 CDBG funding request(s). \$150,000

Compare Agency Cash Balance Available (Item A) with the Total FY 2018 CDBG Funding Request (Item B):

Item A: \$1,249,256 Item B: \$150,000 Difference: \$1,099,256

Analyze the Results

- 1- If the difference is a positive amount or equals \$0, the Agency is eligible to apply.
- 2- If the difference is a negative amount, the Agency has the options below:

The Agency can adjust any of the FY 2018 CDBG requested amount(s) to result in a positive or \$0 balance, as long as: A) Each project meets the minimum required amount for each of the applications, and B) cash available for projects is now greater than or equal to the total FY 2018 CDBG funding request.

Current Mecklenburg County CDBG Income Limits

FY2017										
FY2017 Income Limit Area	Median Income	Category	1	2	3	4	5	6	7	8
Mecklenburg County	\$67,000	Very Low (50%) Income Limits (\$)	23,450	26,800	30,150	33,500	36,200	38,900	41,550	44,250
		Extremely Low (30%) Income Limits (\$)	14,100	16,100	21,160	24,300	28,440	32,580	36,730	40,890
		Low (80%) Income Limits (\$)	37,550	42,900	48,250	53,600	57,900	62,200	66,500	70,800



WE MAKE BUILDINGS WORK BETTER FOR LIFE.™



Trane US, Inc.
4501 South Tryon Street
Charlotte NC 28217
Phone: (704) 525-9600
Fax: (704) 525-8582

November 23, 2016

Georgia Krueger
Executive Director

Site Address:
212 Gamble St Davidson, NC 28036
(704) 896-0811

PROJECT NAME: ADA Jenkins HVAC Renovations

The Trane US Inc. proposes to install HVAC equipment at the ADA Jenkins Site Davidson NC as outlined below. We will provide labor and materials as listed to engineer, program, install, checkout, test, and warranty the HVAC upgrade and provide training for the system operators.

SCOPE OF SERVICE

- Furnish and install a (40) ton Variable Refrigerant Flow (VRF) system for the existing building spaces within the facility.
- Provide and install new gym units (10) ton each, new units will be tied to the new controls system and be Single Zone Variable Speed type.
- Install evaporators in each space necessary to meet capacity and provide redundancy required.
- Install the condensing units and the associated equipment necessary for a fully functional system.
- Install all required refrigerant piping between the evaporators and the condensing unit.
- Provide all rigging and setting of new equipment.
- Provide all roofing and rails necessary for new outdoor unit.
- Provide and install new electrical wiring and conduit.
- Provide and install controls for the new system.
- Provide and install minimum fresh air duct system direct to space controlled via CO2
- Provide all refrigerant, piping, insulation and testing necessary for complete operation.
- Remove complete the existing equipment to be replaced and dispose of it properly
- Trane will provide and install a necessary ductwork, insulation, and air distribution accessories necessary for a fully functional working system.
- Trane will provide and install all electrical wiring and conduit for the new HVAC installation.
- Trane will provide all necessary engineering drawings and permits necessary for a new HVAC installation.
- Five (5) year parts and labor warranty
- Factory start and test system

NOT INCLUDED IN THIS PROPOSAL

- Overtime
- Anything not specifically stated
- Asbestos and hazardous materials handling.



WE MAKE BUILDINGS WORK BETTER FOR LIFE.™



PRICING AND ACCEPTANCE

Total Price\$ 132,175.00

Price below with service agreement and funding by local Trane office-

Contract Year	Project Origination Fee	Annual Prepayment Amount	Periodic Payment Amount	Yearly Payment	Payment Term
Year 1	\$ -	\$ 25,000.00	\$ 10,061.50	\$ 145,738.00	Monthly in Advance

I appreciate the opportunity to earn your business, and look forward to helping you with all of your services needs. Please contact me if you have any questions or concerns at (704) 525-9600

Thank you for this opportunity to be of service.

This proposal is valid to 30 days

SUBMITTED BY: Merritt Flowers		Proposal Date: November 23, 2016	
EBS Account Manager		Trane ACCEPTANCE	
CUSTOMER ACCEPTANCE		Trane U.S. Inc.	
Authorized Representative _____		Authorized Representative _____	
Printed Name _____		Title _____	
Title _____		Signature Date _____	
Purchase Order _____			
Acceptance Date _____			



WE MAKE BUILDINGS WORK BETTER FOR LIFE.™



TERMS AND CONDITIONS - INSTALLATION

"Company" shall mean Trane U.S. Inc..

1. **Acceptance.** These terms and conditions are an integral part of Company's offer and form the basis of any agreement (the "Agreement") resulting from Company's proposal (the "Proposal") for the work described (the "Work"). The Proposal is subject to acceptance in writing by the party to whom this offer is made or an authorized agent ("Customer") delivered to Company within 30 days from the date of the Proposal. If Customer's order is an acceptance of the Proposal, without the addition of any other terms and conditions of sale or any other modification, this document shall be treated solely as an acknowledgment of such order. If Customer's order is expressly conditioned upon Company's acceptance or assent to terms and/or conditions other than those expressed herein, return of such order by Company with these terms and conditions attached or referenced serves as Company's notice of objection to Customer's terms and as Company's counter-offer to provide Work in accordance with scope and terms and conditions of the Proposal. If Customer does not reject or object in writing to Company within 10 days, Company's counter-offer will be deemed accepted. Customer's acceptance of goods and/or Work by Company will in any event constitute an acceptance by Customer of these terms and conditions. This Agreement is subject to credit approval by Company. Upon disapproval of credit, Company may delay or suspend performance or, at its option, renegotiate prices and/or terms and conditions with Customer. If Company and Customer are unable to agree on such revisions, this Agreement shall be cancelled without any liability, other than Customer's obligation to pay for Work rendered by Company to the date of cancellation.

2. **Pricing and Taxes.** Unless otherwise noted, the price in the Proposal includes standard ground transportation and, if required by law, all sales, consumer, use and similar taxes legally enacted as of the date hereof for equipment and material installed by Company. Tax exemption is contingent upon Customer furnishing appropriate certificates evidencing Customer's tax exempt status. Company shall charge Customer additional costs for bonds agreed to be provided. Equipment sold on an uninstalled basis and any taxable labor/labour do not include sales tax and taxes will be added. Following acceptance without addition of any other terms and condition of sale or any other modification by Customer, the prices stated are firm provided that notification of release for immediate production and shipment is received at the factory not later than 3 months from order receipt. If such release is received later than 3 months from order receipt date, prices will be increased a straight 1% (not compounded) for each one-month period (or part thereof) beyond the 3 month firm price period up to the date of receipt of such release. If such release is not received within 6 months after date of order receipt, the prices are subject to renegotiation, or at Company's option, the order will be cancelled. Any delay in shipment caused by Customer's actions will subject prices to increase equal to the percentage increase in list prices during that period of delay and Company may charge Customer with incurred storage fees.

3. **Exclusions from Work.** Company's obligation is limited to the Work as defined and does not include any modifications to the Work site under the Americans With Disabilities Act or any other law or building code(s). In no event shall Company be required to perform work Company reasonably believes is outside of the defined Work without a written change order signed by Customer and Company.

4. **Performance.** Company shall perform the Work in accordance with industry standards generally applicable in the area under similar circumstances as of the time Company performs the Work. Company may refuse to perform any Work where working conditions could endanger property or put at risk the safety of persons. Unless otherwise agreed to by Customer and Company, at Customer's expense and before the Work begins, Customer will provide any necessary access platforms, catwalks to safely perform the Work in compliance with OSHA or state industrial safety regulations.

5. **Payment.** Customer shall pay Company's invoices within net 30 days of invoice date. Company may invoice Customer for all equipment or material furnished, whether delivered to the installation site or to an off-site storage facility and for all Work performed on-site or off-site. No retention shall be withheld from any payments except as expressly agreed in writing by Company, in which case retention shall be reduced per the contract documents and released no later than the date of substantial completion. Under no circumstances shall any retention be withheld for the equipment portion of the order. Customer shall be liable to Company for all reasonable shutdown, standby and start-up costs as a result of the suspension. Company reserves the right to add to any account outstanding for more than 30 days a service charge equal to 1.5% of the principal amount due at the end of each month. Customer shall pay all costs (including attorneys' fees) incurred by Company in attempting to collect amounts due and otherwise enforcing these terms and conditions. If requested, Company will provide appropriate lien waivers upon receipt of payment. Customer agrees that, unless Customer makes payment in advance, Company will have a purchase money security interest in all equipment from Company to secure payment in full of all amounts due Company and its order for the equipment, together with these terms and conditions, form a security agreement. Customer shall keep the equipment free of all taxes and encumbrances, shall not remove the equipment from its original installation point and shall not assign or transfer any interest in the equipment until all payments due Company have been made.

6. **Time for Completion.** Except to the extent otherwise expressly agreed in writing signed by an authorized representative of Company, all dates provided by Company or its representatives for commencement, progress or completion are estimates only. While Company shall use commercially reasonable efforts to meet such estimated dates, Company shall not be responsible for any damages for its failure to do so.

7. **Access.** Company and its subcontractors shall be provided access to the Work site during regular business hours, or such other hours as may be requested by Company and acceptable to the Work site owner or tenant for the performance of the Work, including sufficient areas for staging, mobilization, and storage. Company's access to correct any emergency condition shall not be restricted.

8. **Completion.** Notwithstanding any other term or condition herein, when Company informs Customer that the Work has been completed, Customer shall inspect the Work in the presence of Company's representative, and Customer shall either (a) accept the Work in its entirety in writing, or (b) accept the Work in part and specifically identify, in writing, any exception items. Customer agrees to re-inspect any and all excepted items as soon as Company informs Customer that all such excepted items have been completed. The initial acceptance inspection shall take place within ten (10) days from the date when Company informs Customer that the Work has been completed. Any subsequent re-inspection of excepted items shall take place within five (5) days from the date when Company informs Customer that the excepted items have been completed. Customer's failure to cooperate and complete any of said inspections within the required time limits shall constitute complete acceptance of the Work as of ten (10) days from date when Company informs Customer that the Work, or the excepted items, if applicable, has/have been completed.

9. **Permits and Governmental Fees.** Company shall secure (with Customer's assistance) and pay for building and other permits and governmental fees, licenses, and inspections necessary for proper performance and completion of the Work which are legally required when bids from Company's subcontractors are received, negotiations thereon concluded, or the effective date of a relevant Change Order, whichever is later. Customer is responsible for necessary approvals, easements, assessments and charges for construction, use or occupancy of permanent structures or for permanent changes to existing facilities. If the cost of such permits, fees, licenses and inspections are not included in the Proposal, Company will invoice Customer for such costs.

10. **Utilities During Construction.** Customer shall provide without charge to Company all water, heat, and utilities required for performance of the Work.

11. **Concealed or Unknown Conditions.** In the performance of the Work, if Company encounters conditions at the Work site that are (i) subsurface or otherwise concealed physical conditions that differ materially from those indicated on drawings expressly incorporated herein or (ii) unknown physical conditions of an unusual nature that differ materially from those conditions ordinarily found to exist and generally recognized as inherent in construction activities of the type and character as the Work, Company shall notify Customer of such conditions promptly, prior to significantly disturbing same. If such conditions differ materially and cause an increase in Company's cost of, or time required for, performance of any part of the Work, Company shall be entitled to, and Customer shall consent by Change Order to, an equitable adjustment in the Contract Price, contract time, or both.

12. **Pre-Existing Conditions.** Company is not liable for any claims, damages, losses, or expenses, arising from or related to conditions that existed in, on, or upon the Work site before the Commencement Date of this Agreement ("Pre-Existing Conditions"), including, without limitation, damages, losses, or expenses involving Pre-Existing Conditions of building envelope issues, mechanical issues, plumbing issues, and/or indoor air quality issues involving mold/mould and/or fungi. Company also is not liable for any claims, damages, losses, or expenses, arising from or related to work done by or services provided by individuals or entities that are not employed by or hired by Company.

13. **Asbestos and Hazardous Materials.** Company's Work and other services in connection with this Agreement expressly excludes any identification, abatement, cleanup, control, disposal, removal or other work connected with asbestos, polychlorinated biphenyl ("PCB"), or other hazardous materials (hereinafter, collectively, "Hazardous Materials"). Customer warrants and represents that, except as set forth in a writing signed by Company, there are no Hazardous Materials on the Work site that will in any way affect Company's Work and Customer has disclosed to Company the existence and location of any Hazardous Materials in all areas within which Company will be performing the Work. Should Company become aware of or suspect the presence of Hazardous Materials, Company may immediately stop work in the affected area and shall notify Customer. Customer will be exclusively responsible for taking any and all action necessary to correct the condition in accordance with all applicable laws and regulations. Customer shall be exclusively responsible for and shall indemnify and hold harmless Company (including its employees, agents and subcontractors) from and against any loss, claim, liability, fees, penalties, injury (including death) or liability of any nature, and the payment thereof arising out of or relating to any Hazardous Materials on or about the Work site, not brought onto the Work site by Company. Company shall be required to resume performance of the Work in the affected area only in the absence of Hazardous Materials or when the affected area has been rendered harmless. In no event shall Company be obligated to transport or handle Hazardous Materials, provide any

notices to any governmental agency, or examine the Work site for the presence of Hazardous Materials.

14. Force Majeure. Company's duty to perform under this Agreement is contingent upon the non-occurrence of an Event of Force Majeure. If Company shall be unable to carry out any material obligation under this Agreement due to an Event of Force Majeure, this Agreement shall at Company's election (i) remain in effect but Company's obligations shall be suspended until the uncontrollable event terminates or (ii) be terminated upon 10 days notice to Customer, in which event Customer shall pay Company for all parts of the Work furnished to the date of termination. An "Event of Force Majeure" shall mean any cause or event beyond the control of Company. Without limiting the foregoing, "Event of Force Majeure" includes: acts of God; acts of terrorism, war or the public enemy; flood; earthquake; tornado; storm; fire; civil disobedience; pandemic insurrections; riots; labor/labour disputes; labor/labour or material shortages; sabotage; restraint by court order or public authority (whether valid or invalid), and action or non-action by or inability to obtain or keep in force the necessary governmental authorizations, permits, licenses, certificates or approvals if not caused by Company; and the requirements of any applicable government in any manner that diverts either the material or the finished product to the direct or indirect benefit of the government.

15. Customer's Breach. Each of the following events or conditions shall constitute a breach by Customer and shall give Company the right, without an election of remedies, to terminate this Agreement or suspend performance by delivery of written notice declaring termination, upon which event Customer shall be liable to Company for all Work furnished to date and all damages sustained by Company (including lost profit and overhead): (1) Any failure by Customer to pay amounts when due; or (2) any general assignment by Customer for the benefit of its creditors, or if Customer becomes bankrupt or insolvent or takes the benefit of any statute for bankrupt or insolvent debtors, or makes or proposes to make any proposal or arrangement with creditors, or if any steps are taken for the winding up or other termination of Customer or the liquidation of its assets, or if a trustee, receiver, or similar person is appointed over any of the assets or interests of Customer; (3) Any representation or warranty furnished by Customer in this Agreement is false or misleading in any material respect when made; or (4) Any failure by Customer to perform or comply with any material provision of this Agreement.

16. Indemnity. Company and Customer shall indemnify, defend and hold harmless each other from any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorneys' fees, resulting from death or bodily injury or damage to real or tangible personal property, to the extent caused by the negligence or misconduct of their respective employees or other authorized agents in connection with their activities within the scope of this Agreement. Neither party shall indemnify the other against claims, damages, expenses or liabilities to the extent attributable to the acts or omissions of the other party. If the parties are both at fault, the obligation to indemnify shall be proportional to their relative fault. The duty to indemnify will continue in full force and effect, notwithstanding the expiration or early termination hereof, with respect to any claims based on facts or conditions that occurred prior to expiration or termination.

17. Limitation of Liability. NOTWITHSTANDING ANYTHING TO THE CONTRARY, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL (INCLUDING WITHOUT LIMITATION REFRIGERANT LOSS, PRODUCT LOSS, LOST REVENUE OR PROFITS), OR PUNITIVE DAMAGES WHETHER CLAIMED UNDER CONTRACT, WARRANTY, NEGLIGENCE, STRICT LIABILITY OR ANY OTHER LEGAL THEORY OR FACTS. NO EVENT SHALL COMPANY BE LIABLE FOR ANY DAMAGES (WHETHER DIRECT OR INDIRECT) RESULTING FROM MOLD/MOULD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR OTHER CONTAMINATES OR AIRBORNE BIOLOGICAL AGENTS.

18. Patent Indemnity. Company shall protect and indemnify Customer from and against all claims, damages, judgments and loss arising from infringement or alleged infringement of any United States patent by any of the goods manufactured by Company and delivered hereunder, provided that in the event of suit or threat of suit for patent infringement, Company shall promptly be notified and given full opportunity to negotiate a settlement. Company does not warrant against infringement by reason of Customer's design of the articles or the use thereof in combination with other materials or in the operation of any process. In the event of litigation, Customer agrees to reasonably cooperate with Company. In connection with any proceeding under the provisions of this Section, all parties concerned shall be entitled to be represented by counsel at their own expense.

19. Warranty. Company warrants that for a period of 12 months from the date of substantial completion (a) the equipment manufactured by Company and furnished hereunder is free from defects in material and manufacture; and (b) the labor/labour furnished is warranted to have been properly performed (the "Warranty"). Substantial completion shall be the earlier of the date that the Work is sufficiently complete so that Customer can utilize the Work for its intended use or the date that Customer receives beneficial use of the Work. If such defect is discovered within the Warranty period, Company will correct the defect or furnish replacement equipment (or, at its option, parts therefor) and, if said equipment was installed pursuant hereto, labor associated with the replacement of parts or equipment not conforming to this Warranty. Defects must be reported to Company within the Warranty period. Exclusions from this Warranty include damage or failure arising from: wear and tear; corrosion, erosion, deterioration; Customer's failure to follow the Company-provided maintenance plan; modifications made by others to Company's equipment. Company shall not be obligated to pay for the cost of lost refrigerant or lost product. Additional terms and conditions of warranty coverage are applicable for refrigeration equipment. Notwithstanding the foregoing, all warranties provided herein terminate upon termination or cancellation of this Agreement.

No liability whatsoever shall attach to Company until the Work has been paid for in full and then said liability shall be limited to the lesser of Company's cost to correct the defective Work and/or the purchase price of the equipment shown to be defective. Equipment, material and/or parts that are not manufactured by Company are not

warranted by Company and have such warranties as may be extended by the respective manufacturer.

THE WARRANTY AND LIABILITY SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES AND LIABILITIES, WHETHER IN CONTRACT OR IN NEGLIGENCE, EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND/OR OTHERS ARISING FROM COURSE OF DEALING OR TRADE. UNLESS EXPRESSLY WARRANTED IN WRITING FOR CERTAIN HUSSMANN BRANDED EQUIPMENT, COMPANY MAKES NO REPRESENTATION OR WARRANTY EXPRESS OR IMPLIED REGARDING PREVENTION BY THE WORK, OR ANY COMPONENT THEREOF, OF MOLD/MOULD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR ANY OTHER CONTAMINATES. COMPANY SPECIFICALLY DISCLAIMS ANY LIABILITY IF THE WORK OR ANY COMPONENT THEREOF IS USED TO PREVENT OR INHIBIT THE GROWTH OF SUCH MATERIALS.

20. Insurance. Company agrees to maintain the following insurance while the Work is being performed with limits not less than shown below and will, upon request from Customer, provide a Certificate of evidencing the following coverage:

Commercial General Liability	\$2,000,000 per occurrence
Automobile Liability	\$2,000,000 CSL
Workers Compensation	Statutory Limits

If Customer has requested to be named as an additional insured under Company's insurance policy, Company will do so subject to Company's manuscript additional insured endorsement. In no event does Company waive right of subrogation.

21. General. Except as provided below, to the maximum extent provided by law, this Agreement is made and shall be interpreted and enforced in accordance with the laws of the state or province in which the Work is performed. Any dispute arising under or relating to this Agreement that is not disposed of by agreement shall be decided by litigation in a court of competent jurisdiction located in the state or province in which the Work is performed. To the extent the Work site is owned and/or operated by any agency of the Federal Government, determination of any substantive issue of law shall be according to the Federal common law of Government contracts as enunciated and applied by Federal judicial bodies and boards of contract appeals of the Federal Government. This Agreement contains all of the agreements, representations and understandings of the parties and supersedes all previous understandings, commitments or agreements, oral or written, related to the subject matter hereof. This Agreement may not be amended, modified or terminated except by a writing signed by the parties hereto. No documents shall be incorporated herein by reference except to the extent Company is a signatory thereon. If any term or condition of this Agreement is invalid, illegal or incapable of being enforced by any rule of law, all other terms and conditions of this Agreement will nevertheless remain in full force and effect as long as the economic or legal substance of the transaction contemplated hereby is not affected in a manner adverse to any party hereto. Customer may not assign, transfer, or convey this Agreement, or any part hereof, or its right, title or interest herein, without the written consent of the Company. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of Customer's permitted successors and assigns. This Agreement may be executed in several counterparts, each of which when executed shall be deemed to be an original, but all together shall constitute but one and the same Agreement. A fully executed facsimile copy hereof or the several counterparts shall suffice as an original.

22. Equal Employment Opportunity/Affirmative Action Clause. Company is a federal contractor that complies fully with Executive Order 11246, as amended, and the applicable regulations contained in 41 C.F.R. Parts 60-1 through 60-80, 29 U.S.C. Section 793 and the applicable regulations contained in 41 C.F.R. Part 60-741; and 38 U.S.C. Section 4212 and the applicable regulations contained in 41 C.F.R. Part 60-250 in the United States and with Canadian Charter of Rights and Freedoms Schedule B to the Canada Act 1982 (U.K.) 1982, c. 11 and applicable Provincial Human Rights Codes and employment law in Canada.

23. U.S. Government Work. The following provision applies only to direct sales by Company to the US Government. The Parties acknowledge that all items or services ordered and delivered under this Agreement are Commercial Items as defined under Part 12 of the Federal Acquisition Regulation (FAR). In particular, Company agrees to be bound only by those Federal contracting clauses that apply to "commercial" suppliers and that are contained in FAR 52.212-5(e)(1). Company complies with 52.219-8 or 52.219-9 in its service and installation contracting business. The following provision applies only to indirect sales by Company to the US Government. As a Commercial Item Subcontractor, Company accepts only the following mandatory flow down provisions: 52.219-8; 52.222-26; 52.222-35; 52.222-36; 52.222-39; 52.247-64. If the Work is in connection with a U.S. Government contract, Customer certifies that it has provided and will provide current, accurate, and complete information, representations and certifications to all government officials, including but not limited to the



Trane® VRF
variable refrigerant systems



Trane VRF variable refrigerant systems

Exceptionally efficient cooling and heating — from the cooling and heating expert.

When VRF is the right solution for your application, Trane will help you ensure it's the best solution.

Trane® VRF variable refrigerant systems are among the best in the industry. Thoroughly researched. Thoroughly tested. Thoroughly proven to offer exceptional value.

And because Trane offers a full portfolio of heating and cooling solutions, you can be confident that our recommendation of a VRF system for your application is the best solution for your heating and cooling needs.

Performance you can count on. Solutions you can trust. Knowledgeable experts you can believe in. That's the Trane difference.

*The economy owners want.
The comfort occupants want.*

Trane VRF systems can keep energy costs low while delivering different occupant-selected temperatures to multiple zones — a big benefit for buildings with multiple interior spaces and diverse occupancy patterns. For medium-sized buildings, Trane VRF systems are available in outdoor mini heat pump configurations with 3-, 4- or 5-ton capacities. For larger buildings, VRF outdoor units are available in either heat pump or heat recovery configurations ranging in capacities from 6 to 16 ton individual units and system combinations up to 44 tons (air-source) and 48 tons (water-source).

Significant savings on utility bills can be achieved, because areas can be heated or cooled only when they are occupied.

Occupant satisfaction can be increased, because individual areas can be heated or cooled as desired — even if adjacent and nearby areas are at significantly different temperatures.

Tenants can be accurately and fairly billed for system use, because Trane VRF systems can deliver usage reports that allow landlords to calculate the actual amounts of energy used to heat and cool each leased space.



There are VRF systems ... and there are Trane VRF systems.

Expert installation

You can be confident that a Trane VRF installation will be performed in accordance with the industry's latest safety standards, because Trane certified installation technicians follow ASHRAE Standard 15 and the Canadian B 52-M1995 Mechanical Refrigeration Code.

A complete solution — including controls

Trane provides superior controls solutions — solutions that are optimized with specific algorithms to support the unique performance characteristics of individual VRF systems. Programmed to help simplify installations, minimize troubleshooting and deliver dependable, economical heating and cooling performance, Trane controls add real value to our VRF systems.

The science behind the savings

Variable refrigerant flow systems are inherently efficient. So what makes Trane VRF systems really stand out? Superior design strategy. Advanced technology. Outstanding durability. These industry-leading benefits help Trane VRF systems deliver industry-leading energy efficiency.

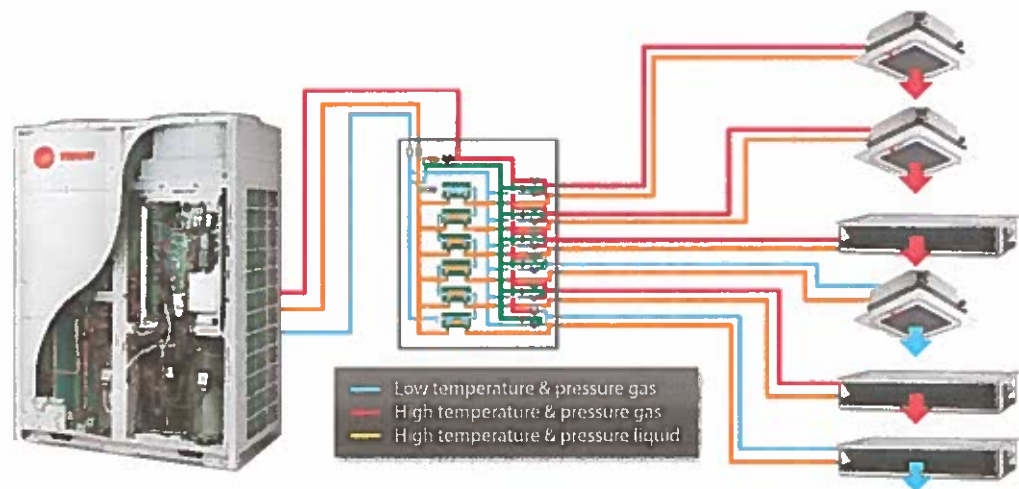
Advanced compressor technology

The compressors at the heart of every Trane VRF system feature multiple technological advantages that help them deliver higher efficiency when cooling or heating.

- **Variable-speed operation** — Precisely matches compressor speed to demand level, maximizing comfort and minimizing energy consumption.
- **Asymmetric scroll design** — Friction-reducing architecture improves both efficiency and longevity.
- **Available dual inverter scroll compressors** — A dual-compressor system can respond to rapid changes in building load during periods of heavy demand, as well as operate both compressors at more efficient speeds throughout the entire demand range.

Intelligent refrigerant flow

Trane VRF heat-recovery systems reduce energy consumption using strategically located mode control units (MCUs), which allow heat energy to be intelligently exchanged between localized zones.



Improved heating performance and efficiency

Through the use of a three-pipe design and vapor-injection technology, Trane VRF heat-recovery systems achieve improved heating performance and overall energy efficiency that competing two-pipe systems simply can't match. Building occupants enjoy more heating comfort, while building owners pay lower utility bills.

Fast, accurate auto-commissioning

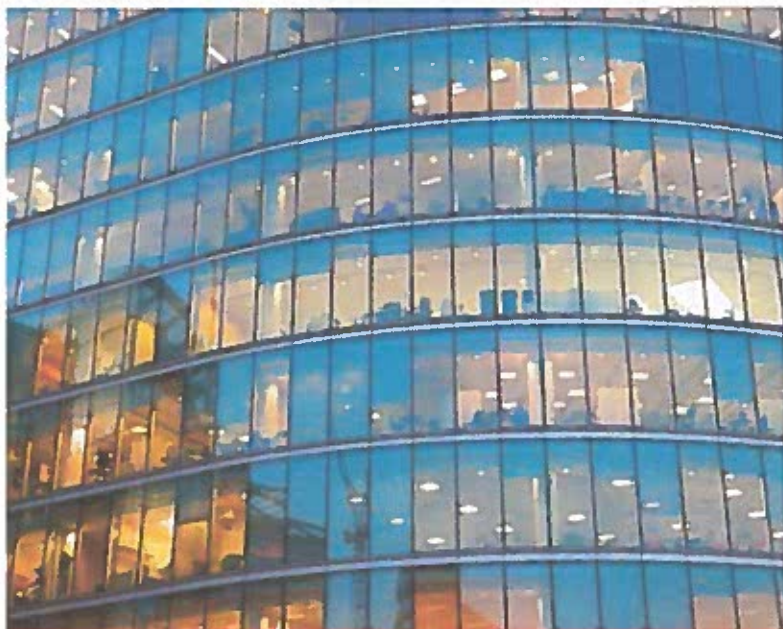
Trane VRF systems have a fast, accurate auto-commissioning process, both for initial system installation as well as for applications requiring commissioning on a regular basis. The Trane auto-commissioning process saves time and hassles — and provides proof that your VRF system is delivering the efficient performance you expect. Your Trane VRF system can be up and running quickly — and can stay running at peak performance, year after year.

Extensive self-monitoring capabilities

Trane VRF systems automatically check critical system datapoints every three seconds. In the unlikely event of a performance variation, your Trane VRF system can alert you well in advance of a critical condition.

Best of all ... it's a Trane

The Trane network of sales and service offices is one of the most extensive in the industry. Choosing a Trane VRF system means your nearby Trane office can provide all the assistance you need.



Full support for specialized applications

Trane® VRF systems can keep energy costs low while delivering different occupant-selected temperatures to multiple zones — a big benefit for buildings with multiple interior spaces and diverse occupancy patterns.

User-selectable night operation mode can reduce sound output by up to 15 dB — ideal for noise-sensitive installations.

Compact, lightweight construction makes Trane VRF units among the smallest and easiest to install in the industry. Existing roofs generally don't require modifications or reinforcements to support the relatively light weight of a Trane VRF unit, and new construction often can be designed with lighter-weight, less-expensive techniques and materials.

Support for 575-volt electrical service is available on Trane VRF systems so they can serve more customers — and eliminate the need for expensive electrical modifications.

Local seismic rating requirements can be addressed with solutions that are available for all Trane VRF systems.

Supports long total piping runs

Tall buildings and structures with large amounts of floor space can benefit from VRF technology — but not all VRF systems can easily support them. Trane variable refrigerant systems can.

- Capable of serving a total pipe run of up to 3,281 feet — one of the longest in the industry.
- Superior technology makes it possible: a combination of up to 8,400 RPM compressor speed and unique electronic expansion valves with a 2,000-step gear-driven design.

Modern heating and cooling for historical structures

For classical architecture, maintaining a period-correct appearance inside and out is vitally important — but so is maintaining comfortable interior temperatures and reasonable utility costs. Which is why Trane VRF systems can be a perfect solution. Using small-diameter pipes instead of large air ducts, Trane VRF systems can be unobtrusively installed, heating and cooling historical buildings with modern energy efficiency — the best of both worlds.

Mini units offer quiet operation.

Compact and lightweight, Trane mini VRF outdoor units deliver efficient cooling and heating with quiet operation — making them perfect for medium-sized office spaces and upscale residences.

- Supports pipe runs of up to 164 vertical feet, 492 feet in a single line and up to 984 total feet.
- Indoor units are available in high-wall, cassette, concealed and floor/ceiling suspended designs.
- Will also support convertible air-handler units.

Advanced controls for every application

Trane VRF systems include a variety of control options, each programmed with unique algorithms to make systems easy to use and comfort easy to achieve, helping to improve the life of your building.



A complete solution includes superior controls, which are optimized with specific algorithms to support the unique performance characteristics of individual VRF systems. Programmed to help simplify installations, minimize troubleshooting and deliver dependable, economical heating and cooling performance, Trane controls add real value to our VRF systems.



Individual zone controls allow management of up to 16 indoor units via a wired or wireless remote control. Each controller can be used to set zone temperature, heating/cooling mode and fan speed. Simple scheduling is also possible for improved energy savings.



Centralized controls allow power and heating/cooling mode management of up to 128 indoor units connected to a central on/off controller. A typical application for this type of control would be an elementary school, with the entire building's group of VRF units monitored and controlled from the principal's office.



System controls provide a higher level of management for multiple-VRF systems, as might be found in a multi-floor building. System controls provide more-advanced scheduling, operation and alarm history management; they can be accessed remotely for monitoring via an Internet connection.



- **Optional BACnet® connectivity** adds the benefit of VRF system integration with Trane Tracer™ controls for a total building management and control solution. One Trane Tracer control system can coordinate the functions of a VRF system, a chiller, an air handler, a VAV system and more. An available Pulse Input Module can be connected to watt-hour meters to allow individual tenant billing.
- **Integrated building control software** is available for large, stand-alone VRF installations. It offers building owners and managers complete control and monitoring capability of all connected VRF systems and units.
- **Internet connectivity** is easy: Communication with the system can take place using any Web-connected computer. From virtually anywhere in the world, system set points can be modified and user-definable alarms can be received to ensure immediate notification when specified events occur.

Trane® ductless portfolio

Single-zone

R-SERIES



**R-Series
Outdoor Unit**
¼-3 tons

Available Indoor Products:



4MXW2
Ultra-Efficiency High Wall Unit



4MXW8
High-Efficiency High Wall Unit



4MYW6 and 4MXW6
Medium-Efficiency High Wall Unit

C-SERIES



**C-Series
Outdoor Unit**
1½ ton



**C-Series
Outdoor Unit**
2-2½ tons



**C-Series
Outdoor Unit**
3-4 tons

Available Indoor Products:



4-Way Cassette



Mid-Static Pressure Duct

Multi-zone

MZ-SERIES



**MZ Series
Outdoor Unit**
1½-3½ tons

Available Indoor Products:



High Wall Mounted



**Concealed Ducted
(Horizontal)**



Cassette



Console



Floor/Ceiling

VRF

MINI



Mini Outdoor VRF
3, 4 and 5 tons

AIR



Air-Source VRF
6 tons



Air-Source VRF
8, 10, 12, 14 and 16 tons



Air-Source VRF
18-44 tons

WATER



Water-Source VRF
6, 8 and 10 tons



Water-Source VRF
16 tons



Water-Source VRF
12-48 tons

INDOOR



Slim One-Way



Mini Four-Way



Four-Way



Slim Duct



Mid-Static Pressure Duct



High-Static Pressure Duct



High Wall



Floor/Ceiling



Convertible Air Handler

Scan the code or
visit Trane.com/Ductless
to learn more.



Ingersoll Rand (NYSE:IR) advances the quality of life by creating comfortable, sustainable and efficient environments. Our people and our family of brands—including Club Car®, Ingersoll Rand®, Thermo King® and Trane®—work together to enhance the quality and comfort of air in homes and buildings; transport and protect food and perishables; and increase industrial productivity and efficiency. We are a \$13 billion global business committed to a world of sustainable progress and enduring results.



ingersollrand.com

*ADA JENKINS FAMILIES
AND
CAREER DEVELOPMENT CENTER, INC.*

*FINANCIAL STATEMENTS
JUNE 30, 2016*

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.

Table of Contents

June 30, 2016

	Page
Independent Auditors' Report	1
Audited Financial Statements:	
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements	6-12

C. DEWITT FOARD & COMPANY, P.A.

CERTIFIED PUBLIC ACCOUNTANTS
817 EAST MOREHEAD STREET SUITE 100
CHARLOTTE, NORTH CAROLINA 28202
TELEPHONE: 704-372-1515 FACSIMILE: 704-372-6066

PHILLIP G. WILSON
TERRY W. LANCASTER

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Ada Jenkins Families and Career Development Center, Inc.
Davidson, North Carolina

We have audited the accompanying financial statements of Ada Jenkins Families and Career Development Center, Inc. (the "Center" - a nonprofit corporation), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Ada Jenkins Families and Career Development Center, Inc., as of June 30, 2016 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Center's 2015 financial statements, and our report dated October 8, 2015, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

C. DeWitt Foard & Company, P.A.
October 12, 2016

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.**Statement of Financial Position****June 30, 2016, With Prior Year Comparative Totals**

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
Cash	\$ 412,416	\$ 589,405
Receivables:		
Pledges	966,599	425,172
Sales tax and miscellaneous	6,800	2,847
Prepaid expenses	8,955	11,611
Investments:		
Beneficial interest in assets held in trust by third party	19,544	21,256
Property and equipment, net	1,434,830	784,376
<u>TOTAL ASSETS</u>	<u>\$ 2,849,144</u>	<u>\$ 1,834,667</u>
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Accounts payable and accrued expenses	\$ 48,289	\$ 49,731
Total Liabilities	48,289	49,731
Net Assets:		
Unrestricted:		
Designated	412,891	344,556
Undesignated	1,399,766	915,186
Total Unrestricted Net Assets	1,812,657	1,259,742
Temporarily restricted	988,198	525,194
Total Net Assets	2,800,855	1,784,936
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 2,849,144</u>	<u>\$ 1,834,667</u>

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.**Statement of Activities****Year Ended June 30, 2016, With Prior Year Comparative Totals**

	Unrestricted	Temporarily Restricted	Totals	Prior Year Comparative Totals
<u>SUPPORT AND REVENUE</u>				
Contributions and Grants:				
United Way	\$ 42,109	\$ 194,094	\$ 236,203	\$ 239,210
Other	2,142,460	618,600	2,761,060	2,030,927
Special events, net of \$42,390				
direct benefit	80,559	-	80,559	87,146
Fees	6,946	-	6,946	9,216
Interest income	326	-	326	587
Change in value of beneficial interest				
in assets held in trust	(1,665)	-	(1,665)	94
Miscellaneous	11,108	-	11,108	15,627
Net Assets Released From Restrictions:				
Satisfaction of time restrictions	324,172	(324,172)	-	-
Restrictions satisfied by payments	25,518	(25,518)	-	-
<i>TOTAL SUPPORT AND REVENUE</i>	<i>2,631,533</i>	<i>463,004</i>	<i>3,094,537</i>	<i>2,382,807</i>
<u>EXPENSES</u>				
Program services	1,633,819	-	1,633,819	1,626,755
Management and general	136,071	-	136,071	142,892
Fund raising	308,728	-	308,728	232,231
<i>TOTAL EXPENSES</i>	<i>2,078,618</i>	<i>-</i>	<i>2,078,618</i>	<i>2,001,878</i>
<i>CHANGE IN NET ASSETS</i>	<i>552,915</i>	<i>463,004</i>	<i>1,015,919</i>	<i>380,929</i>
<i>NET ASSETS, BEGINNING</i>	<i>1,259,742</i>	<i>525,194</i>	<i>1,784,936</i>	<i>1,404,007</i>
<i>NET ASSETS, ENDING</i>	<i>\$ 1,812,657</i>	<i>\$ 988,198</i>	<i>\$ 2,800,855</i>	<i>\$ 1,784,936</i>

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.

Statement of Functional Expenses

Year Ended June 30, 2016, With Prior Year Comparative Totals

	Program Services			Support Services			Prior Year Comparative Totals
	Education	Health Services	Human Services	Management and General	Fund Raising	Totals	
PERSONNEL							
Salaries	\$ 249,994	\$ 287,873	\$ 253,712	\$ 68,261	\$ 104,709	\$ 964,549	\$ 896,683
Payroll taxes and benefits	26,602	29,055	29,164	7,316	10,602	102,739	97,165
Total	276,596	316,928	282,876	75,577	115,311	1,067,288	993,848
OTHER EXPENSES							
Occupancy:							
In-Kind	27,032	30,619	28,058	7,787	14,504	108,000	108,000
Other	21,275	10,944	9,931	13,246	2,164	57,560	89,684
Services and fees:							
In-Kind	-	156,846	-	-	-	156,846	142,592
Other	45,996	16,956	12,328	12,558	192,170	280,008	224,849
Depreciation	15,534	17,594	16,123	4,475	8,335	62,061	60,141
Supplies:							
In-Kind	76	36,005	120,584	5,676	76	162,417	179,581
Other	20,258	24,965	12,848	6,091	3,137	67,299	63,901
Communications	3,945	6,813	3,764	2,869	6,422	23,813	21,844
Assistance	-	7,731	57,443	-	-	65,174	108,329
Insurance	6,543	7,842	5,461	1,522	2,824	24,192	20,243
Miscellaneous	-	-	34	1,189	-	1,223	2,390
Equipment and furnishings	12,737	8,524	6,784	2,118	4,386	34,549	29,686
Training	665	1,868	57	1,587	268	4,445	14,342
Dues and subscriptions	475	2,267	494	1,376	1,521	6,133	4,874
Total	154,536	328,974	273,909	60,494	235,807	1,053,720	1,070,456
TOTAL EXPENSES	431,132	645,902	556,785	136,071	351,118	2,121,008	2,064,304
Less - Amounts deducted directly against support	-	-	-	-	42,390	42,390	62,426
NET EXPENSES	\$ 431,132	\$ 645,902	\$ 556,785	\$ 136,071	\$ 308,728	\$ 2,078,618	\$ 2,001,878

See accompanying notes to financial statements.

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.**Statement of Cash Flows****Year Ended June 30, 2016, With Prior Year Comparative Totals**

	<u>2016</u>	<u>2015</u>
<u>OPERATING ACTIVITIES</u>		
Change in net assets	\$ 1,015,919	\$ 380,929
Adjustments to reconcile change in net assets to cash flows from operating activities:		
Depreciation	62,061	60,142
Change in value of beneficial interest in assets held in trust	1,665	(94)
Contributions restricted for long-term uses	(907,332)	(273,185)
Donated property and equipment	(25,000)	(13,995)
(Increase) decrease in operating assets:		
Receivables	(56,980)	(109,014)
Prepaid expenses	2,656	(4,159)
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	(1,442)	40,784
Funds held for unrelated organizations	-	(8,484)
<u>Cash Flows From Operating Activities</u>	<u>91,547</u>	<u>72,924</u>
<u>INVESTING ACTIVITIES</u>		
Acquisition of investments	(10,110)	(9,700)
Proceeds from sale of investments	10,157	-
Purchase of property and equipment	(687,515)	(241,897)
<u>Cash Flows From Investing Activities</u>	<u>(687,468)</u>	<u>(251,597)</u>
<u>FINANCING ACTIVITIES</u>		
Increase in long-term pledges receivable	(488,400)	(99,500)
Contributions restricted for long-term uses	907,332	273,185
Principal paid on capital lease obligation	-	(999)
<u>Cash Flows From Financing Activities</u>	<u>418,932</u>	<u>172,686</u>
<u>CHANGE IN CASH</u>	<u>(176,989)</u>	<u>(5,987)</u>
<u>CASH, BEGINNING</u>	<u>589,405</u>	<u>595,392</u>
<u>CASH, ENDING</u>	<u>\$ 412,416</u>	<u>\$ 589,405</u>

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.**Notes to Financial Statements****June 30, 2016**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Nature of activities**

Ada Jenkins Families and Career Development Center, Inc. (the Center) was established in 1994 as a not-for-profit corporation to improve the lives of families and individuals in Davidson, North Carolina and surrounding communities by providing resources and services that meet the needs and interest of the community. The Center's primary source of support is contributions and grants from companies, foundations, and the general public. The Center is a participating agency of the United Way of Central Carolinas, Inc. and operates the following main programs:

Health Services:

- Free Medical Clinic - Volunteer medical clinic directed to provide primary care, acute care, and some specialty care to uninsured and underinsured individuals residing within our service area. The Health Services component also includes a Community Health Nurse providing Health assessment, advocacy, referrals, assistance with access to health and other human services and health education.
- Free Mobile Community Dental Clinic - Volunteer dental clinic directed to provide primary dental services to families who do not have access to dental care.
- Community Health Nursing - Health assessments, advocacy, education, referrals, and assistance with access to health and other human services. Community Health Nurses also provide medical case management for patients of our free medical clinics.

Education:

- LearnWorks - Daily elementary and middle school student tutoring, social skill development and enrichment program and serves as a collaborative partner in operating a Freedom School for this age group.
- Computer Center – Computer classes for adults seeking to learn skills in basic computer operations and the Microsoft products of Word, Access, Excel, and PowerPoint. Refurbished computers are provided to individuals for employment and educational purposes.

Human Services:

- An interdisciplinary approach assisting client-partners as they work to reach their maximum potential. This is done by providing critical services for both the short and long term. Through assessment, information and referral, vocational counseling, case management, financial assistance, food, clothing and counseling the Human Services Program empowers client-partners to achieve economic self-sufficiency and a higher quality of life.

Volunteers:

- In excess of 750 volunteers are utilized annually in the Center's programs and services. Opportunities are available for both individuals and groups. Every program involves a volunteer component as does the general upkeep of the Center. Volunteer opportunities include, but are not limited to, tutoring, shopping with Pantry visitors, Dental and Medical professionals, translators, receptionists, painting, grounds and maintenance, etc.

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.**Notes to Financial Statements****June 30, 2016**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**Basis of accounting and presentation**

The financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP). The Center is required to report information regarding its financial position and activities according to the following three classes of net assets:

Unrestricted net assets - Unrestricted net assets are those currently available for use in the day-to-day operations of the Center. From time to time, the Board of Directors may designate certain amounts to be utilized to meet specific objectives. Such amounts, if any, are reflected as unrestricted, designated net assets in the accompanying statement of financial position.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Center and/or the passage of time.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Center. During the year the Center had no permanently restricted net assets.

Contributions and grants

The Center reports gifts of cash and other assets as restricted support if they are received with stipulations that limit the use of the donated assets. When a restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Donated services and goods

Donated services are reported as contributions when the services (a) create or enhance non-financial assets or (b) would be purchased if they had not been provided by contribution, require specialized skills, and are provided by individuals possessing those skills. Donated goods, if significant, are included in support at fair value. During the year, the Center recorded \$156,846 of donated services from volunteers acting in a professional capacity and \$160,528 of donated goods. No amount is recorded as an in-kind contribution upon receipt of donated items intended for auction due to the subjective nature of estimating the items' value. These items are auctioned at Foundation events throughout the year and are recorded as special events revenue at the amount received for the item through the auction process.

In addition, the Center receives a substantial amount of donated services from unpaid volunteers acting in a nonprofessional capacity in carrying out its program activities. No amounts have been reflected in the financial statements for these services since they do not meet the criteria for recognition.

Pledges receivable

In accordance with GAAP, the Center recognizes unconditional promises to give as support in the period the promise is received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.**Notes to Financial Statements****June 30, 2016**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continuedProperty and equipment

Depreciation of property and equipment is provided over the estimated useful lives of the respective assets using the straight-line method. Acquisitions of property and equipment exceeding \$500 are capitalized at historical cost. Donated property and equipment is recorded at fair value at the date of donation. During the year the Center recorded \$25,000 of donated property and equipment.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of support, revenues and expenses during the reporting period. Actual results could differ from those estimates.

Functional allocation of expenses

Expenses are allocated to program services and support services based on management's estimates of time spent and various allocation methods appropriate to the type of expense.

Income tax status

The Center is a not-for-profit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code with respect to its exempt function income. The Center is not classified as a private foundation.

Prior-year comparative totals

The financial statements include certain prior-year summarized information, which is presented for comparative purposes only. Accordingly, such information should be read in conjunction with the Center's June 30, 2015 financial statements, from which the summarized information was derived. Certain prior year amounts have been reclassified to conform to current year presentation.

NOTE B - PLEDGES RECEIVABLE

Pledges receivable as of year-end are expected to be collected as follows:

Year ended June 30:			
2017		\$	564,418
2018			163,700
2019			175,700
2020			144,000
2021			5,000
Total			1,052,818
Deduct:			
Allowance for doubtful accounts	\$	61,800	
Present value discount		24,419	86,219
Total		\$	966,599

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.**Notes to Financial Statements****June 30, 2016**

NOTE B - PLEDGES RECEIVABLE, continued

Management has determined the above allowance for doubtful accounts based on the historical collectability of the pledging organizations and evaluation of each individual account. Management has determined the above present value discount related to long-term pledges assuming an interest rate of 3.5 percent.

NOTE C - INVESTMENTSBeneficial interest in assets held in trust by third party

The Center previously established a quasi-endowment and transferred assets to be held and managed by The Foundation For The Carolinas (the Foundation). The Foundation has complete discretion as to the timing and amounts of distributions from these funds; however, all funds are ultimately repayable to the Center and the Foundation has no variance power to distribute any portion of these funds to another not-for-profit entity. Assets at the Foundation at year-end are held in an investment pool with a fund type of *Quasi-Endowed Designated* and an asset investment strategy of *Non-Endowed Long-Term*.

Fair value

Generally accepted accounting principles require fair value of financial instruments to be determined based on the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants. It establishes a three-level valuation hierarchy based upon observable and unobservable inputs, as follows:

Level 1 - Fair value is based on quoted prices in active markets for identical assets or liabilities.

Level 2 - Fair value is based on observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Fair value is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The Center's beneficial interest in assets held in trust by the Foundation are classified as Level 3 assets. Values of these investments are determined by the Foundation based on the fair value of the underlying assets, which consists of assets some of which are publicly traded and some of which are not publicly traded.

The following table sets forth a summary of changes in the fair value of the Center's Level 3 assets:

Balance, beginning of year	\$	21,256
Purchases		10,110
Sales		(10,157)
Decrease in value of beneficial interest in assets held in trust		(1,665)
Balance, end of year	\$	19,544

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.**Notes to Financial Statements****June 30, 2016**

NOTE C - INVESTMENTS, continuedQuasi-endowment policies

Quasi-endowment investments are managed by Foundation For The Carolinas, which has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make annual distributions while growing the funds. Actual returns in any given year will vary.

NOTE D - PROPERTY AND EQUIPMENT

Property and equipment at year-end is summarized as follows by major classification:

Vehicles	\$ 260,675
Leasehold improvements	1,519,657
Computers and software	145,251
Furniture, fixtures, and equipment	59,674
	<hr/>
	1,985,257
Less - accumulated depreciation	575,683
	<hr/>
	1,409,574
Land - not held for use in operations	25,256
	<hr/>
	<u>\$ 1,434,830</u>

NOTE E - LEASE COMMITMENTS

The Center leases various office equipment under non-cancellable operating leases. Total rental expense for the year under these leases totaled \$15,179. Minimum future rental payments under these leases at year-end are as follows:

Year Ending June 30,	
2017	\$ 14,628
2018	6,624
2019	6,624
2020	6,624
2021	552
	<hr/>
	<u>\$ 35,052</u>

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.**Notes to Financial Statements****June 30, 2016**

NOTE E - LEASE COMMITMENTS, continued

The Town of Davidson leases the facilities for operation to the Center for \$1 per year. The fair value of the rent has been calculated at \$108,000 for the year and has been reflected in the financial statements as a contribution with a like amount included in occupancy expense.

NOTE F - NET ASSETS

Designated net assets as of year-end consist of the following:

Operating Reserve	\$ 338,000
Quasi Endowment Fund	9,891
Capital Reserve	65,000
	<hr/>
	\$ 412,891

Temporarily restricted net assets as of year-end are as follows:

Time restricted:	
United Way 2016-2017 pledge	\$ 194,094
Family Stability	99,500
Other pledges to future years	618,600
Purpose restricted:	
Family Stability	76,004
	<hr/>
	\$ 988,198

NOTE G - RETIREMENT PLAN

The Center maintains a defined contribution retirement plan, qualified under section 403(b) of the Internal Revenue Code, for all full-time employees. The Center contributes two percent of eligible participants' gross salaries for all employees, and a 100% matching contribution for every 1% employee contribution, up to a maximum of a 3% employee contribution. The Center contributions are 100 percent vested after three years of service, except that for employees who participated in the Plan as of July 1, 2012, their contributions are already 100% vested regardless of their service years. The plan also allows eligible employees to contribute, on a before-tax basis, up to the maximum excludable allowance as defined by the Internal Revenue Code. The Center's contributions under this plan totaled \$26,479 for the year.

NOTE H - CONCENTRATIONS OF CREDIT RISK**Cash in excess of insured limit**

Cash held in bank accounts is insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The total cash held by the Center at year-end includes \$166,187 in excess of insured limits covered by the FDIC. However, management believes that the risk related to these accounts is minimal because of the strong credit rating of the bank.

NOTE H - CONCENTRATIONS OF CREDIT RISK, continued

Pledges receivables

At year-end 58 percent of pledges receivable are from three funding sources.

Geographic location

The Center operates and receives funding within a limited geographical area and is sensitive to changes in the local economy.

NOTE I - SUBSEQUENT EVENTS

The Center has evaluated subsequent events from the date of the statement of financial position through the date of the independent auditors' report, which is the date the audited financial statements were available to be issued. During this period, no material recognizable subsequent events were identified.

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

DEPARTMENT OF THE TREASURY

Date:

JUL 22 1996

ADA JENKINS FAMILIES AND CAREERS
DEVELOPMENT CENTER INC
PO BOX 1842 212 GAMBLE ST
DAVIDSON, NC 28036

Employer Identification Number:
56-1927067

DLN:
316187001

Contact Person:
D. A. DOWNING

Contact Telephone Number:
(513) 684-3957

Accounting Period Ending:
December 31

Form 990 Required:
Yes

Addendum Applies:
Yes

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please let us know.

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.

Donors may deduct contributions to you as provided in section 170 of the

Letter 947 (DO/CG)

ADA JENKINS FAMILIES AND CAREERS

Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of Code sections 2055, 2106, and 2522.

Contribution deductions are allowable to donors only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. See Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2, on page 104, which sets forth guidelines regarding the deductibility, as charitable contributions, of payments made by taxpayers for admission to or other participation in fundraising activities for charity.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. If Yes is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$10 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$5,000 or 5 percent of your gross receipts for the year, whichever is less. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number has not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

This determination is based on evidence that your funds are dedicated to the purposes listed in section 501(c)(3) of the Code. To assure your continued exemption, you should keep records to show that funds are expended only for those purposes. If you distribute funds to other organizations, your records should show whether they are exempt under section 501(c)(3). In cases where the recipient organization is not exempt under section 501(c)(3), there should be evidence that the funds will remain dedicated to the required

ADA JENKINS FAMILIES AND CAREERS

purposes and that they will be used for those purposes by the recipient.

If distributions are made to individuals, case histories regarding the recipients should be kept showing names, addresses, purposes of awards, manner of selection, relationship (if any) to members, officers, trustees or donors of funds to you, so that any and all distributions made to individuals can be substantiated upon request by the Internal Revenue Service. (Revenue Ruling 56-304, C.B. 1956-2, page 306.)

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

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

A handwritten signature in cursive script, reading "Paul R. Huntington".

District Director

ADA JENKINS FAMILIES AND CAREERS

You are required to make your annual return available for public inspection for three years after the return is due. You are also required to make available a copy of your exemption application, and supporting documents, and this exemption letter. Failure to make these documents available for public inspection may subject you to a penalty of \$10 per day for each day there is failure to comply (up to a maximum of \$5,000 in the case of an annual return). See Internal Revenue Service Notice 88-120, 1988-2 C.B. 454, for additional information.

If your organization conducts fund-raising events such as benefit dinners, auctions, membership drives, etc., where something of value is received in return for contributions, you can help your donors avoid difficulties with their income tax returns by assisting them in determining the proper tax treatment of their contributions. To do this you should, in advance of the event, determine the fair market value of the benefit received and state it in your fund-raising materials such as solicitations, tickets, and receipts in such a way that your donors can determine how much is deductible and how much is not. To assist you in this, the Service has issued Publication 1391, Deductibility of Payments Made to Charities Conducting Fund-Raising Events. You may obtain copies of Publication 1391 from your local IRS Office. Guidelines for deductible amounts are also set forth in Revenue Ruling 67-246, 1967-2 C.B. 104 and Revenue Procedure 90-12, 1990-1 C.B. 471 and Revenue Procedure 92-49, 1992-26 I.R.B. 18.

You indicate that you will not finance your activities with tax-exempt bonds or certificates of participation. Therefore, this determination letter is based on the understanding that you will not raise funds through such financing. If in the future you wish to raise funds by either of these methods, you should request a ruling from the Internal Revenue Service, Attn: E:EO, 1111 Constitution Avenue, N.W., Washington, D.C. 20224.

2015-2016 BY THE NUMBERS



3,980 neighbors served through
more than **15,000** visits to the Center



598 uninsured patients
seen at our Free Medical Clinic

619 patients served through
Community Health Nursing



515 local patients received care
at the Mobile Dental Clinic



2,821 individuals
served in Human
Services programs

1,628 people and their
families received goods
from our pantry



MAKE AN IMPACT. GIVE TODAY.

Donate today and support your
community through any one of Ada
Jenkins Center's programs.

To make a gift or learn more about
sustained giving, contact
jane.cacchione@adajenkins.org or call
704-896-0471 x 100.



Serving:
Huntersville
Cornelius
Davidson
South Iredell County



Everyone has a Story

WE HELP PEOPLE IN CRISIS REWRITE THEIRS.

Crisis can easily deplete savings and push vulnerable individuals and families further into poverty. Our mission is to help the people of our communities break the cycle of poverty through the integrated delivery of health, education, and human services.

The Ada Jenkins Center has stood in Davidson, NC for nearly 80 years - first as a school for African American students, then as a community center, and now as a model health and human services organization for the entire region. Last year, we helped nearly 4,000 individuals and families improve their quality of life through our holistic approach.

Whether you need help or you want to get involved, we'd love to be a part of your story. Connect with us online at adajenkins.org, or contact the Center directly at 704-896-0471.



PROGRAMS AND SERVICES

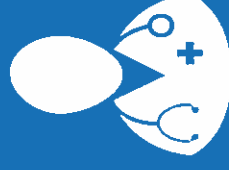
Human Services



Lydia's Loft
Loaves and Fishes Pantry
Life Compass Program

- crisis assistance
- care coordination
- employment assistance

Health Services



Free Clinic
Mobile Dental Clinic
Community Health Nursing
Safe Alliance

Education



LEARN Works
Academic Enrichment Program

BOARD OF DIRECTORS Updated 11/28/16

Name			Board Info		Home Address	Employer Info		Contact Info	
Last	First	Committee	Class	Term	Street / City / ZIP	Employer Position Expertise	Work Address	Phone	Primary e-mail
Carlet	Mike	Treasurer / Finance Chair	2018	1st	19442 Peninsula Shores Drive Corellius, NC 28031	SnapAV, CFO	1800 Continental Blvd, Suite 200 Charlotte, NC 28273	704-728-1680 847-286-4941	mike.carlet@gmail.com
Jones	Jesse		2019	1st	8732 Glade Court, Huntersville 28078	Attorney, McIntosh Law Firm	209 Delburg Street, Suite 203, PO Box 2270, Davidson, NC 28036	704-892-1699 895-4276 704-464-6759	Jesse@mcintoshlawfirm.com
Kucher	Natalie		2019	1st		Davidson College student			nakucher@davidson.edu
Levi	Karla		2019	1st	9710 Thames Way, Huntersville NC 28778	Spanish Teacher, Community School of Davidson	565 Griffith St, Davidson NC 28036	(704) 896-6262 (794)316-8471	karla.levi@mac.com
Mizzell	Patrick	Board Co-Chair/Finance Comm	2019	2nd		United Community Bank	143 Pine Valley Dr Stanley 28164	704-301-1191 301-6858	patrick_mizzell@ucbl.com
Moore	Paula	Succession Planning	2017	1st	17716 River Ford Dr Davidson 28036	PCM Wealth Management	17716 River Ford Dr Davidson 28036	704-408-9760	paulacmoore@gmail.com
O'Regan	Brian	Fundraising	2018	1st	1843 Mt. Isle Harbor Dr. Charlotte NC 28214	Senior Vice President-Wealth Management / Brawley, Miller, O'Regan & Associates / Merrill Lynch, Pierce, Fenner & Smith Inc.	150 N. College St. Suite 2800, Charlotte, NC 28255	704-339-2090	Brian.O'Regan@ml.com
Peace	Brian		2019	1st	725 Hudson Place, Davidson, NC 28036	Corporate Administration Executive, Lowe's Companies, Inc.	1000 Lowe's Blvd., Mail Code: NB7CA, Mooresville, NC 28117	704-758-2794 975-7179 704-655-9187	brian.b.peace@lowes.com
Pittard	Ray	Strategy-Awareness Chair	2016	1st	18943 Peninsula Point Drive, Cornelius 28031	Ingersoll Rand Pres Thermo King Sales, strategy, operations	800 Beatty St, Davidson 28036	952-887-2699	ray_pittard@lrco.com
Reuss	Brent	Succession Planning	2017	1st	4700 Granite Hill Dr Davidson 28036	Black & Veatch Int'l SVP Water Div Mngng Dir, East Region	10715 David Taylor Dr Suite 240 Charlotte 28262	704-968-1839	reussbm@bv.com

Rubrecht	Craig		2017	2nd	17305 Connor Quay Cornelius 28031	Cornerstone Financial Sr Partner Finance, Strategy	16810 Kenton Dr, Suite 200, Huntersville 28078	C W H	704-641-9084 987-3410 7086	704- 704-892- 7086	crubrecht@cfpwealth.com
Russell	Bill	Ex-Officio: LN Ch Commerce	NA	NA	9449 Mt. Holly- Huntersville Rd Huntersville 28078	Lake Norman Chamber of Commerce President	19900 W.Catawba, Cornelius 28031		704-892-1922 650-8987	704- 650-8987	russell@lakenorman.org
Szilagyí	Steve	Secretary	2018	2nd	18524 Hammock Ln, Davidson 28036	Former Sr. VP Distribution, Lowe's Strategy, ops, service		C	704-408-7137		szilagyi6@gmail.com
Turner	Donna	Vice Chair, Board Development	2018	1st	14219 boatway court huntersville, NC 28078		100 N. Tryon St Charlotte, NC 28202		704- 905-8745		donnaturneremail@yahoo.com
Weinstock	John		2019	2nd	236 Ney Circle Davidson 28036	SVP Marketing, Electrolux Marketing, Sales, Finance, Strategy	10200 David Taylor Dr., Charlotte 28262	C W	980-307-2582 236-2560	980- 236-2560	john.weinstock@electrolux.com
Wessner	Connle	Board Co-Chair	2019	2nd	PO Box 962 Davidson 28036	Director, Community School of Davidson	404 Armor St Davidson NC 28036	W C H	704-897-8061 654-5824 0417	704- 704-895- 0417	cwessner@fandm.edu
Krueger	Georgia	Exec Director Jenkins	NA	NA	PO Box 1294 (21736 Shearer Rd) Davidson NC 28036	Ada Jenkins Center Executive Director Planning/mgmt	212 Gamble St Davidson 28036	W C	704-896-0471 896-5678	704- 896-5678	georgia.krueger@adajenkins.org