

2009

Open to Public Inspection

Form 990-EZ

Short Form Return of Organization Exempt From Income Tax

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

Sponsoring organizations of donor advised funds and controlling organizations as defined in section 512(b)(13) must file Form 990. All other organizations with gross receipts less than \$500,000 and total assets less than \$1,250,000 at the end of the year may use this form.

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

Department of the Treasury Internal Revenue Service

For the 2009 calendar year, or tax year beginning 2009, and ending 20

- Check if applicable: Address change, Name change, Initial return, Terminated, Amended return, Application pending

Name of organization: SAFE Family Ministries; Address: P.O. Box 935, Chehalis, Washington 98532-0196

Employer identification number: 01-0838125; Telephone number: 360-740-9150; Group Exemption Number

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ). Accounting Method: Cash

Website: safefamilyministries.com

Tax-exempt status (check only one) - 501(c) ( 3 ) (Insert no.) 4947(a)(1) or 527

Check if the organization is not a section 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A Form 990-EZ or Form 990 return is not required, but if the organization chooses to file a return, be sure to file a complete return.

Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts; if \$500,000 or more, file Form 990 instead of Form 990-EZ

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions for Part I.)

Table with 21 rows for Revenue, Expenses, and Net Assets. Revenue total: 164,964.00; Expenses total: 97,425.00; Net Assets total: 337,850.00

Part II Balance Sheets. If Total assets on line 25, column (B) are \$1,250,000 or more, file Form 990 instead of Form 990-EZ.

(See the instructions for Part II.)

Table with 7 rows for Balance Sheets. Total assets: 1,042,075.00; Total liabilities: 771,764.00; Net assets: 270,311.00

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 10842I

Form 990-EZ (2009)

SCANNED JUL 08 2010

G 9-10



**Part V Other Information** (Note the statement requirements in the instructions for Part V.)

		Yes	No
33	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity . . . . .		✓
34	Were any changes made to the organizing or governing documents? If "Yes," attach a conformed copy of the changes . . . . .		✓
35	If the organization had income from business activities, such as those reported on lines 2, 6a, and 7a (among others), but not reported on Form 990-T, attach a statement explaining why the organization did not report the income on Form 990-T.		
a	Did the organization have unrelated business gross income of \$1,000 or more or was it subject to section 6033(e) notice, reporting, and proxy tax requirements? . . . . .		✓
b	If "Yes," has it filed a tax return on Form 990-T for this year? . . . . .		
36	Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N . . . . .		✓
37a	Enter amount of political expenditures, direct or indirect, as described in the instructions. ▶ <u>37a</u>		
b	Did the organization file Form 1120-POL for this year? . . . . .		✓
38a	Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still outstanding at the end of the period covered by this return? . . . . .	✓	
b	If "Yes," complete Schedule L, Part II and enter the total amount involved . . . . .	<u>38b</u>	<u>44,091.00</u>
39	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on line 9 . . . . .	<u>39a</u>	
b	Gross receipts, included on line 9, for public use of club facilities . . . . .	<u>39b</u>	
40a	Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911 ▶ <u>.00</u> ; section 4912 ▶ <u>.00</u> ; section 4955 ▶ <u>.00</u>		
b	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or is it aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I . . . . .		✓
c	Section 501(c)(3) and 501(c)(4) organizations. Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 . . . . . ▶ <u>.00</u>		
d	Section 501(c)(3) and 501(c)(4) organizations. Enter amount of tax on line 40c reimbursed by the organization . . . . . ▶ <u>.00</u>		
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T. . . . .		✓
41	List the states with which a copy of this return is filed. ▶		
42a	The organization's books are in care of ▶ <u>Donald D. Moor</u> Telephone no. ▶ <u>360-740-9150</u> Located at ▶ <u>P.O. Box 935, Chehalis, WA</u> ZIP + 4 ▶ <u>98532-0196</u>		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . . . . .		✓
	If "Yes," enter the name of the foreign country: ▶ _____ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
c	At any time during the calendar year, did the organization maintain an office outside of the U.S.? . . . . .		✓
	If "Yes," enter the name of the foreign country: ▶ _____		
43	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041—Check here . . . . . ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year . . . . . ▶ <u>43</u>		
44	Did the organization maintain any donor advised funds? If "Yes," Form 990 must be completed instead of Form 990-EZ . . . . .		✓
45	Is any related organization a controlled entity of the organization within the meaning of section 512(b)(13)? If "Yes," Form 990 must be completed instead of Form 990-EZ . . . . .		

**Part VI Section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts only.** All section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts must answer questions 46-49b and complete the tables for lines 50 and 51.

- |                                                                                                                                                                                                   | Yes | No |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|
| 46 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I . . . . . | 46  | ✓  |
| 47 Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II . . . . .                                                                                           | 47  | ✓  |
| 48 Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E . . . . .                                                                                 | 48  | ✓  |
| 49a Did the organization make any transfers to an exempt non-charitable related organization? . . . . .                                                                                           | 49a | ✓  |
| b If "Yes," was the related organization a section 527 organization? . . . . .                                                                                                                    | 49b | ✓  |
- 50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and address of each employee paid more than \$100,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
None.				

☐ Total number of other employees paid over \$100,000 . . . . . ▶ \_\_\_\_\_

51 Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and address of each independent contractor paid more than \$100,000	(b) Type of service	(c) Compensation
None.		

☐ Total number of other independent contractors each receiving over \$100,000 . . . ▶ \_\_\_\_\_

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) if one has been prepared.

**Sign Here** ▶ Donald D. Moor  
 Signature of officer  
 ▶ **Donald D. Moor, Executive Director and Treasurer, SA**  
 Type or print name and title

**Paid Preparer's Use Only** ▶ Preparer's signature  
 ▶ Firm's name (or yours if self-employed), address, and ZIP + 4

May the IRS discuss this return with the preparer shown above? See

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

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**

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

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

**2009**

Open to Public Inspection

Name of the organization

Employer identification number

**SAFE Family Ministries**

**01 0838125**

**Part III Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

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

- 1  A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2  A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(ii).** Enter the hospital's name, city, and state: .....
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8  A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9  An organization that normally receives: (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 10  An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.
  - a  Type I      b  Type II      c  Type III—Functionally integrated      d  Type III—Other
- e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
  - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
  - (ii) A family member of a person described in (i) above?
  - (iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

h Provide the following information about the supported organization(s).

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

**Part II** **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**  
 (Complete only if you checked the box on line 5, 7, or 8 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>4 Total.</b> Add lines 1 through 3						
<b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
<b>6 Public support.</b> Subtract line 5 from line 4.						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
<b>7</b> Amounts from line 4						
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
<b>11 Total support.</b> Add lines 7 through 10						
<b>12</b> Gross receipts from related activities, etc. (see instructions)					12	
<b>13</b> First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

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

<b>14</b> Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f))	14	%
<b>15</b> Public support percentage from 2008 Schedule A, Part II, line 14	15	%
<b>16a</b> 33 1/3 % support test—2009. If the organization did not check the box on line 13, and line 14 is 33 1/3 % or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
<b>b</b> 33 1/3 % support test—2008. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3 % or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
<b>17a</b> 10%-facts-and-circumstances test—2009. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
<b>b</b> 10%-facts-and-circumstances test—2008. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
<b>18</b> Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions <input type="checkbox"/>		

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**  
(Complete only if you checked the box on line 9 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	75,660.00	90,766.00	83,763.00	80,351.00	72,284.00	402,824.00
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	6,625.00	48,899.00	51,671.00	50,361.00	45,155.00	202,711.00
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5	82,285.00	139,665.00	135,434.00	130,712.00	117,439.00	605,535.00
7a Amounts included on lines 1, 2, and 3 received from disqualified persons	49,236.00	18,700.00	12,310.00	7,251.00	10,910.00	98,407.00
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year	.00	4,285.00	2,783.00	1,000.00	743.00	8,811.00
c Add lines 7a and 7b	49,236.00	22,985.00	15,093.00	8,251.00	11,653.00	107,218.00
8 Public support (Subtract line 7c from line 6.)						498,317.00

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6	82,285.00	139,665.00	135,434.00	130,712.00	117,439.00	605,535.00
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	.00	.00	.00	371.00	1.00	372.00
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975	.00	.00	.00	.00	.00	.00
c Add lines 10a and 10b	.00	.00	.00	371.00	1.00	372.00
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on	.00	.00	.00	.00	.00	.00
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	.00	.00	.00	.00	.00	.00
13 Total support. (Add lines 9, 10c, 11, and 12.)	82,285.00	139,665.00	135,434.00	131,083.00	117,440.00	605,907.00

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

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

15 Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2008 Schedule A, Part III, line 15	16	%

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

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18	%

19a **33 1/3 % support tests - 2009.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3 %, and line 17 is not more than 33 1/3 %, check this box and stop here. The organization qualifies as a publicly supported organization

b **33 1/3 % support tests - 2008.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3 %, and line 18 is not more than 33 1/3 %, check this box and stop here. The organization qualifies as a publicly supported organization

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





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

Department of the Treasury  
Internal Revenue Service

**Transactions With Interested Persons**

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.  
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047



Name of the organization

Employer identification number

**Part III** **Excess Benefit Transactions** (section 501(c)(3) and section 501(c)(4) organizations only).  
Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No

- 2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 . . . . . ▶ \$ \_\_\_\_\_
- 3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ \$ \_\_\_\_\_

**Part IIII** **Loans to and/or From Interested Persons.**  
Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
	Robert and Louise Andrews	✓				32,000.00	22,045.69	✓	✓	✓
Moore 1997 Revocable Living Trust	✓		32,000.00	22,045.69	✓	✓	✓			
<b>Total</b>				\$ 44,091.38						

**Part IIII** **Grants or Assistance Benefiting Interested Persons.**  
Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount and type of assistance

**Part IIII** **Business Transactions Involving Interested Persons.**  
Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No

28. Describe what was achieved in carrying out the organization's attempted purpose. In a clear and concise manner, describe the services provided, the number of persons benefited, or other relevant information for each program title.

Our primary EXEMPT purpose is to provide faith-based transitional housing and lifestyle training. Our primary goal is to provide a positive environment to facilitate physical, mental, spiritual and financial wellness. Our SAFE program is an intense 51- week resident program with an encourager available to her 24 hours per day. At least three hours a day is devoted to answering thought-provoking questions, reading and memorizing scripture, and maintaining a journal. Another one hour per day is devoted to discussing her answers with her encourager, the house mom or the pastor/program instructor. In addition, residents attend domestic violence, parenting, anger management and financial planning classes taught at SFM by staff or members of our community. These classes are in excess of 6 hours per week. Throughout the week, our residents are encouraged to plan and complete acts of kindness in our community and surrounding communities. This serves two purposes. It directs their attention to others in need. And it breaks down the barriers associated with those suffering from hurts and hang-ups who are truly seeking a second chance. Several of our residents have assisted flood victims and the homeless. They have assisted in the removal of mud and debris from flooded houses and they regularly assist other charitable organizations with food and clothing distribution.

Twice a week, all participants come together for a 2-hour group session. During this session there is teaching of the next week's lesson, sharing their homework, personal time with their encourager and sharing the last week's positive experiences during the group's motivation time. Throughout the week, there is personal one-on-one time with the pastor/instructor/counselor to discuss personal progress. One-on-one time can also include time with our licensed psychiatrist. After the first 30 days, each resident is strongly encouraged to gain employment and to develop educational goals to enhance future job opportunities.

Our organization incorporated on June 9, 2005. Shortly thereafter, we leased 16.65 acres with two buildings sufficient to some day accommodate 70 women and their children. In 2008, we were able to purchase this property with the help of mortgages and designated donations.

However, only the smaller building has an occupancy permit for twelve residents and their children. Our double-wide mobile home also accommodates residents. The main building which has the potential to house 58 residents requires upgraded smoke detectors before we can occupy these rooms.

Since inception, we have provided lodging, counseling, educational classes, job counseling for over 130 women and 146 children. During 2009, we had thirty-seven residents and their children reside at SFM. In 2009, nine of these residents graduated (24%) from our one-year residency program. Over 95% of the graduates are well on their way to a new beginning. Families have been restored, they are no longer dependent on government entitlements, they are employed or are full-time college students, and they are responsible citizens within our communities.

We continually pray for each individual that expresses the desire for a new lifestyle by completing our one-year SAFE program. The program truly provides the tools needed for positive and independent living in today's society. However, twenty-four residents left prematurely in 2009 due to the influence of old relationships, relapse, medical, mental and jail sentences. This is not to say that the SAFE program did not impact their lives. Many of these individuals are still clean and sober but still in need of a lifestyle change, i.e. physically, mentally, spiritually and financial well. 2009 ended with thirteen women and seven children at SFM.

Based on our performance analysis, our leadership team has come to the conclusion that additional volunteers are needed to reduce the number of dropouts and increase the quality this program provides. We need more house moms and encouragers. Ideally, we would like to have 24X7 house mom coverage and a specific encourager for each resident. We now have more days with 24 hour coverage than in years past.

We also realize that our screening process needs to improve. Although it is difficult to discern an applicant's true motivation for considering SFM, time and effort is the best indicator of a new beginning. Several of our residents make commitments to this program seeking temporary shelter instead of a lifestyle change. Although we account for all individuals, most of those seeking a shelter are gone within a month if not sooner. However, those seeking a warm bed instead of the time and hard work required for a lifestyle change distort our overall statistics.

In addition, we would like to have sufficient resources to hire employees to oversee house administration and project management responsibilities. However, we have not hired needed individuals due to limited resources since we have not been able to compensate individuals for these responsibilities. Until He touches additional hearts for paid employees and necessary improvements, we will try to be patient and wait on His perfect timing.

Praise the Lord. God is a God of provision. He truly has ~~seen~~<sup>seen</sup> to it that all our bills have been paid each month. God continues to keep us financially above water.

SAFE Family Ministries  
 Attachment IV  
 EIN: 01-0838125  
 Page 2 of 2  
 Part IV - Form 990EZ

Officers, Directors, Trustees and Key Employees  
 Occupation

Name and Address	SFM Title and average hours per week devoted to position	Compensation	Contributions to employee benefits	Expense accounts or other allowances
Douglas Pennington 2909 Sherwood Drive SE Olympia, WA 98501	Washington State Civil Servant Board Member	\$0.00	\$0.00	\$0.00
Dr. David Williams 2921 Cooks Hill Road Centralia, WA 98531	Retired Physician and Real Estate Developer Vice-Chairman of the Board (1hpw)	\$0.00	\$0.00	\$0.00
Bea Paynter 8840 181st Way SW Rochester, WA 98579	Social Worker SFM Counselor (15hpw)	\$0.00	\$0.00	\$0.00
Carol Anglin 1205 Columbia Heights Rd Longview, WA 98632	Social Work SFM Counselor (12hpw)	\$0.00	\$0.00	\$0.00