



United Way of the Capital Region

COVID-19 COMMUNITY RESPONSE FUND APPLICATION FOR SUPPORT

Thank you for applying to the COVID-19 Community Response Fund. Review the COVID-19 Community Response Fund Application for Support Guidelines at www.tfec.org prior to application. **Type your answers into the provided fields, attachments are required. Email your complete Application for Support and required attachments to grants@tfec.org.** This application uses a rolling deadline.

APPLICANT PROFILE

Applicant Organization Name

Hoffman Homes, Inc.

Provide your organization's name as currently recognized by the IRS

Check box if the Applicant Organization Name above is a "Doing Business As" name and the provided 501c3 letter states a different name. To be recognized by the "Doing Business As" name, attach ONE legal document using the provided name. If not provided, TFEC will use the 501c3 name.

Name, Title, Email, Phone of Executive Leader

Melissa Leathery, LSW, Chief Executive Officer,
mleathery@hoffmanhomes.com, 717-359-7148x2900

All contracts and notifications of grant status will be addressed to the individual provided here

Applicant Organization's Physical Address

815 Orphanage Road, Littlestown, PA 17340

Applicant Organization's Address for Mailed Communications at this time

815 Orphanage Road, Littlestown, PA 17340

Name, Title, Email, Phone of Contact Completing Application

Janet Miller, Grants Manager, jmiller@hoffmanhomes.com, 717-359-7148x4503
If application questions arise, this individual will be contacted by TFEC staff

Counties to be served as part of project; check all that apply

- Cumberland
- Dauphin
- Franklin
- Lebanon
- Perry
- Northern York (Dillsburg Area)

LONG-STANDING NONPROFIT ORGANIZATION

This grant opportunity is available to long-standing organizations. A long-standing nonprofit organization is a 501c3 nonprofit organization who has served a specified community for three or more years, has three or more full-time staff members, a Board of Directors, is currently registered with the Pennsylvania Bureau of Charitable Organizations, and takes part in a Financial Review or Audit each year. **Does your organization meet this expectation?**

- Yes
- No

ACCESS & INCLUSION

As a community foundation, TFEC fosters a climate of purposeful inclusion that values diversity of gender, age, race, ethnicity, national origin, range of abilities, sexual orientation, and socio-economic status. We anticipate that all organizations or programs/projects supported by grant funds will be made accessible to all individuals who qualify for participation. **Does your organization meet this expectation?**

Yes

No

STATEMENT OF APPLICANT NEED

The COVID-19 Community Response Fund will provide emergency funds to long-standing nonprofit organizations in Cumberland, Dauphin, Franklin, Lebanon, Perry and Northern York Counties that are responding to the spread of COVID-19 and experiencing financial challenges by doing so.

Answer the following in a few brief paragraphs.

1. State your organization mission.

Hoffman Homes for Youth is committed to promoting the personal growth and achievement of the children and families we serve through continuous quality improvement, education, staff development, and the use of evidence-based practices.

2. What geographic area and population do you serve? What has been the impact of COVID-19 on the communities and populations you serve? How has your organization responded? Note: This opportunity may seek to support any area or groups within the eligible counties.

We serve the state of Pennsylvania, with a higher concentration of children hailing from the central, south central, eastern, and south-eastern parts of the state. We serve children ages 6-17 who have a severe mental health diagnoses, without regard to race creed, gender, sex, gender orientation, sexual orientation, or national origin. Our organization is a residential treatment facility, meaning all children live on-site. The average stay is 10 months. The impact of COVID-19 on our population was minimal at first, as Hoffman Homes for Youth has been very proactive and preventive from the start. We implemented masks, daily temperature readings, additional cleaning supplies, hand sanitizer, and many rules regarding outings, family visits, etc. as guidelines were put in place by the CDC and PA Department of Health. Unfortunately, amidst all of our measures, over the recent holiday months approximately 30 individuals have tested positive, leading to increased potential of exposure. We continue working with the Department of Health and adhering to their advice. Our Medical Services Department continues to guide us in protective measures. One residence on campus has become exclusive to COVID, and several other residences have had to quarantine due to exposure. Although we are not a healthcare organization, at this time our staff of nearly 200 employees are wearing full personal protective equipment on a regular basis, to best protect children and themselves. Additionally, youth on campus are learning virtually rather than crossing campus to our on-site school. Lastly, we have paused admissions for the second time since March 2020.

3. What is the financial challenge you are seeking support for as a result of your response to COVID-19? State the amount of funding support you are seeking through this application, how you will use any awarded funds, and the timeline for use of funds (ie: upon receipt, during a specific time period, etc.).

Our financial challenge is continuing to fund the immediate need for extra supplies related to COVID-19, most importantly masks and other personal protective equipment (PPE) items, shields, gowns, goggles,

gloves, etc., as these items are not readily available to us. Keeping up with the need of additional cleaning supplies across campus, especially disinfectants (wipes and other products) is also a challenge. A recent order of PPE that will last 4 weeks cost the organization \$14,000. We seek \$2,500 through this application to be used toward such expenditures. Funds will be used within several months of receipt. Thank you for your past support and consideration of this request.

REQUIRED ATTACHMENTS

- Copy of your organizations annual operating budget
- First page of your organizations most recent 990
- 501c3 determination letter

SUBMISSION OF APPLICATION FOR SUPPORT

Email your complete Application for Support and required attachments to grants@tfec.org. Email Jennifer Strechay, Program Officer for Community Investment, at jstrechay@tfec.org with questions.

HOFFMAN HOMES INC.
Budget FY 20-21

Summary

86 Children	FY 20/21 Budget	FY 19/20 Budget	FY 19/20 Actual Annualized
Less Bad Debt/Depreciation Expense	\$ 128,115		
Net Income	\$ (261,885)	\$ (379,676)	\$ 748,776
Revenues			
4100 Service Revenue	11,017,014	10,721,548	11,361,670
4101 PerformCare	\$ 1,924,110	\$ 1,225,208	\$ 1,967,728
4102 CCBH	5,230,250	5,580,850	5,680,049
4103 Magellan	1,260,773	1,718,785	1,449,523
4104 MISC First Party	438,514	219,000	142,759
4105 MA	133,368	42,205	135,056
4106 Private pay/insurance	-	-	-
4107 Per Diem Incidentals	20,000	25,000	14,307
4108 School District PAS	1,900,000	1,800,000	1,867,931
4110 Title I- Academy	110,000	110,000	104,317
4111 Third-Party Medical	-	500	-
4200 Contributions/Fundraising		-	427
4201 Penn Central Conference	40,000	45,000	32,106
4202 Central Atlantic Conference	5,000	6,000	4,804
4203 Penn West Conference	3,000	2,250	2,895
4204 Individuals/Businesses	35,000	30,000	35,100
4205 Annual Appeal	60,000	60,000	61,000
4206 Friends of Hoffman Homes	300	300	300
4207 Golf Tournament	50,000	50,000	11,050
4208 Gala	60,000	55,000	71,174
4209 Gjiving Spree	5,000	3,500	5,500
4210 Holiday Gift Program	3,000	2,500	5,730
4211 Other Events/Misc. Contributions	1,000	1,000	12,000
4212 Non UCC Churches	15,000	14,750	16,287
4214 Bike Ride Event	5,000	3,500	-
4215 Bequests	10,000	10,000	417
4216 In-Kind Donations	15,000	10,000	21,695
4217 Employee Giving	1,200	1,200	1,267
4218 Newsletter	7,000	6,000	7,678
4219 Foundations	30,000	30,000	576
4220 Restricted Contributions		-	
4303 Grants	100,000	120,000	86,057
4304 Trust Income	125,000	125,000	154,587
4306 EITC	30,000	30,000	30,500
4300 Other Income			
4301 NSLP	185,000	170,000	186,893
4302 Dining Hall	-	350	59

		FY 20/21 Budget	FY 19/20 Budget	FY 19/20 Actual Annualized
86 Children				
4305	Miscellaneous Income	42,000	50,000	41,325
4300	Other Income- Other	-	-	
Subtotal Revenues		11,844,514	11,547,898	12,151,096

Expenditures

6101	Salaries/Wages	\$ 6,925,100	\$ 6,980,793	\$ 6,724,693
6102	Overtime	\$ 443,500	\$ 365,500	\$ 446,912
6103	Holiday	\$ 63,600	\$ 63,300	\$ 60,454
6120	Social Security	\$ 551,349	\$ 488,656	\$ 535,854
6130	Health Insurance	\$ 778,000	\$ 820,500	\$ 769,199
6131	Pension	\$ 80,000	\$ 80,000	\$ 22,500
6132	Unemployment comp.	\$ 18,000	\$ 16,000	\$ 17,883
6133	Workers' Comp	\$ 215,000	\$ 300,000	\$ 214,113
6200	Supplies			
	6201 — Office Supplies & Equip	\$ 12,350	\$ 9,725	\$ 11,973
	6202 — Household Supplies	\$ 66,000	\$ 65,000	\$ 65,766
	6203 — Paper	\$ 13,750	\$ 14,900	\$ 11,886
	6204 — Medical/Dental Supplies	\$ 7,000	\$ 6,500	\$ 6,761
	6205 — Culinary Supplies	\$ 1,000	\$ 800	\$ 1,021
	6206 — Therapist Supplies	\$ 1,000	\$ 1,000	\$ 750
	6207 — Residence Supplies	\$ 8,000	\$ 9,000	\$ 7,726
	6208 — Clothing Expense	\$ 6,000	\$ 8,000	\$ 5,474
	6209 - Promotional Materials	\$ 2,000	\$ 2,000	\$ -
	6210 - Youth Clothing	\$ 3,000	\$ 4,500	\$ 1,778
	6211- Education Curr/PROGRAMS	\$ 25,000	\$ 21,500	\$ 28,171
	6212- School Supplies	\$ 13,000	\$ 15,000	\$ 12,945
	6200 — Supplies - Other	\$ -	\$ -	\$ -
6301	Travel	\$ 2,000	\$ 1,900	\$ 1,545
6302	Staff Development	\$ 20,500	\$ 20,500	\$ 17,218
6303	Staff Recruitment	\$ 32,000	\$ 18,000	\$ 30,800
6304	Employee Wellness/Appreciation	\$ 5,500	\$ 2,500	\$ 5,117
6305	Sanctuary Expenses	\$ -	\$ -	\$ 123
6306	Conferences	\$ 14,000	\$ 6,000	\$ 1,229
6307	Clearances	\$ 10,000	\$ 6,500	\$ 9,673
6308	Drug testing/Vaccinations	\$ 7,500	\$ 6,500	\$ 7,409
6309	-- Drug Testing- Youth	\$ 900	\$ 900	\$ -
6400	Professional Services			
	6401 — Accounting	\$ 57,000	\$ 56,000	\$ 56,250
	6402 — Payroll Services	\$ 22,500	\$ 22,000	\$ 22,596
	6403 — Legal	\$ 20,000	\$ 20,000	\$ 7,769
	6404 — Translator	\$ -	\$ 1,000	\$ -
	6405 — Primary Care Physician	\$ 26,000	\$ 27,000	\$ 25,893
	6406 — Dental Services	\$ 5,000	\$ -	\$ 4,737
	6407 — Psychiatric Services	\$ 430,000	\$ 425,000	\$ 431,941
	6408 — Medical Records Consultant	\$ 600	\$ 600	\$ 533
	6409 — Dietician	\$ 12,000	\$ 12,500	\$ 11,898
	6410 — Web Design	\$ 1,200	\$ 2,000	\$ 797

	FY 20/21 Budget	FY 19/20 Budget	FY 19/20 Actual Annualized
86 Children			
6411 — Other Professional	\$ 6,000	\$ 1,000	\$ 11,078
6412 - OT/Speech Therapy	\$ 85,000	\$ 85,000	\$ 48,621
6413 - Teacher- Contracted	\$ -	\$ -	\$ -
6414- Third-Party Medical	\$ 20,000	\$ 10,000	\$ 17,607
6501 — Food Expense	\$ 280,000	\$ 300,000	\$ 267,139
6502 — Youth Transportation	\$ 2,000	\$ 2,500	\$ 1,015
6503 — Hoffman General	\$ 4,000	\$ 5,000	\$ 905
6504 — Behavioral Rewards/Incentives	\$ 2,000	\$ 3,000	\$ 1,105
6505 — Replacement Lost/Stolen	\$ -	\$ -	\$ -
6510 — Creative Therapies			
6511 — Animal Assisted Therapy	\$ 3,500	\$ 3,500	\$ 3,984
6512 — Art Therapy	\$ 3,000	\$ 3,000	\$ 2,792
6513 — Play Therapy	\$ 2,000	\$ -	\$ 7,089
6514 — Therapeutic Horse Therapy	\$ 12,000	\$ 15,000	\$ 8,916
6515 -- Music Therapy	\$ 1,000	\$ 1,500	\$ 83
6520 — OTC	\$ 4,000	\$ 12,000	\$ 3,674
6521 — Non-Covered Prescription Meds.	\$ 6,000	\$ 500	\$ 5,852
6600 — Repair Expense			
6601 — Telephone Repairs	\$ -	\$ 500	\$ -
6602 — Culinary Repairs	\$ 8,000	\$ 10,000	\$ 5,243
6603 — Electrical	\$ 10,000	\$ 5,000	\$ 10,331
6604 — Water and Sewer	\$ 20,000	\$ 25,000	\$ 12,841
6605 — Vehicle Repair/Maintenance	\$ 9,000	\$ 12,000	\$ 4,939
6607 — General Repair Supplies	\$ 25,000	\$ 30,000	\$ 24,293
6600 — Repair Expense - Other	\$ -	\$ -	\$ -
6610 — Utilities			
6611 — Cable TV	\$ 3,000	\$ 3,000	\$ 2,536
6612 — Electricity	\$ 100,000	\$ 110,000	\$ 89,365
6613 — Propane	\$ 20,000	\$ 12,500	\$ 19,017
6614 — Fuel Oil	\$ 125,000	\$ 160,000	\$ 107,559
6615 — Sanitation	\$ 35,000	\$ 32,400	\$ 34,730
6616 — Water and Sewer Inspection	\$ 45,000	\$ 30,000	\$ 45,013
6617 — Pest Removal	\$ 2,200	\$ 3,500	\$ 2,142
6618 — HVAC	\$ 40,000	\$ 40,000	\$ 40,000
6619 — Vehicle Fuel	\$ 15,000	\$ 15,000	\$ 14,509
6620 — Groundskeeping	\$ 20,000	\$ 25,000	\$ 16,962
6621 — Alarm System/Fire Prevention	\$ 8,000	\$ 8,000	\$ 8,860
6701 — Postage	\$ 20,000	\$ 18,000	\$ 19,709
6703 — Computer & Technology	\$ 41,000	\$ 41,000	\$ 41,037
6704 — Meeting Expense	\$ 2,000	\$ 550	\$ 1,973
6705 — Membership Fees	\$ 31,300	\$ 31,500	\$ 28,233
6706 — Printing Fees	\$ -	\$ -	\$ -
6708 — Copier Lease	\$ 33,000	\$ 34,000	\$ 32,573
6709 — Postage Machine Lease	\$ 4,000	\$ 4,500	\$ 3,980
6710 — Donor Recognition	\$ 750	\$ 1,500	\$ 227
6711 — Advertising	\$ 1,700	\$ 1,500	\$ 1,699
6720 — Communications			
6721 — Telephone	\$ 49,000	\$ 41,000	\$ 40,200
6722 — Cellular	\$ 7,500	\$ 5,500	\$ 8,583
6723 — Radio	\$ 7,500	\$ 7,500	\$ 1,675

	FY 20/21 Budget	FY 19/20 Budget	FY 19/20 Actual Annualized
86 Children			
6724 — Internet	\$ 2,000	\$ 4,000	\$ 200
6730 — Fundraising Events			
6731 — Autumn Gala	\$ 30,000	\$ 20,000	\$ 29,685
6732 — Golf Tournament	\$ 28,000	\$ 28,000	\$ 190
6733 — Holiday Gift Program	\$ 1,000	\$ 1,250	\$ 774
6734 — Other Events	\$ 1,100	\$ 1,500	\$ 1,026
6735 — Annual Appeal	\$ 4,000	\$ 4,000	\$ 2,270
6736 — Newsletter	\$ 8,000	\$ 8,000	\$ 7,300
Inkind donations	\$ -	\$ -	\$ 16,271
6740 — Property/Liability Insurance	\$ 185,000	\$ 170,000	\$ 184,094
6741 — Educational Grants	\$ -	\$ -	\$ -
6742 - Bad Debt Expense	\$ 100,000	\$ 80,000	\$ 100,000
6743 — Late Fees	\$ -	\$ 100	\$ -
6744 — Banking Fees	\$ 40,000	\$ 21,000	\$ 41,329
6745 — Depreciation Expense	\$ 290,000	\$ 360,000	\$ 285,848
6746 — Grants	\$ -	\$ 700	\$ -
6750 - Interest Expense	\$ -	\$ -	\$ -
6751 — IE Consolidated Loan	\$ 26,000	\$ 36,000	\$ 25,576
6752 — IE LOC	\$ 110,000	\$ 112,000	\$ 100,498
6753 — 403B Match	\$ 27,000	\$ 29,000	\$ 26,349
6754- Pension Expense	\$ 1,500	\$ -	\$ 1,433
6755- Misc. Tax	\$ -	\$ -	\$ -
6756- Disaster Recovery Expense	\$ 240,000	\$ -	\$ -
	\$ -	\$ -	\$ -
Total Expenses	\$ 12,106,399	\$ 11,927,574	\$ 11,402,319

Form **990**

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

2017

Department of the Treasury
Internal Revenue Service

▶ Do not enter social security numbers on this form as it may be made public.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

Open to Public Inspection

A For the 2017 calendar year, or tax year beginning JUL 1, 2017 and ending JUN 30, 2018

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization HOFFMAN HOMES, INC. Doing business as Number and street (or P.O. box if mail is not delivered to street address) Room/suite 815 ORPHANAGE ROAD City or town, state or province, country, and ZIP or foreign postal code LITTLESTOWN, PA 17340 F Name and address of principal officer: C. MITCHELL SNIDER SAME AS C ABOVE	D Employer identification number 23-2732296 E Telephone number 717-359-7148 G Gross receipts \$ 13,158,660. H(a) Is this a group return for subordinates? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> H(b) Are all subordinates included? Yes <input type="checkbox"/> No <input type="checkbox"/> If "No," attach a list. (see instructions)
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c)() (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		H(c) Group exemption number ▶
J Website: ▶ WWW.HOFFMANHOMES.COM		L Year of formation: 1910 M State of legal domicile: PA
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		

Part I Summary

	1	Briefly describe the organization's mission or most significant activities: RESIDENTIAL TREATMENT FACILITY FOR YOUTH.			
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.			
Activities & Governance	3	Number of voting members of the governing body (Part VI, line 1a)	3	15	
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	15	
	5	Total number of individuals employed in calendar year 2017 (Part V, line 2a)	5	303	
	6	Total number of volunteers (estimate if necessary)	6	15	
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.	
	7b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
	Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year 558,112.	Current Year 598,037.
9		Program service revenue (Part VIII, line 2g)	11,160,947.	10,972,877.	
10		Investment income (Part VIII, column (A), lines 3, 4, and 7d)	118,369.	227,717.	
11		Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	18,563.	21,820.	
12		Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	11,855,991.	11,820,451.	
Expenses		13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
		14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
		15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	9,237,036.	9,038,942.
		16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
		b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 156,667.		
		17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	2,422,228.	2,511,807.
		18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	11,659,264.	11,550,749.
Net Assets or Fund Balances	19	Revenue less expenses. Subtract line 18 from line 12	196,727.	269,702.	
	20	Total assets (Part X, line 16)	Beginning of Current Year 11,830,349.	End of Year 11,836,621.	
	21	Total liabilities (Part X, line 26)	6,591,190.	5,722,908.	
	22	Net assets or fund balances. Subtract line 21 from line 20	5,239,159.	6,113,713.	

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer BRANDEE CARRIGAN, CHIEF FINANCIAL OFFICER Type or print name and title	Date _____			
Paid Preparer Use Only	Print/Type preparer's name NIKKI L. BARDIN, CPA	Preparer's signature NIKKI L. BARDIN, CPA	Date 12/07/18	Check if self-employed <input type="checkbox"/>	PTIN P01256649
	Firm's name ▶ STAMBAUGH NESS, INC.	Firm's EIN ▶ 23-2846715			
	Firm's address ▶ 2600 EASTERN BLVD, STE 101 YORK, PA 17402-2916		Phone no. 717-757-6999		

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

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
31 HOPKINS PLAZA
BALTIMORE, MD 21201

DEPARTMENT OF THE TREASURY

Date: FEB 29 1987

HOFFMAN HOMES, INC.
815 ORPHANAGE ROAD
LITTLESTOWN, PA 17340

Employer Identification Number:
23-2732296
Case Number:
525334119
Contact Person:
MRS. S. PRATT
Contact Telephone Number:
(410) 962-4787
Accounting Period Ending:
June 30
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 (D0/CG)

HOFFMAN HOMES, INC.

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 was 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.

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.

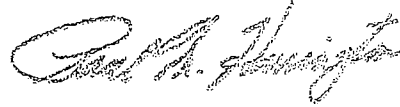
We have sent a copy of this letter to your representative as indicated in

HOFFMAN HOMES, INC.

your power of attorney.

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, appearing to read "E. H. Hingst".

District Director

Addendum