

COMBINED FINANCIAL STATEMENTS

**ASIAN HUMAN SERVICES, INC.
ASIAN HUMAN SERVICES FAMILY
HEALTH CENTER, INC.**

*Year Ended June 30, 2010
with Independent Auditors' Reports*

**ASIAN HUMAN SERVICES, INC.
ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.**

COMBINED FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2010

Contents

Independent Auditors' Report	2
Combined Financial Statements	
Combined Statements of Financial Position	3
Combined Statements of Activities	4
Combined Statements of Functional Expenses	5
Combined Statements of Cash Flow	6
Notes to Financial Statements	7

340 W. BUTTERFIELD RD.
SUITE 3C
ELMHURST, ILLINOIS 60126-3043
TEL. (630) 993-2223 TOLL FREE (866) WONG CPA FAX (630) 993 2229

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the
Asian Human Services, Inc.

We have audited the accompanying combined statements of financial position of the Asian Human Services, Inc. (the Agency) and affiliate as of June 30, 2010, and the related combined statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Agency's and affiliate's 2009 financial statements, and in our report dated February 15, 2010, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Asian Human Services, Inc. and affiliate as of June 30, 2010, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.



Elmhurst, Illinois
February 10, 2011

**ASIAN HUMAN SERVICES, INC.
ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.**

COMBINED STATEMENTS OF FINANCIAL POSITION

AS OF JUNE 30, 2010

<u>ASSETS</u>	<u>2010</u>	<u>2009</u>
Cash	\$ 564,132	\$ 137,699
Investments, Fair Value	18,700	-
Accounts and grants receivable, net of \$821,341 of allowance	1,219,783	1,234,604
Prepaid expenses and security deposits	108,819	117,170
Construction Work in Progress	-	1,214,503
Land	1,987,159	1,646,187
Buildings	4,090,009	2,785,969
Furniture and equipment	594,133	538,767
Leasehold improvements	732,127	673,367
Accumulated depreciation	<u>(806,792)</u>	<u>(829,800)</u>
 TOTAL ASSETS	 <u>\$ 8,508,070</u>	 <u>\$ 7,518,466</u>
 <u>LIABILITIES</u>		
Accounts payable and accrued expenses	\$ 604,516	\$ 794,903
Notes payable	<u>4,366,775</u>	<u>4,163,504</u>
 TOTAL LIABILITIES	 <u>\$ 4,971,291</u>	 <u>\$ 4,958,407</u>
 <u>NET ASSETS</u>		
Unrestricted	\$ 3,137,146	\$ 2,476,119
Temporarily restricted	<u>399,633</u>	<u>83,940</u>
 TOTAL NET ASSETS	 <u>\$ 3,536,779</u>	 <u>\$ 2,560,059</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 8,508,070</u>	 <u>\$ 7,518,466</u>

See accompanying notes to financial statements

**ASIAN HUMAN SERVICES, INC.
ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.**

COMBINED STATEMENTS OF ACTIVITIES

YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE TOTALS FOR 2009

<u>SUPPORT:</u>	<u>2010</u>			<u>2009</u>
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Total</u>
Government contracts	\$ 8,236,763	\$ 122,875	\$ 8,359,638	\$ 7,297,986
Patient service revenue, net	1,204,853	-	1,204,853	929,377
Contributions:				
Individuals and Corporate	31,977	-	31,977	38,174
Foundations	88,030	397,705	485,735	170,399
Interest income	4,148	-	4,148	3,575
Program service fees and other	<u>247,292</u>	<u>-</u>	<u>247,292</u>	<u>143,185</u>
	9,813,063	520,580	10,333,643	8,582,696
Net assets released from restrictions:				
Satisfaction of program restrictions	<u>204,887</u>	<u>(204,887)</u>	<u>-</u>	<u>-</u>
Total Support	<u>\$ 10,017,950</u>	<u>\$ 315,693</u>	<u>\$ 10,333,643</u>	<u>\$ 8,582,696</u>
<u>EXPENSES:</u>				
Program Services	\$ 8,623,819	\$ -	\$ 8,623,819	\$ 8,162,067
Support Services:				
Management and General	622,381	-	622,381	380,770
Fund Raising	<u>110,723</u>	<u>-</u>	<u>110,723</u>	<u>10,088</u>
Total Expenses	<u>9,356,923</u>	<u>-</u>	<u>9,356,923</u>	<u>8,552,925</u>
Change in net assets	<u>\$ 661,027</u>	<u>\$ 315,693</u>	976,720	29,771
Net assets at beginning of year			<u>2,560,059</u>	<u>2,530,288</u>
Net assets at end of year			<u>\$ 3,536,779</u>	<u>\$ 2,560,059</u>

See accompanying notes to financial statements

**ASIAN HUMAN SERVICES, INC.
ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.**

COMBINED STATEMENTS OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE TOTALS FOR 2009

	Program Services	<u>Support Services</u>			2010	2009
		Management and General	Fund Raising	Total		
Salaries and fringe benefits	\$ 5,307,037	\$ 547,351	\$ -	\$ 547,351	\$ 5,854,388	\$ 5,642,169
Professional fees	607,476	121,679	47,723	169,402	776,878	519,626
Office equipment and supplies	244,866	17,676	256	17,932	262,798	332,772
Laboratory fees	164,707	-	-	-	164,707	182,601
Telephone	90,383	2,225	-	2,225	92,608	88,520
Rent and utilities	546,778	6,893	-	6,893	553,671	652,341
Repairs and maintenance	157,865	5,107	-	5,107	162,972	110,693
Property and liability insurance	65,223	9,005	-	9,005	74,228	61,442
Printing, advertising, dues and subscriptions	46,486	6,455	6,443	12,898	59,384	62,902
Client and student transportation	156,176	-	-	-	156,176	151,620
Conferences and staff development	39,887	9,376	395	9,771	49,658	32,297
Client assistance	46,140	-	-	-	46,140	77,552
Equipment rental and maintenance	21,678	227	-	227	21,905	16,387
Contributed goods and services	351,757	-	50,000	50,000	401,757	201,041
Administrative and other expenses	37,708	49,996	4,569	54,565	92,273	59,814
Interest Expense	-	267,938	-	267,938	267,938	131,483
Indirect cost allocation	<u>570,353</u>	<u>(571,690)</u>	<u>1,337</u>	<u>(570,353)</u>	<u>-</u>	<u>-</u>
Total expenses before Depreciation and Amortization	8,454,520	472,238	110,723	582,961	9,037,481	8,323,260
Depreciation and Amortization	<u>169,299</u>	<u>150,143</u>	<u>-</u>	<u>150,143</u>	<u>319,442</u>	<u>229,665</u>
Total expenses	<u>\$ 8,623,819</u>	<u>\$ 622,381</u>	<u>\$ 110,723</u>	<u>\$ 733,104</u>	<u>\$ 9,356,923</u>	<u>\$ 8,552,925</u>

See accompanying notes to financial statements

**ASIAN HUMAN SERVICES, INC.
ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.**

COMBINED STATEMENTS OF CASH FLOW

FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
CASH FLOW FROM OPERATING ACTIVITIES		
Change in net assets	\$ 976,720	\$ 29,771
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	319,442	229,665
(Increase) decrease in operating assets		
Investments	(18,700)	-
Grant receivable	(29,624)	(519,720)
Patient account receivables	44,445	81,400
Prepaid expenses	8,351	(41,330)
Increase (decrease) in operating liabilities		
Accounts payable and accrued expenses	<u>(190,387)</u>	<u>183,923</u>
Net Cash Provided (Used) By Operating Activities	<u>1,110,247</u>	<u>(36,291)</u>
 CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of furniture & equipment	(274,823)	(67,722)
Leasehold improvement	(181,744)	(296,305)
Real estate acquisition and improvements	<u>(430,518)</u>	<u>(950,835)</u>
Net Cash Used By Investing Activities	<u>(887,085)</u>	<u>(1,314,862)</u>
 CASH FLOW FROM FINANCING ACTIVITIES		
Additional bank financing	1,239,026	1,615,500
Repayment of bank loans	<u>(1,035,755)</u>	<u>(228,052)</u>
Net Cash Provided By Financing Activities	<u>203,271</u>	<u>1,387,448</u>
 NET INCREASE (DECREASE) IN CASH	426,433	36,295
 CASH, beginning of year	<u>137,699</u>	<u>101,404</u>
 CASH, end of year	<u>\$ 564,132</u>	<u>\$ 137,699</u>
 SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for interest	<u>\$ 278,357</u>	<u>\$ 242,474</u>

See accompanying notes to financial statements

ASIAN HUMAN SERVICES, INC.
ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

1. Organization

Asian Human Services, Inc. (the Agency), an Illinois corporation, was incorporated on May 11, 1978. Its mission is to enable socially, culturally and economically disadvantaged persons of Asian heritage to achieve economic and social independence through education, training and support. The Agency identifies issues, needs and problems affecting the Pan-Asian and other minority communities and addresses them through collaboration, community education and advocacy via the following major programs: mental health services, community health services, youth programs, literacy programs, and employment and training programs.

The Agency established Passages Charter School, Inc. (the School) in 2000. The School's current charter expires on June 30, 2013, and is operating as a division of the Agency.

During 2010, the Agency formed Pipal, NFP, (Pipal) a wholly owned subsidiary governed by a separate Board of Directors to hold and manage all real estate assets owned by the Agency.

The Agency incorporated Asian Human Services Family Health Center, Inc. (the Clinic), an Illinois corporation, in 2001. The Clinic is a certified Federally Qualified Health Center since 2003. Its mission is to increase access to primary care for underserved and underprivileged communities living on the north side of Chicago. The Clinic provides services for common health problem such as flu, diabetes, high blood pressure, high cholesterol, etc. Other basic health services performed include routine physical exams, well child services, immunization against vaccine-preventable diseases and OB/GYN services. The U.S. Department of Health and Human Services (the DHHS) provides substantial support to the Clinic. The Clinic is obligated under the terms of the DHHS grant to comply with specified conditions and program requirements set forth by the grantor.

The combined financial statements include the accounts of the Agency, School, Pipal, and Clinic. All intercompany transactions and balances between and among the entities have been eliminated.

2. Summary of Significant Accounting Policies

Financial Statement Presentation

The operating results of the School and the Clinic are included in the combined financial statements. The financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations". Under SFAS No. 117, the Agency is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted - Unrestricted net assets are available to finance the general operations of the Agency. Voluntary resolutions by the Board of Directors to designate a portion of the unrestricted net assets for specific purposes do not result in restricted funds. The Agency has no designated net assets.

ASIAN HUMAN SERVICES, INC.
ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

2. Summary of Significant Accounting Policies (continue)

Temporarily Restricted - Temporarily restricted net assets result from contributions and other inflow of assets, the use of which is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by action of the Agency pursuant to those stipulations.

Permanently Restricted - Permanently restricted net assets are assets that have donor-imposed restrictions that stipulate that the contributed resources be maintained permanently, but permit the Agency to use part or all of the income or other economic benefits derived from the donated assets. The Agency has no permanently restricted net assets.

Revenue Recognition

Patient service revenue is reported as the estimated net realizable amounts from patients, third-party payors, and others for services rendered. Self-pay revenue is recorded at published charges with charitable allowances deducted to arrive at net self-pay revenue. All other patient service revenue is recorded at published charges with contractual allowances deducted to arrive at net patient service revenue.

Revenue from government grants designated to use in specific activities is recognized in the period when expenditures have been incurred in compliance with the grantor's restrictions.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Contributed Services

During the year ended June 30, 2010, the School was the recipient of food, special education clinician services and pension benefits contributed by Chicago Public Schools valued at \$351,232. Also, during the same period, the Agency was the recipient of marketing and brand development services from the Taproot Foundation valued at \$50,000.

Many unpaid volunteers have made significant contributions of their time to develop the Agency's programs. The value of the contributed time by volunteers and other contributed resources is not reflected in these financial statements since they do not meet the criteria for recognition.

Income Taxes

The Agency is exempt from Federal income taxes on related income under section 501(c)(3) of the Internal Revenue Code.

ASIAN HUMAN SERVICES, INC.
ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

2. Summary of Significant Accounting Policies (continue)

Building and Equipment

Building and equipment are carried at cost. All purchases in excess of \$5,000 are capitalized, while lesser amounts are charged to expense. Depreciation and amortization is provided on a straight-line basis over 29.5 years for building and leasehold improvements, and five years for furniture and equipment.

Cash

For purposes of the Statements of Cash Flow, cash include currency on hand, demand deposits and any highly liquid investments available for current use. Cash balances are insured by the Federal Depository Insurance Corporation (FDIC) up to \$250,000 per bank for each organization.

Prior Year Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not detail changes in net assets by category for fiscal year 2009. Accordingly, such information should be read in conjunction with the Agency's and the Clinic's financial statements for the year ended June 30, 2009, from which the summarized information was derived. Certain amounts reported in 2009 have been reclassified to conform with the 2010 presentation. Such reclassification has no effect on reported income.

Date of Management Review

Subsequent events were evaluated through February 10, 2011, which is the date the financial statements were available to be issued.

3. Patient Accounts Receivable

Patient accounts receivable are reported at their outstanding unpaid balances and reduced by an allowance for doubtful accounts and by contractual allowances. The Clinic estimates doubtful accounts and contractual allowances based on historical collection rates by patient financial class (e.g. Private Insurance, Medicaid, etc.), factors related to specific payor's ability to pay, and current economic trends. The Clinic writes off accounts receivable against the allowance when a balance is determined to be uncollectible. Patient Accounts Receivable consists of:

	<u>June 30, 2010</u>	<u>June 30, 2009</u>
Medicaid	592,589	\$ 532,880
Medicare	111,394	117,783
Others	<u>312,662</u>	<u>262,379</u>
Subtotal	1,016,645	\$ 913,042
Allowance for Doubtful Accounts	<u>(821,341)</u>	<u>(673,293)</u>
Total	<u><u>195,304</u></u>	<u><u>\$ 239,749</u></u>

As of June 30, 2010, approximately 52% of total allowance relates to Medicaid receivables, 12% to Medicare receivables, and 36% to other receivables due from self-pay patients and insurance companies.

**ASIAN HUMAN SERVICES, INC.
ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

4. Notes payable

	<u>6/30/2010</u>	<u>6/30/2009</u>
Note Payable at 6.85% with a monthly payment of \$6,684 and matures on September 17, 2012	907,081	923,656
Note Payable at 6.25% with a monthly payment of \$5,145 and matures on November 1, 2022	485,698	515,905
Note Payable at 6.25% with a monthly payment of \$6,431 and matures on October 1, 2022	602,005	636,558
Note Payable at 6.85% with a monthly payment of \$4,753.50 and matures on September 17, 2012	638,225	648,392
Note Payable at 5% with a monthly payment of \$3,163 and matures on April 1, 2024	380,040	398,493
Note Payable at 6.85% with a monthly payment of \$6,950.62 and matures on August 5, 2013	882,095	-
Note Payable at 5.875% with a monthly payment of \$3,767.03 and matures on January 2025	442,104	-
Note Payable at 8.775% with a monthly payment of \$1,246.62 and matures on October 1, 2012	29,527	-
One year convertible construction loan at 6% with a interest only monthly payment and matures in February 2010	-	140,500
Line of Credit at prime plus 1% and matures on January 5, 2010	-	900,000
Total	<u>4,366,775</u>	<u>4,163,504</u>

Interest amounted to \$278,357 in 2010 of which \$10,419 was capitalized and \$267,938 was expensed. Interest amounted to \$242,474 in 2009 of which \$110,991 was capitalized and \$131,483 was expensed. The Notes Payable is secured by the Agency's business assets and real estate.

Future annual principal and interest payments for each fiscal year are as follows:

June 30, 2011	\$ 455,522
June 30, 2012	445,549
June 30, 2013	1,814,043
June 30, 2014	305,472
June 30, 2015	1,011,646
Thereafter	<u>1,579,599</u>
Total	<u>\$ 5,611,831</u>

The Clinic has a line-of-credit note with a maximum borrowing limit of \$100,000. It matures on August 4, 2011 and bears interest at the bank's prime rate plus 1%. Advances under the line are limited to 75% of the Clinic's grant and contract receivables. As of 6/30/2010, the Clinic has not drawn on the line-of-credit.

The Agency also has a line-of-credit with a maximum borrowing limit of \$300,000. It matures on August 4, 2011 and bears interest at the bank's prime rate plus 1%. Advances under the line are limited to 75% of the Agency's grant and contract receivables. As of 6/30/2010, the Agency has not drawn on the line-of-credit.

**ASIAN HUMAN SERVICES, INC.
ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

5. Passages Charter School

In July 2008, the Chicago Public Schools renewed the School's charter for a five year term. The charter renewal agreement stipulated a number of conditions, including the outsourcing of the day-to-day management of the School to an education management company, and moving the School to a new ADA compliant location. In July 2008, the Agency entered into a five-year management agreement with the American Quality Schools (AQS) for management services, and a five-year lease with the Archdiocese of Chicago for a school building.

6. Commitments and Contingencies

The Agency and the School rent their office and program space under the terms of leases expiring through June 2013. The payment terms include a monthly base rent plus utilities. Rent expense was \$450,704 in fiscal year 2010 and \$510,221 in fiscal year 2009. Annual base rent in subsequent fiscal years, under the leases, is summarized as follows:

	<u>Agency</u>	<u>School</u>	<u>Total</u>
Fiscal Year 2011	171,221	236,591	407,812
Fiscal Year 2012	148,323	244,947	393,270
Fiscal Year 2013	<u>93,353</u>	<u>253,553</u>	<u>346,906</u>
	<u>\$ 412,897</u>	<u>\$ 735,091</u>	<u>\$ 1,147,988</u>

The lease with the Archdiocese includes required improvements to the facility to be completed by July 31, 2012, estimated at a total cost of \$1,292,804. The payment of these improvements is the sole responsibility of the tenant (the School) as the rent shown above is net of a partial rebate from the Archdiocese to cover the cost of these improvements.

The Clinic receives Medicaid and Medicare revenue from the State of Illinois and the federal government. Reimbursements received from Medicaid and Medicare are subject to audit by the state and federal government. Upon audit, if discrepancies are discovered, the Clinic could be held responsible for refunding the amounts in question.

Medicaid and Medicare revenue is reimbursed to the Health Clinic at the net reimbursement rates as determined by each program. Reimbursement rates are subject to revisions under the provisions of cost reimbursement regulations. Adjustments for such revisions are recognized in the fiscal year incurred.

ASIAN HUMAN SERVICES, INC.
ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

7. Government Contracts Support

<u>Federal Contracts</u>	<u>2010</u>	<u>2009</u>
Pass-through from City of Chicago:		
Department of Family and Support Services		
WIA - Core and Intensive Services	\$ 303,556	\$ 155,423
WIA - High Speed Internet	4,275	1,200
WIA - Youth Development Services	180,000	195,357
CDBG - Youth Development Services	28,510	16,834
Department of Public Health		
Housing Opportunities for Persons with AIDS	25,435	21,553
CDBG - Family Violence Prevention	34,042	30,071
HIV Prevention	50,960	49,203
Food Program for Women, Infant & Children - FHC	145,130	136,259
Chicago Public Schools		
Pre-K	51,671	64,960
Title I	42,504	10,026
Title II	13,600	-
Pass-through from Illinois Department of Human Services:		
Mental Health	165,577	165,577
Donated Funds Initiative Title XX	110,078	110,050
Workfirst, Earnfare, Job Placement & Retention	575,145	605,238
Americorp	138,309	124,964
Ryan White Care Services	1,174	-
Public Health Diabetes	-	7,200
Pass-through from Illinois Department of Public Health		
Consolidated Health Centers - FHC	128,394	63,163
Pass-through from Illinois Community College Board		
Adult Education and Family Literacy	74,485	81,913
Pass-through from AIDS Foundation of Chicago		
African Refugee Aids	-	3,592
Emergency Cash Assistance	5,000	3,750
Pass-through from United Way Metropolitan Chicago		
FEMA	7,310	10,903
Pass-through from Northwestern University		
Direct from U.S. Department of Health and Human Services		
Consolidated Health Centers - FHC	<u>1,126,604</u>	<u>711,534</u>
Total Federal Contracts	<u>\$ 3,211,759</u>	<u>\$ 2,568,770</u>

ASIAN HUMAN SERVICES, INC.
ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

7. Government Contracts Support (Continue)

<u>State Contracts</u>	<u>2010</u>	<u>2009</u>
Illinois Department of Human Services		
Medicaid	\$ 1,242,681	\$ 1,589,662
Mental Health and Developmental Disability	78,528	99,340
Mental Health Evidence Based Training	17,667	-
Workfirst, Earnfare, Job Placement & Retention	6,580	13,245
Day Care	19,134	475
Public Health Diabetes	7,300	2,800
Aids Foundation of Chicago		
Office of Rehabilitation Services	47,872	44,879
Illinois Department of Public Health		
Center for Minority Health - Prostate Cancer Prevention	14,869	-
Center for Minority Health Sevices	49,678	61,869
HIV Prevention	60,008	58,913
HIV Housing	75,137	147,470
Breast and Cervical Cancer - FHC	304,758	271,305
Ticket for the Cure - FHC	6,325	23,559
Illinois State Board of Education		
Early Childhood Block Grant	77,388	85,987
Mental Health in School	25,000	-
Illinois Community College Board - Adult Education	146,144	137,242
Illinois Secretary of State		
Family Literacy	57,750	70,000
Penny Severn	-	4,800
Illinois DCCA - Eliminate the Digital Divide	55,000	40,000
Total State Contracts	<u>2,291,819</u>	<u>2,651,546</u>
 <u>Local Contracts and Awards</u>		
CPS Community Partnership Program	175,213	211,488
Cook County Dept of Public Health - HIV Prevention	14,465	9,727
Chicago CLESE	1,305	-
Emergncy Funds	7,159	9,000
CPS - Passages Charter School	<u>2,221,212</u>	<u>1,653,419</u>
Total Local Contracts	<u>2,419,354</u>	<u>1,883,634</u>
Total Government Contracts	\$ <u>7,922,932</u>	\$ <u>7,103,950</u>

Of the total 2010 government contracts support, \$2,232,964 was received from the Illinois Department of Human Services and \$2,328,987 was received from the Chicago Public Schools for the Passages Charter School. Loss of funding from these sources would require the Agency to seek additional revenue sources or secure new grants in order to continue to provide its current level of services.

**ASIAN HUMAN SERVICES, INC.
ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

8. Qualified Retirement Plan

The Agency and the Clinic have a defined-contribution retirement plan, which covers all eligible employees. Participants can contribute up to 15% of eligible compensation on a pretax basis. Prior to February 28, 2009 the Agency and the Clinic matched the first 4% of the participants' contributions. As of March 1, 2009, the Agency and the Clinic suspended its matching contributions. During fiscal year 2010, the Agency and the Clinic did not contribute to the plan.

The School participates in the Public School Teachers' Pension and Retirement Fund of Chicago (Fund), a defined benefit plan. Members of the Fund include all active nonannuitants who are employed by a Fund-covered employer to provide services for which teacher certification is required. The State of Illinois appropriates public contributions to the Chicago Public Schools, which remit those contributions to the Fund as applicable employer contributions. The employer contributions for the year ended June 30, 2010 is approximately 13.9% of pensionable salary, and amounted to \$174,272, and has been included in contributed revenue.

9. Accrued Vacation Expense

All regular employees are granted paid vacation days. A change in policy was enacted as of the start of the fiscal 2010. Employees begin the year with a bank of paid time off which cannot be carried over beyond the end of the fiscal year.