

COMBINED FINANCIAL STATEMENTS

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

*Year Ended June 30, 2013
with Independent Auditors' Reports*

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

COMBINED FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2013

Contents

Independent Auditors' Report	2
Combined Financial Statements	
Combined Statements of Financial Position	4
Combined Statements of Activities	5
Combined Statements of Functional Expenses	6
Combined Statements of Cash Flow	7
Notes to Financial Statements	8

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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying combined financial statements of Asian Human Services, Inc. (the Agency) and affiliate, which comprise the combined statement of financial position as of June 30, 2013, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Asian Human Services, Inc. (the Agency) and affiliate as of June 30, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Agency's and affiliate's 2013 financial statements, and our report dated February 26, 2013, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2013, is consistent, in all material respects, with the financial statements from which it has been derived

A handwritten signature in black ink that reads "Wong & Knowles". The signature is written in a cursive, flowing style.

Elmhurst, Illinois
January 31, 2014

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

COMBINED STATEMENTS OF FINANCIAL POSITION

AS OF JUNE 30, 2013 AND 2012

<u>ASSETS</u>	<u>2013</u>	<u>2012</u>
Cash	\$ 599,622	\$ 250,206
Investments, Fair Value	196,075	39,769
Accounts and grants receivable, net of \$378,358 of allowance	1,684,620	1,696,529
Prepaid expenses and security deposits	94,757	228,733
Other investments	15,000	-
Construction Work in Progress	2,245,136	110,970
Land	1,659,612	2,008,635
Buildings	3,419,004	4,090,009
Furniture and equipment	967,609	967,609
Leasehold improvements	1,189,351	1,180,749
Accumulated depreciation	<u>(1,684,169)</u>	<u>(1,600,309)</u>
TOTAL ASSETS	<u>\$ 10,386,617</u>	<u>\$ 8,972,900</u>
<u>LIABILITIES</u>		
Accounts payable and accrued expenses	\$ 852,268	\$ 537,984
Notes payable	2,566,937	3,926,633
Deferred revenue	-	5,666
Other long term liabilities	<u>260,000</u>	<u>-</u>
TOTAL LIABILITIES	<u>\$ 3,679,205</u>	<u>\$ 4,470,283</u>
<u>NET ASSETS</u>		
Unrestricted	\$ 6,261,865	\$ 4,225,192
Temporarily restricted	<u>445,547</u>	<u>277,425</u>
TOTAL NET ASSETS	<u>\$ 6,707,412</u>	<u>\$ 4,502,617</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 10,386,617</u>	<u>\$ 8,972,900</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, 2013 WITH COMPARATIVE TOTALS FOR 2012

<u>SUPPORT:</u>	<u>2013</u>			<u>2012</u>
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Total</u>
Government contracts	\$ 9,717,700	\$ 2,228,003	\$ 11,945,703	\$ 9,501,872
Patient service revenue, net	1,669,751	-	1,669,751	1,460,205
Contributions:				
Individuals and Corporate	87,930	-	87,930	67,167
Foundations	120,119	200,003	320,122	228,749
Interest income	1,228	-	1,228	2,421
Gain from sale of real property	402,546	-	402,546	-
Program service fees and other	<u>320,542</u>	<u>-</u>	<u>320,542</u>	<u>311,830</u>
	12,319,816	2,428,006	14,747,822	11,572,244
Net assets released from restrictions:				
Satisfaction of program restrictions	<u>2,259,884</u>	<u>(2,259,884)</u>	<u>-</u>	<u>-</u>
Total Support	<u>\$ 14,579,700</u>	<u>\$ 168,122</u>	<u>\$ 14,747,822</u>	<u>\$ 11,572,244</u>
<u>EXPENSES:</u>				
Program Services	\$ 11,461,059	\$ -	\$ 11,461,059	\$ 10,338,297
Support Services:				
Management and General	694,437	-	694,437	628,415
Fund Raising	<u>127,531</u>	<u>-</u>	<u>127,531</u>	<u>75,721</u>
Total Expenses	<u>12,283,027</u>	<u>-</u>	<u>12,283,027</u>	<u>11,042,433</u>
Change in net assets before extraordinary item	\$ 2,296,673	\$ 168,122	2,464,795	529,811
Extraordinary item Reserve for mental health program	<u>260,000</u>	<u>-</u>	<u>260,000</u>	<u>-</u>
Change in net assets	<u>\$ 2,036,673</u>	<u>\$ 168,122</u>	2,204,795	529,811
Net assets at beginning of year			<u>4,502,617</u>	<u>3,972,806</u>
Net assets at end of year			<u>\$ 6,707,412</u>	<u>\$ 4,502,617</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, 2013 WITH COMPARATIVE TOTALS FOR 2012

	Program Services	Support Services			2013	2012
		Management and General	Fund Raising	Total		
Salaries and fringe benefits	\$ 7,475,834	\$ 587,283	\$ 85,484	\$ 672,767	\$ 8,148,601	\$ 7,378,210
Professional fees	735,353	172,868	35,622	208,490	943,843	704,807
Office equipment and supplies	345,175	12,723	3,470	16,193	361,368	243,653
Laboratory fees	305,094	-	-	-	305,094	291,161
Telecommunication and software services	221,467	15,941	100	16,041	237,508	172,179
Rent and utilities	579,694	12,076	-	12,076	591,770	608,705
Repairs, maintenance and housekeeping	243,593	3,287	-	3,287	246,880	186,512
Insurance	71,490	43	1,085	1,128	72,618	80,561
Printing, advertising, dues and subscriptions	48,920	-	-	-	48,920	81,404
Client transportation and assistance	328,889	4	112	116	329,005	259,157
Staff conferences, travel and development	76,384	12,025	334	12,359	88,743	69,985
Equipment rental and maintenance	22,526	-	-	-	22,526	23,606
Contributed goods and services	207,227	-	-	-	207,227	178,277
Administrative and other expenses	53,269	59,567	1,324	60,891	114,160	117,350
Interest Expense	12,961	191,424	-	191,424	204,385	268,780
Indirect cost allocation	<u>517,027</u>	<u>(517,027)</u>	<u>-</u>	<u>(517,027)</u>	<u>-</u>	<u>-</u>
Total expenses before Depreciation and Amortization	11,244,903	550,214	127,531	677,745	11,922,648	10,664,347
Depreciation and Amortization	<u>216,156</u>	<u>144,223</u>	<u>-</u>	<u>144,223</u>	<u>360,379</u>	<u>378,086</u>
Total expenses	<u>\$ 11,461,059</u>	<u>\$ 694,437</u>	<u>\$ 127,531</u>	<u>\$ 821,968</u>	<u>\$ 12,283,027</u>	<u>\$ 11,042,433</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, 2013 AND 2012

	2013	2012
CASH FLOW FROM OPERATING ACTIVITIES		
Change in net assets	\$ 2,204,795	\$ 529,811
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	360,379	378,086
Gain from sale of real property	(402,546)	-
Reserve for mental health program	260,000	-
(Increase) decrease in operating assets		
Investments	(156,306)	(10,534)
Grant receivable	(60,670)	(156,331)
Patient account receivables	72,579	(17,166)
Prepaid expenses	133,976	(144,926)
Other investments	(15,000)	
Increase (decrease) in operating liabilities		
Accounts payable and accrued expenses	314,284	(322,605)
Deferred revenue	(5,666)	5,666
Net Cash Provided (Used) By Operating Activities	2,705,825	262,001
CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of furniture & equipment	-	(76,229)
Construction work in progress	(2,134,166)	(110,970)
Leasehold improvement	(8,602)	(49,630)
Sale of real property	1,127,625	-
Property tax refund	18,430	-
Net Cash Used By Investing Activities	(996,713)	(236,829)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of bank loans	(1,359,696)	(257,747)
Net Cash Provided By Financing Activities	(1,359,696)	(257,747)
NET INCREASE (DECREASE) IN CASH	349,416	(232,575)
CASH, beginning of year	250,206	482,781
CASH, end of year	\$ 599,622	\$ 250,206
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for interest	\$ 205,331	\$ 268,780

See accompanying notes to financial statements

ASIAN HUMAN SERVICES, INC.
ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

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 covering both children and adults as follows: 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, 2018, 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 the Center. 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. The Center maintains its primary bank accounts with one financial institution. Part of the accounts is not covered by insurance provided by the federal government. It is the opinion of the management that the solvency of the financial institution is not of concern at this time.

ASIAN HUMAN SERVICES, INC.
ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

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, 2013, the School was the recipient of food, special education clinician services and pension benefits contributed by Chicago Public Schools valued at \$317,269. In addition, Chicago Symphony Orchestra also contributed services and musical instruments valued at \$27,000.

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, 2013

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. Accordingly, no provision has been made in the accompanying financial statements for income taxes. The Agency's and affiliate's Forms 990, *Return of Organization Exempt From Income Tax*, for the years ended June 30, 2010, 2011 and 2012 are subject to examination by the IRS, generally for three years after they were filed.

Building Property and Equipment

Building, property and equipment are carried at cost. All purchases in excess of \$5,000 (\$1,000 for the School) 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. Depreciation on furniture and equipment depreciation aranges 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 2012. Accordingly, such information should be read in conjunction with the Agency's and the Center's financial statements for the year ended June 30, 2012, from which the summarized information was derived. Certain amounts reported in 2012 have been reclassified to conform with the 2013 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, 2013**

2. Summary of Significant Accounting Policies (continue)

Date of Management Review

Subsequent events were evaluated through January 31, 2014, 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 2013 and 2012 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 Center 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 Center writes off accounts receivable against the allowance when a balance is determined to be uncollectible. Patient Accounts Receivable consists of:

	<u>June 30, 2013</u>	<u>June 30, 2012</u>
Medicaid	290,317	\$ 421,728
Medicare	62,910	66,681
Others	<u>280,832</u>	<u>88,763</u>
Subtotal	634,059	\$ 577,172
Allowance for Doubtful Accounts	<u>(378,358)</u>	<u>(248,892)</u>
Total	<u><u>255,701</u></u>	<u><u>\$ 328,280</u></u>

As of June 30, 2013, approximately 26% of total allowance relates to Medicaid receivables, 8% to Medicare receivables, and 66% to other receivables due from self-pay patients and insurance companies. Beginning with FY2013, the Center now classifies any patient balance due as self-pay. In prior years, the self-pay amount was classified in the primary payer category such as Medicare or private insurance.

**ASIAN HUMAN SERVICES, INC.
ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

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, 2013 was \$196,075 of money market funds valued with Level 1 input.

6. Commitments and Contingencies

The Agency and the Center receives support from the federal, state and local government, which are subject to the audit of various government agencies. Upon audit, if discrepancies are found, the Agency and the Center could be held responsible for refunding the amounts in question.

Medicaid and Medicare revenue is reimbursed to the Center 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.

As of June 30, 2013, the Agency reserved \$260,000 as a contingent liability to the Illinois Department of Human Services resulting from changes in the terms of the fiscal year 2010 mental health contract. The settlement amount may be less if the Agency's appeal is successful.

The Agency and the School rent their office and program space under the terms of leases expiring through December 2014 and June 2018 respectively. The School lease has two additional five year options to renew after June 2018. The payment terms include a monthly base rent plus utilities. Rent expense was \$476,424 in fiscal year 2013 and \$453,710 in fiscal year 2012. 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 2014	210,636	384,814	595,450
Fiscal Year 2015	141,115	396,102	537,217
Fiscal Year 2016	-	407,706	407,706
Fiscal Year 2017	-	421,195	421,195
Fiscal Year 2018	-	435,089	435,089
	<u>\$ 351,751</u>	<u>\$ 2,044,906</u>	<u>\$ 2,396,657</u>

The lease with the Archdiocese includes required improvements to the facility to be completed at an agreed upon future date, 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 School has completed approximately half of the improvements agreed upon as of June 30, 2013.

**ASIAN HUMAN SERVICES, INC.
ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

7. Notes payable

	<u>6/30/2013</u>	<u>6/30/2012</u>
Note Payable at 6.85%, monthly payment of \$6,684 and matures on September 17, 2012, refinanced	-	870,686
Note Payable at 3.11% and adjustable every five years, monthly payment of \$4,590 and matures on March 1, 2021	378,905	418,870
Note Payable at 2.89% and adjustable every five years, monthly payment of \$5,614 and matures on February 1, 2021	461,974	513,556
Note Payable at 6.85%, monthly payment of \$4,573 and matures on September 17, 2012, refinanced	-	615,114
Note Payable at 5% and adjustable every five years, monthly payment of \$3,163 and matures on April 1, 2024	175,241	270,255
Note Payable at 6.85%, monthly payment of \$6,950 and matures on August 5, 2014, refinanced	-	835,518
Note Payable at 5.875% and adjustable every five years, monthly payment of \$3,767 and matures in January 2025	379,182	401,396
Note Payable at 5%, monthly payment of \$6,968 and matures on December 1, 2017	1,171,635	-
Note Payable at 8.775%, monthly payment of \$1,246.62 and matures on October 1, 2012	-	1,238
Total	<u>2,566,937</u>	<u>3,926,633</u>

Interest amounted to \$204,385 and \$268,780 in 2013 and 2012 respectively all of which was expensed. The Notes Payable is secured by the Agency's business assets and real estate. The Agency refinanced three of the outstanding notes during fiscal 2013. The three notes were combined into one note with an interest rate of 5% per annum and a maturity date of December 1, 2017. In addition, on April 25, 2013 the Agency, through its PIPAL, NFP subsidiary, sold property, the net proceeds of which were applied to the outstanding note payable in the amount of \$1,107,229.

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

June 30, 2014	\$ 289,239
June 30, 2015	289,239
June 30, 2016	289,239
June 30, 2017	289,239
June 30, 2018	1,296,958
Thereafter	<u>513,712</u>
Total	<u>\$ 2,967,626</u>

The Agency and the Center have lines-of-credit with a maximum borrowing limit of \$700,000 and \$300,000 respectively. They bear interest at the bank's prime rate plus 1% with an interest rate floor of 5%. Advances under the lines are limited to 75% of the grant and contract receivables. As of June 30, 2013, there were no outstanding balance on the lines-of-credit. The maturity dates of these lines of credit have been extended to January 2015.

**ASIAN HUMAN SERVICES, INC.
ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

8. Government Contracts Support

Public support from government contracts represents reimbursements of qualified costs submitted by the Agency. Qualified costs are defined by the individual agreements between the Agency and the respective contracting governmental units. Of the total 2013 government contracts support, \$2,349,175 was received from the Illinois Department of Human Services and \$3,692,375 was received from the Chicago Public Schools. Loss of funding from these sources would require the Agency to seek additional revenue or secure new grants in order to continue to provide its current level of services.

<u>Federal Contracts</u>	<u>2013</u>	<u>2012</u>
Pass-through from City of Chicago:		
Department of Family and Support Services		
CSBG (WIA - Core and Intensive Services)	\$ -	\$ 166,658
WIA - Youth Development Services	-	133,056
CDBG - Youth Development Services	29,950	29,436
Department of Public Health		
Prevention with Positives	53,717	22,818
Ryan White Services	68,353	65,514
Housing Opportunities for Persons with AIDS	42,565	43,176
CDBG - Family Violence Prevention	14,749	37,211
HIV Prevention NE/NS	41,358	65,724
Food Program for Women, Infant & Children - FHC	188,987	163,800
Chicago Public Schools		
Title I	111,674	101,443
Title II	18,706	17,522
Title III	42,974	-
Pass-through from Illinois Department of Human Services:		
Mental Health	111,672	107,900
Donated Funds Initiative Title XX	109,912	109,354
Workfirst, Earnfare, Job Placement & Retention	578,561	420,692
Americorp	174,725	144,259
Day Care Action	52,589	22,818
Tobacco and Diabetes	26,248	-
Various Stimulus Grants	-	41,176
Pass-through from Illinois Department of Public Health		
Ryan White Care Services	41,426	59,976
Office of Health Promotion - Quit Line	-	47,560
Consolidated Health Centers - FHC	215,860	131,499
Public Health Diabetes	-	36,775
Passthrough from Illinois State Board of Education		
Child and Adult Care Food Program	22,553	16,199
Pass-through from Illinois Community College Board		
Adult Education and Family Literacy	173,569	144,715
Bridge	-	20,000
Pass-through from AIDS Foundation of Chicago		
Emergency Cash Assistance	4,483	15,214
Pass-through from United Way Metropolitan Chicago		
Emergency Food and Shelter Program	12,000	13,000
Pass-through from United Way national Board		
Emergency Food and Shelter Program	10,000	10,000
Pass-through Chicago Cook Workforce Partnership		
WIA Youth	114,855	-
WIA Adult	100,971	-
Direct from U.S. Department of Health and Human Services		
Consolidated Health Centers - FHC	<u>1,189,785</u>	<u>786,273</u>
Total Federal Contracts	<u>\$ 3,552,242</u>	<u>\$ 2,973,768</u>

ASIAN HUMAN SERVICES, INC.
ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

8. Government Contracts Support (Continue)

<u>State Contracts</u>	<u>2013</u>	<u>2012</u>
Illinois Department of Human Services		
Mental Health Medicaid and Non-Medicaid	\$ 1,016,351	\$ 1,123,153
Developmental Disability	215,227	80,065
Mental Health Evidence Based Training	8,050	-
Workfirst, Earnfare, Job Placement & Retention	-	7,416
Mental Health Psychiatric Services	55,840	57,215
Aids Foundation of Chicago		
Office of Rehabilitation Services	118,070	79,268
Illinois Department of Public Health		
Center for Minority Health - Breast & Cervical Cancer	25,364	22,020
Chicago Tobacco Prevention	-	25,865
Center for Minority Health Sevices	37,046	26,360
HIV Prevention	57,584	12,615
HIV Housing	50,519	48,932
Office of Health Promotion - Quality of Life	88,037	71,347
Illinois Public Health Association	-	11,604
Breast and Cervical Cancer - FHC	337,950	365,223
Illinois State Board of Education		
Early Childhood Block Grant	96,849	102,033
Mental Health in School	-	25,000
Illinois Community College Board - Adult Education	299,951	238,516
Illinois Secretary of State - Family Literacy	86,934	87,754
Illinois Department Healthcare and Family Services		
Dental Program	24,833	18,737
EMR Incentives	38,250	85,000
Illinois Capital Development Board	1,755,605	110,970
Illinois DCEO		
Eliminate the Digital Divide	-	52,500
Traning for Tomorrow	156,942	63,106
Total State Contracts	<u>4,469,402</u>	<u>2,714,699</u>
 <u>Local Contracts and Awards</u>		
CPS Community Partnership Program	175,210	175,213
Chicago Department of Public Health - Prevention with Positives	17,500	-
Chicago Department of Public Health - HIV Prevention NE/NS	13,735	-
CPS - Passages Charter School	3,343,811	3,141,907
Total Local Contracts	<u>3,550,256</u>	<u>3,317,120</u>
Total Government Contracts	\$ <u>11,571,900</u>	\$ <u>9,005,587</u>

ASIAN HUMAN SERVICES, INC.
ASIAN HUMAN SERVICES FAMILY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

9. Sale of Real Property

The Agency, through its PIPAL, NFP subsidiary, sold property with a net book value of \$725,079 for \$1,127,625 resulting in a realized gain of \$402,546. Sales expense of \$20,396 was included in operating expenses.

10. Passages Charter School

In February 2013, the Chicago Public Schools renewed the School's charter for a five year term that expires on June 30, 2018. The Agency outsources the day-to-day management of the School to an education management company. For the fiscal year ended June 30, 2013, the operational management fee amounted to \$146,955.

11. Qualified Retirement Plan

The Agency and the Center 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 Center 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, 2013 is 10.6% of pensionable salary, and amounted to \$137,042, and has been included in contributed goods and services.

12. Evaluation of Subsequent Events

The Agency has evaluated subsequent events through January 31, 2014, which is the date financial statements were available to be issued.

PIPAL, NFP has entered into a letter of intent to purchase a two story, 6,200 square foot building with adjacent parking for the Center which received a federal grant award to start a new clinic in Skokie, Illinois. PIPAL, NFP would lease the property to the Center. Terms of the purchase and lease have yet to be completed.