

**COMBINED FINANCIAL STATEMENTS**

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

*Year Ended June 30, 2011  
with Independent Auditors' Reports*

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

**COMBINED FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2011**

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## 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, 2011, 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 2010 financial statements, and in our report dated February 10, 2011, 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, 2011, 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 15, 2012

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

**COMBINED STATEMENTS OF FINANCIAL POSITION**

**AS OF JUNE 30, 2011 AND 2010**

<b><u>ASSETS</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>
Cash	\$ 482,781	\$ 564,132
Investments, Fair Value	29,235	18,700
Accounts and grants receivable, net of \$1,063,901 of allowance	1,523,032	1,219,783
Prepaid expenses and security deposits	83,807	108,819
Land	2,008,635	1,987,159
Buildings	4,090,009	4,090,009
Furniture and equipment	891,380	594,133
Leasehold improvements	1,131,119	732,127
Accumulated depreciation	<u>(1,222,223)</u>	<u>(806,792)</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>9,017,775</u></b>	<b>\$ <u>8,508,070</u></b>
<b><u>LIABILITIES</u></b>		
Accounts payable and accrued expenses	\$ 860,589	\$ 604,516
Notes payable	<u>4,184,380</u>	<u>4,366,775</u>
<b>TOTAL LIABILITIES</b>	<b>\$ <u>5,044,969</u></b>	<b>\$ <u>4,971,291</u></b>
<b><u>NET ASSETS</u></b>		
Unrestricted	\$ 3,868,130	\$ 3,137,146
Temporarily restricted	<u>104,676</u>	<u>399,633</u>
<b>TOTAL NET ASSETS</b>	<b>\$ <u>3,972,806</u></b>	<b>\$ <u>3,536,779</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ <u>9,017,775</u></b>	<b>\$ <u>8,508,070</u></b>

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, 2011 WITH COMPARATIVE TOTALS FOR 2010**

<b><u>SUPPORT:</u></b>	<b><u>2011</u></b>			<b><u>2010</u></b>
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Total</u>
Government contracts	\$ 8,509,733	\$ 135,805	\$ 8,645,538	\$ 8,359,638
Patient service revenue, net	1,399,639	-	1,399,639	1,204,853
Contributions:				
Individuals and Corporate	21,243	-	21,243	31,977
Foundations	442,947	88,666	531,613	485,735
Interest income	2,432	-	2,432	4,148
Program service fees and other	<u>173,930</u>	<u>9,375</u>	<u>183,305</u>	<u>247,292</u>
	10,549,924	233,846	10,783,770	10,333,643
Net assets released from restrictions:				
Satisfaction of program restrictions	<u>528,803</u>	<u>(528,803)</u>	<u>-</u>	<u>-</u>
Total Support	<u>\$ 11,078,727</u>	<u>\$ (294,957)</u>	<u>\$ 10,783,770</u>	<u>\$ 10,333,643</u>
<b><u>EXPENSES:</u></b>				
Program Services	\$ 9,701,410	\$ -	\$ 9,701,410	\$ 8,623,819
Support Services:				
Management and General	569,174	-	569,174	622,381
Fund Raising	<u>77,159</u>	<u>-</u>	<u>77,159</u>	<u>110,723</u>
Total Expenses	<u>10,347,743</u>	<u>-</u>	<u>10,347,743</u>	<u>9,356,923</u>
Change in net assets	<u>\$ 730,984</u>	<u>\$ (294,957)</u>	436,027	976,720
Net assets at beginning of year			<u>3,536,779</u>	<u>2,560,059</u>
Net assets at end of year			<u>\$ 3,972,806</u>	<u>\$ 3,536,779</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, 2011 WITH COMPARATIVE TOTALS FOR 2010**

	Program Services	Support Services			2011	2010
		Management and General	Fund Raising	Total		
Salaries and fringe benefits	\$ 6,105,489	\$ 703,739	\$ -	\$ 703,739	\$ 6,809,228	\$ 6,028,660
Professional fees	582,214	10,888	76,449	87,337	669,551	826,878
Office equipment and supplies	300,123	14,791	-	14,791	314,914	262,798
Laboratory fees	220,188	-	-	-	220,188	164,707
Telephone	98,718	19,668	-	19,668	118,386	92,608
Rent and utilities	504,695	86,205	130	86,335	591,030	553,671
Repairs and maintenance	255,524	4,110	-	4,110	259,634	162,972
Property and liability insurance	57,324	12,282	-	12,282	69,606	74,228
Printing, advertising, dues and subscriptions	35,283	15,377	580	15,957	51,240	59,384
Client and student transportation	153,687	-	-	-	153,687	156,176
Conferences and staff development	63,698	8,678	-	8,678	72,376	49,658
Client assistance	84,578	-	-	-	84,578	46,140
Equipment rental and maintenance	20,862	429	-	429	21,291	21,905
Contributed goods and services	160,350	-	-	-	160,350	177,485
Administrative and other expenses	47,605	13,123	-	13,123	60,728	92,273
Interest Expense	19,865	255,660	-	255,660	275,525	267,938
Indirect cost allocation	<u>777,706</u>	<u>(777,706)</u>	<u>-</u>	<u>(777,706)</u>	<u>-</u>	<u>-</u>
Total expenses before Depreciation and Amortization	9,487,909	367,244	77,159	444,403	9,932,312	9,037,481
Depreciation and Amortization	<u>213,501</u>	<u>201,930</u>	<u>-</u>	<u>201,930</u>	<u>415,431</u>	<u>319,442</u>
Total expenses	<u>\$ 9,701,410</u>	<u>\$ 569,174</u>	<u>\$ 77,159</u>	<u>\$ 646,333</u>	<u>\$ 10,347,743</u>	<u>\$ 9,356,923</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, 2011 AND 2010**

	<b>2011</b>	<b>2010</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 436,027	\$ 976,720
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	415,431	319,442
(Increase) decrease in operating assets		
Investments	(10,535)	(18,700)
Grant receivable	(187,439)	(29,624)
Patient account receivables	(115,810)	44,445
Prepaid expenses	25,012	8,351
Increase (decrease) in operating liabilities		
Accounts payable and accrued expenses	<u>256,073</u>	<u>(190,387)</u>
Net Cash Provided (Used) By Operating Activities	<u>818,759</u>	<u>1,110,247</u>
 <b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchases of furniture & equipment	(297,247)	(274,823)
Leasehold improvement	(398,992)	(181,744)
Real estate acquisition and improvements	<u>(21,476)</u>	<u>(430,518)</u>
Net Cash Used By Investing Activities	<u>(717,715)</u>	<u>(887,085)</u>
 <b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Additional bank financing	-	1,239,026
Repayment of bank loans	<u>(182,395)</u>	<u>(1,035,755)</u>
Net Cash Provided By Financing Activities	<u>(182,395)</u>	<u>203,271</u>
 <b>NET INCREASE (DECREASE) IN CASH</b>	 (81,351)	 426,433
 <b>CASH, beginning of year</b>	 <u>564,132</u>	 <u>137,699</u>
 <b>CASH, end of year</b>	 <u>\$ 482,781</u>	 <u>\$ 564,132</u>
 <b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Cash paid during the year for interest	\$ <u>275,525</u>	\$ <u>278,357</u>

See accompanying notes to financial statements

**ASIAN HUMAN SERVICES, INC.**  
**ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

## **1. Organization**

Asian Human Services, Inc. (the Agency), an Illinois corporation, was incorporated on May 11, 1978. Its mission is to provide client-centered, quality and compassionate services to Asian immigrants and other under-served communities so that they can fully participate in society, prosper and thrive. The Agency identifies issues, needs and problems affecting the Pan-Asian and other minority communities and addresses them through direct services and community education via the following major areas for both children and adults: a charter grade school, mental health services, community health services, literacy and employment 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 Center), an Illinois corporation, in 2001. The Center 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 Center provides services for common health problems such as the 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, OB/GYN and dental services. The U.S. Department of Health and Human Services (the "DHHS") provides substantial support to the Center. The Center 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**

### **Cash**

For purposes of the Statements of Cash Flow, cash includes currency on hand, and demand deposits. Cash balances are insured by the Federal Depository Insurance Corporation (FDIC).



**ASIAN HUMAN SERVICES, INC.**  
**ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**2. Summary of Significant Accounting Policies (continue)**

**Investments**

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair value in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

**Contributions**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**Patient Service 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.

**Contributed Services**

During the year ended June 30, 2011, the School was the recipient of food, special education clinician services and pension benefits contributed by Chicago Public Schools valued at \$295,661, and services from Loyola University valued at \$32,587. 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 as contributed services.

**ASIAN HUMAN SERVICES, INC.**  
**ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**2. Summary of Significant Accounting Policies (continue)**

**Reserve for Accounts and Grants Receivable**

The Agency uses the allowance method to determine uncollectible accounts and grants receivable. The allowance is based on prior year's experience and management's analysis of specific accounts or grants.

**Functional Allocation of Expenses**

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**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.

**Income Taxes**

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

**Building Property and Equipment**

Building, property 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 are recorded on a straight-line basis over the estimated useful lives of the assets and 29.5 years for buildings. Leasehold improvements are amortized over the life of the lease. Furniture and equipment depreciation ranges from three to five years.

**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.

**ASIAN HUMAN SERVICES, INC.  
ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

**2. Summary of Significant Accounting Policies (continue)**

**Date of Management Review**

Subsequent events were evaluated through February 15, 2012, which is the date the financial statements were available to be issued.

**3. Restrictions on Net Assets**

Temporary restrictions on net assets at the end of 2011 and 2010 are related to government grants and foundation contributions for the following fiscal year.

**4. 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, 2011</u>	<u>June 30, 2010</u>
Medicaid	846,207	\$ 592,589
Medicare	150,792	111,394
Others	<u>378,016</u>	<u>312,662</u>
Subtotal	1,375,015	\$ 1,016,645
Allowance for Doubtful Accounts	<u>(1,063,901)</u>	<u>(821,341)</u>
Total	<u><u>311,114</u></u>	<u><u>\$ 195,304</u></u>

As of June 30, 2011, approximately 56% of total allowance relates to Medicaid receivables, 12% to Medicare receivables, and 32% 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, 2011**

**5. Fair Value Measurements of Investments**

The Agency valued its investments using a three level hierarchy:

Level 1 - quoted prices for investments in active markets for identical assets or liabilities.

Level 2 - other observable inputs such as quoted prices of 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 same term of the assets or liabilities.

Level 3 - unobservable inputs, including the Agency's own assumptions and judgement in determining the fair value.

The fair value of the Agency's investments as of June 30, 2011 was \$29,235 of Corporate Bonds valued with Level 1 input.

**6. Commitments and Contingencies**

The Agency and the School rent their office and program space under the terms of leases expiring through December 2014. The payment terms include a monthly base rent plus utilities. Rent expense was \$429,313 in fiscal year 2011 and \$450,704 in fiscal year 2010. Annual base rent excluding space sharing in subsequent fiscal years is summarized as follows:

	<u>Agency</u>	<u>School</u>	<u>Total</u>
Fiscal Year 2012	\$ 202,494	\$ 259,141	\$ 461,635
Fiscal Year 2013	205,798	260,501	466,299
Fiscal Year 2014	210,636	-	210,636
Fiscal Year 2015	<u>141,115</u>	<u>-</u>	<u>141,115</u>
	<u>\$ 760,043</u>	<u>\$ 519,642</u>	<u>\$ 1,279,685</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, 2011**

**7. Notes payable**

	<u>6/30/2011</u>	<u>6/30/2010</u>
Note Payable at 6.85% with a monthly payment of \$6,684 and matures on September 17, 2012	889,421	907,081
Note Payable at 6.25% with a monthly payment of \$5,145 and matures on November 1, 2022	453,253	485,698
Note Payable at 6.25% with a monthly payment of \$6,431 and matures on October 1, 2022	557,138	602,005
Note Payable at 6.85% with a monthly payment of \$4,753.50 and matures on September 17, 2012	626,635	638,225
Note Payable at 5% with a monthly payment of \$3,163 and matures on April 1, 2024	360,644	380,040
Note Payable at 6.85% with a monthly payment of \$6,950.62 and matures on August 5, 2013	859,508	882,095
Note Payable at 5.875% with a monthly payment of \$3,767.03 and matures on January 2025	422,346	442,104
Note Payable at 8.775% with a monthly payment of \$1,246.62 and matures on October 1, 2012	<u>15,435</u>	<u>29,527</u>
Total	<u>4,184,380</u>	<u>4,366,775</u>

Interest amounted to \$275,525 in 2011 all of which was expensed. Interest amounted to \$278,357 in 2010 of which \$10,419 was capitalized and \$267,938 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, 2012	\$ 445,549
June 30, 2013	1,814,043
June 30, 2014	305,472
June 30, 2015	1,011,646
June 30, 2016	222,065
Thereafter	<u>1,357,534</u>
Total	<u>\$ 5,156,309</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 June 30, 2011, the Clinic has no outstanding balance on the line-of-credit. Subsequent to year end, the maturity date for the line-of-credit was extended to September 2012.

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 June 30, 2011, the Agency has no outstanding balance on the line-of-credit. Subsequent to year end, the maturity date for the line-of-credit was extended to September 2012.

**ASIAN HUMAN SERVICES, INC.**  
**ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**8. Government Contracts Support**

<u>Federal Contracts</u>	<u>2011</u>	<u>2010</u>
Pass-through from City of Chicago:		
Department of Family and Support Services		
WIA - Core and Intensive Services	\$ 204,265	\$ 303,556
WIA - High Speed Internet	5,200	4,275
WIA - Youth Development Services	200,790	180,000
CDBG - Youth Development Services	27,824	28,510
Department of Public Health		
Ryan White Services	9,103	-
Housing Opportunities for Persons with AIDS	50,724	25,435
CDBG - Family Violence Prevention	31,363	34,042
HIV Prevention	58,375	50,960
Food Program for Women, Infant & Children - FHC	154,758	145,130
Chicago Public Schools		
Pre-K	63,000	51,671
Title I	86,432	42,504
Title II	5,894	13,600
Pass-through from Illinois Department of Human Services:		
Mental Health	162,633	165,577
Donated Funds Initiative Title XX	109,729	110,078
Workfirst, Earnfare, Job Placement & Retention	577,384	575,145
Americorp	129,122	138,309
Various Stimulus Grants	143,114	-
Pass-through from Illinois Department of Public Health		
Ryan White Care Services	38,826	1,174
Office of Health Promotion - Quit Line	44,372	-
Consolidated Health Centers - FHC	113,146	128,394
Pass-through from Illinois Community College Board		
Adult Education and Family Literacy	119,405	74,485
Pass-through from AIDS Foundation of Chicago		
Emergency Cash Assistance	3,760	5,000
Pass-through from United Way Metropolitan Chicago		
FEMA	10,000	7,310
Pass-through from Northwestern University		
Direct from U.S. Department of Health and Human Services		
Consolidated Health Centers - FHC	790,215	1,126,604
Total Federal Contracts	<u>\$ 3,139,434</u>	<u>\$ 3,211,759</u>

**ASIAN HUMAN SERVICES, INC.**  
**ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**8. Government Contracts Support (Continue)**

<u>State Contracts</u>	<u>2011</u>	<u>2010</u>
Illinois Department of Human Services		
Medicaid	\$ 993,994	\$ 1,242,681
Mental Health and Developmental Disability	-	78,528
Mental Health Evidence Based Training	6,000	17,667
Workfirst, Earnfare, Job Placement & Retention	12,596	6,580
Day Care	20,235	19,134
Public Health Diabetes	5,475	7,300
Aids Foundation of Chicago		
Office of Rehabilitation Services	49,231	47,872
Illinois Department of Public Health		
Center for Minority Health - Breast & Cervical Cancer	30,525	-
Center for Minority Health - Prostate Cancer Prevention	-	14,869
Center for Minority Health Sevices	34,973	49,678
HIV Prevention	-	60,008
HIV Housing	71,193	75,137
Office of Health Promotion - Quality of Life	60,767	-
Breast and Cervical Cancer - FHC	333,980	304,758
Ticket for the Cure - FHC	8,769	6,325
Illinois State Board of Education		
Early Childhood Block Grant	115,296	77,388
Mental Health in School	25,000	25,000
Illinois Community College Board - Adult Education	237,342	146,144
Illinois Secretary of State		
Family Literacy	85,313	57,750
Illinois Department Healthcare and Family Services - FHC	56,430	-
Illinois DCCA - Eliminate the Digital Divide	47,000	55,000
Total State Contracts	<u>2,194,119</u>	<u>2,291,819</u>
 <u>Local Contracts and Awards</u>		
CPS Community Partnership Program	175,213	175,213
Cook County Dept of Public Health - HIV Prevention	-	14,465
Chicago CLESE	1,000	1,305
Emergncy Funds	5,000	7,159
CPS - Passages Charter School	2,753,401	2,221,212
Total Local Contracts	<u>2,934,614</u>	<u>2,419,354</u>
<b>Total Government Contracts</b>	<b>\$ <u>8,268,167</u></b>	<b>\$ <u>7,922,932</u></b>

Of the total 2011 government contracts support, \$2,160,282 was received from the Illinois Department of Human Services and \$2,928,614 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**  
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**9. Passages Charter School**

In July 2008, the Chicago Public Schools renewed the School's charter for a five year term. In connection with the charter renewal, the Agency outsourced the day-to-day management of the School to the American Charter Schools, an education management company, for a five-year term. In addition, the School moved to a new ADA compliant location under a five-year lease with the Archdiocese of Chicago.

**10. 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. As of March 1, 2009, the Agency and the Clinic suspended its matching contributions.

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, 2011 is approximately 10.6% of pensionable salary, and amounted to \$135,311, and has been included in contributed revenue.

**11. 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.