

HUMAN SERVICES ASSOCIATES, INC.
CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2010

HUMAN SERVICES ASSOCIATES, INC.
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JAMES MOORE & CO., P.L.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors,
Human Services Associates, Inc.:

We have audited the accompanying consolidated statement of financial position of Human Services Associates, Inc. as of June 30, 2010, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended. These consolidated financial statements are the responsibility of Human Services Associates, Inc.'s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

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 consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Human Services Associates, Inc. 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2010, on our consideration of Human Services Associates, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying Schedule of Expenses of Federal Awards and State Financial Assistance is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and Chapter 10.650, Rules of the State of Florida, Office of the Auditor General and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The additional information on pages 18 through 26 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

James Moore & Co., P.L.C.

Tallahassee, Florida
December 22, 2010

HUMAN SERVICES ASSOCIATES, INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2010

ASSETS

Current assets	
Cash and cash equivalents	\$ 3,111,420
Grants, contracts and accounts receivable, net of allowance for doubtful accounts of \$133,185	1,635,535
Prepaid expenses	46,898
Total current assets	<u>4,793,853</u>
Property and equipment, net	7,375,375
Deposits	40,489
Total Assets	<u><u>\$ 12,209,717</u></u>

LIABILITIES AND NET ASSETS

Current liabilities	
Accounts payable and accrued expenses	\$ 747,125
Deferred revenue	25,035
Current portion of long-term debt	866,397
Total current liabilities	<u>1,638,557</u>
Long-term liabilities	
Long-term debt, less current portion	1,782,200
Total liabilities	<u>3,420,757</u>
Net assets, unrestricted	8,788,960
Total Liabilities and Net Assets	<u><u>\$ 12,209,717</u></u>

The accompanying notes to consolidated financial statements
are an integral part of this statement.

HUMAN SERVICES ASSOCIATES, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

Support and Revenue	
Grants and contracts	\$ 15,557,309
In-kind contributions	1,602,395
Client fees	38,574
Rent	753,757
Interest	6,066
Other revenue	6,355
Gain on sale of assets	984,046
Total support and revenue	18,948,502
Expenses	
Program services	
Children and family services	
Children - substance abuse	5,407,207
Children - mental health	1,469,666
Adult - substance abuse	1,911,618
Adult - mental health	539,742
Total children and family services	9,328,233
Juvenile justice services	1,137,347
Education, case management and other program services	5,122,077
Total program services	15,587,657
Support services	
General and administrative	2,603,029
Total expenses	18,190,686
Increase in net assets	757,816
Net assets, beginning of year	8,031,144
Net assets, end of year	\$ 8,788,960

The accompanying notes to consolidated financial statements
are an integral part of this statement.

HUMAN SERVICES ASSOCIATES, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2010

	Program Services						Education, Case Management and Other Program Services	General and Administrative	Total
	Children Substance Abuse	Children Mental Health	Adult Substance Abuse	Adult Mental Health	Total Children and Family Services	Juvenile Justice Services			
Salaries	\$ 2,306,450	\$ 447,290	\$ 771,130	\$ 125,856	\$ 3,650,726	\$ 460,569	\$ 3,052,946	\$ 1,191,960	\$ 8,356,201
Fringe benefits	637,957	119,376	192,206	28,988	978,527	119,712	754,540	601,141	2,453,920
Building occupancy	262,634	37,008	115,747	4,746	420,135	127,567	320,667	132,423	1,000,792
Professional services	72,654	5,236.00	144.00	-	78,034	-	3,220	71,470	152,724
Travel	42,214	30,851	24,954	660	98,679	2,634	121,179	8,960	231,452
Equipment rental	25,273	3,004	7,921	-	36,198	7,601	19,192	6,927	69,918
Food services	64,773	91	123	-	64,987	174	651	15,580	81,392
Medical and pharmacy	2,386	98,204	-	-	100,590	-	124	-	100,714
Depreciation	66,536	1,210	2,713	-	70,459	10,420	213,085	89,550	383,514
Subcontracted services	167,182	717,385	703,389	378,739	1,966,695	352,560	288,326	186,656	2,794,237
Insurance	-	-	-	-	-	-	-	144,290	144,290
Interest	-	-	-	-	-	-	81,922	3,411	85,333
Operating supplies and expenses	57,118	9,162	30,021	753	97,054	47,654	90,440	39,242	274,390
Other	99,635	849	63,270	-	163,754	8,456	175,785	111,419	459,414
In-kind expenses	1,602,395	-	-	-	1,602,395	-	-	-	1,602,395
Total	\$ 5,407,207	\$ 1,469,666	\$ 1,911,618	\$ 539,742	\$ 9,328,233	\$ 1,137,347	\$ 5,122,077	\$ 2,603,029	\$ 18,190,686

The accompanying notes to consolidated financial statements
are an integral part of this statement.

HUMAN SERVICES ASSOCIATES, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2010
Increase (Decrease) in Cash and Cash Equivalents

Cash flows from operating activities	
Cash received from grantors, contractors and contributors	\$ 16,497,487
Cash paid to employees, vendors and subcontractors	(16,141,468)
Interest received	6,066
Interest paid	(85,333)
Net cash provided by operating activities	<u>276,752</u>
Cash flows from investing activities	
Purchases of property and equipment	(108,309)
Proceeds from sale of property and equipment	994,382
Net cash provided by investing activities	<u>886,073</u>
Cash flows from financing activities	
Payments on long term debt	(301,863)
Net increase in cash and cash equivalents	<u>860,962</u>
Cash and cash equivalents, beginning of year	2,250,458
Cash and cash equivalents, end of year	<u>\$ 3,111,420</u>
Reconciliation of increase in net assets to net cash provided by operating activities	
Increase in net assets	\$ 757,816
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	383,514
Decrease in grants, contracts and accounts receivable	160,599
Gain on sale of fixed assets	(984,046)
Increase in deposits	(9,741)
Decrease in prepaid expenses	40,329
Decrease in deferred revenue	(19,107)
Decrease in accounts payable and accrued expenses	(52,612)
Total adjustments	<u>(481,064)</u>
Net cash provided by operating activities	<u>\$ 276,752</u>
Supplemental Schedule of non cash investing and financing activities:	
Financing of insurance	\$ 26,815

The accompanying notes to consolidated financial statements are an integral part of this statement.

HUMAN SERVICES ASSOCIATES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2010

(1) **Summary of Significant Accounting Policies:**

The following is a summary of the more significant accounting policies and practices of Human Services Associates, Inc., (the "Organization"), which affect significant elements of the accompanying consolidated financial statements:

(a) **General**—The Organization is engaged in providing program design, implementation, coordination, facilitation, operation, evaluation and oversight for predominately substance abuse and mental health intervention and treatment programs to residents of Florida, including juvenile and adult offenders and adolescents-at-risk. The Organization also operates seven Juvenile Assessment Centers throughout Florida in conjunction with the Juvenile Justice System. In September 2001, Human Services Associates, Inc. formed Human Services Associates Foundation, Inc. and Human Services Associates Property Corporation. Human Services Associates Foundation, Inc. and Human Services Associates Property Corporation are consolidated since Human Services Associates, Inc. has both an economic interest in and control of Human Services Associates Foundation, Inc. and Human Services Associates Property Corporation through a majority voting interest in their governing boards. All significant inter-company transactions and accounts are eliminated.

(b) **Property and Equipment**—Property and equipment acquired by the Organization are considered to be owned by the Organization. However, funding sources may retain an equitable interest in the property purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets. The State of Florida has a reversionary interest in those assets purchased with its funds which have a cost of \$1,000 or more and an estimated useful life of at least one year. The Federal Government has a reversionary interest in those assets purchased with its funds which have cost of \$5,000 or more and an estimated useful life of at least one year.

Property and equipment with a value greater than \$1,000 (unless otherwise stipulated by a donor or grantor) and an estimated useful life of at least one year are recorded at cost when purchased or at estimated fair market value when contributed. Depreciation is computed using the straight-line method over the estimated useful life of the assets, ranging from three to forty years. Repairs and maintenance expenditures, which are not considered improvements and do not extend the useful life of the property and equipment, are expensed as incurred.

(c) **Income Taxes**—Human Services Associates, Inc. and Human Services Associates Property Corporation are nonprofit organizations as defined under Section 501(c)(3) of the Internal Revenue Code and have been classified as organizations that are not private foundations. Human Services Associates Foundation, Inc. is a nonprofit organization as defined under Section 501(c)(2) of the Internal Revenue Code and has been classified as an organization that is not a private foundation. Therefore, no provision for Federal income taxes has been made in the accompanying consolidated financial statements. The Organization files income tax returns in the U.S. Federal jurisdiction. They are no longer subject to income tax examinations by tax authorities for years before 2007.

The Organization has reviewed and evaluated the relevant technical merits of each of their tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the consolidated financial statements.

HUMAN SERVICES ASSOCIATES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2010

(1) **Summary of Significant Accounting Policies:** (Continued)

(d) **Cash and Cash Equivalents**—For the purpose of reporting cash flows, cash and cash equivalents include cash on hand, demand deposits held with banks, and short-term investments with original maturities of 90 days or less.

(e) **Use of Estimates**—The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(f) **Basis of Accounting**—The consolidated financial statements have been prepared on the accrual basis of accounting, and accordingly, reflect all significant receivables, payables and other liabilities.

(g) **Basis of Presentation**—The Organization is required to report information regarding its consolidated financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

(h) **Functional Allocation of Expenses**—The costs of providing the various program services and other activities have been summarized on a functional basis in the Consolidated Statement of Activities. Accordingly, certain costs have been allocated among the program and supporting services benefited.

(i) **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 restricted or permanently restricted support that increases these net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the entity reports the support as unrestricted.

Contributed property and equipment is recorded at fair value at the date of donation. In the absence of donor-imposed stipulations regarding how long the contributed assets must be used, the entity has adopted a policy of not implying a time restriction on contributions of such assets that expires over the assets' useful lives; consequently, all contributions of property and equipment, and of the assets contributed to acquire property and equipment, are recorded as unrestricted support or contributions.

(j) **Grants, Contracts and Accounts Receivable**—The Organization performs various services under two types of contracts: cost reimbursement and purchase of service contracts. Grants in both categories can require a matching component from the Organization. Revenues are recognized on the basis of expenses incurred for cost reimbursement contracts and on a fee-for-service basis for purchase of service contracts. Amounts earned but not received are reported as grants, contracts, and accounts receivable. Amounts received but not earned are reported as deferred revenue.

HUMAN SERVICES ASSOCIATES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2010

(1) **Summary of Significant Accounting Policies:** (Continued)

(j) **Grants, Contracts and Accounts Receivable** (Continued)

Grants, contracts and accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of the credit history with customers, grantors, and contractors having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial.

(k) **Advertising**—Advertising costs are charged to operations as incurred.

(2) **Significant Funding Source:**

The Organization receives a substantial amount of its funding from the State of Florida, Department of Juvenile Justice, State of Florida, Department of Children and Families, and U.S. Department of Health and Human Services. A significant reduction in the level of this funding, if it were to occur, could have an adverse effect on the Organization's programs and activities.

(3) **Concentrations of Credit Risk:**

The more significant concentrations of credit risk are as follows:

(a) **Demand and Time Deposits**—The Organization maintains cash deposits with one financial institution. The Organization has no policy requiring collateral or other security to support its deposits, although all demand deposits with these institutions are Federally insured up to FDIC limits.

(b) **Accounts, Grants and Contracts Receivable**—The Organization's receivables are primarily for amounts due under contracts with local, state, and Federal government agencies. The Organization has no policy requiring collateral or other security to support its receivables.

(4) **Property and Equipment:**

The following is a summary of property and equipment at June 30, 2010:

Land	\$ 736,499
Buildings and improvements	8,507,018
Computers and equipment	1,564,439
Furniture and fixtures	502,293
Vehicles	161,008
	<hr/>
	11,471,257
Less: Accumulated depreciation	4,095,882
	<hr/>
Total	\$ 7,375,375

HUMAN SERVICES ASSOCIATES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2010

(5) **Long-term Debt:**

Long-term debt consisted of the following at June 30, 2010:

Mortgage payable to a financial institution renewed April 2008, containing a variable interest rate equal to the Wall Street Journal LIBOR rate plus 1.5% per annum. The note requires 35 monthly payments of \$4,870 plus interest. A final balloon payment of the outstanding principal and interest is due at maturity on April 4, 2011. The note is collateralized by real estate.	\$ 633,133
Mortgage payable to a financial institution issued July 2004, containing a variable interest rate equal to the Wall Street Journal LIBOR rate plus 2.5% per annum. The note requires monthly payments of interest only through February 2005, then 65 monthly payments of \$9,844 plus interest. A final balloon payment of the outstanding principal and interest is due at maturity on August 1, 2011. The note is collateralized by real estate.	648,200
Mortgage payable to a financial institution issued April 2005, containing a variable interest rate equal to the Wall Street Journal LIBOR rate plus 2.5% per annum. The note requires monthly payments beginning May 18, 2005 at \$5,333 plus interest. Monthly payments increase approximately \$500 on each annual anniversary beginning on November 18, 2005. A final balloon payment of the outstanding principal and interest is due at maturity on October 18, 2011. The note is collateralized by real estate.	1,349,191
9.25% note payable to corporation, payable \$3,094 monthly, including interest, due December 31, 2010, uncollateralized	18,073
Long-term debt	2,648,597
Less: Current portion of long-term debt	866,397
Long-term debt, less current portion	\$ 1,782,200

HUMAN SERVICES ASSOCIATES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2010

(5) **Long-term Debt:** (Continued)

At June 30, 2010, long-term debt maturities were as follows:

Year Ending June 30,	Amount
2011	\$ 866,397
2012	1,782,200
2013	-
2014	-
2015	-
Total	\$ 2,648,597

(6) **Line of Credit:**

The Organization has a \$800,000 unused line of credit containing a variable interest rate equal to British Bankers Association rate plus 2.5% per annum. Interest due monthly, and principal due March 31, 2011. The line-of-credit is collateralized by accounts receivable.

(7) **Operating Leases:**

The Organization leases office space and equipment under operating leases expiring in various years through 2015. Minimum future rental payments under noncancellable operating leases having remaining terms in excess of one year as of June 30, 2010, for each of the next five years are:

Year Ending June 30,	Amount
2011	\$ 350,338
2012	290,206
2013	208,511
2014	123,109
2015	126,456

(8) **Retirement Plan:**

The Organization currently maintains a defined contribution plan. All employees may contribute to the plan through salary deductions. Employer matching contributions are made for all employees age 21 or older with at least one year of service. The contributions for the year ended June 30, 2010 were \$799,505.

HUMAN SERVICES ASSOCIATES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2010

(9) **Matching Requirements:**

The Organization received a portion of its support through grants and contracts. Certain grants and contracts require the Organization to provide specified amounts of matching revenue. Each contract, where applicable, has met all matching requirements. Also, for each contract that ended on or before June 30, 2010, no matching obligation remains outstanding to the funding source.

Total SAMH Expenses	\$ 11,063,993
Plus: Approved Capital Outlay	-
Less: Other state and Federal funds	-
Less: Non-Match SAMH funds	5,128,514
Less: Unallowable costs per FAC 65E-14	-
Less: Unallowable patient fees	-
Total allowable expenses	5,935,479
SAMH funds received requiring match	3,923,250
Local match	1,307,750
Minimum required expenses for SAMH contracts requiring match	5,231,000
Excess expenses	\$ 704,479

(10) **Medicaid:**

The Organization bills Medicaid at Medicaid established rates for eligible services performed. Services rendered are reimbursed by Medicaid subject to specific documentation requirements. Compliance audits are conducted periodically by the Medicaid fiscal intermediaries, as well as the Organization's corporate compliance program, which can result in the recoupment of fees paid to the Organization.

(11) **Subsequent Events:**

The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through December 22, 2010, the date which the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF EXPENSES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2010

Federal Grantor / Pass Through Grantor / State Grantor / Program Title	Federal CFDA Number	Contract Number	Current Year Expenses
<u>FEDERAL AWARDS</u>			
U.S. Department of Education			
Passed through School Board of DeSoto County, Florida			
Title I Grants to Local Educational Agencies	84.010	--	\$ 71,068
Title I Grants to Local Educational Agencies	84.010	--	80,140
			<u>151,208</u>
U.S. Department of Health and Human Services			
Compassion Capital Fund	93.009	--	<u>261,187</u>
Substance Abuse and Mental Health Services_Projects of Regional and National Significance	93.243	--	<u>36,806</u>
Passed through CBC of Seminole County, Florida			
Promoting Safe and Stable Families	93.556	040518	12,171
Promoting Safe and Stable Families	93.556	091018	36,513
			<u>48,684</u>
Passed through State of Florida, Department of Children and Families			
Temporary Assistance for Needy Families	93.558	GHK16	1,417,841
Temporary Assistance for Needy Families	93.558	PDJ03	263,207
Passed through CBC of Seminole County, Florida			
Temporary Assistance for Needy Families	93.558	040518	52,864
Temporary Assistance for Needy Families	93.558	091018	158,592
			<u>1,892,504</u>

The accompanying note to Schedule of Expenses of Federal Awards and State
Financial Assistance is in an integral part of this Schedule.

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF EXPENSES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2010

Federal Grantor / Pass Through Grantor / State Grantor / Program Title	Federal CFDA Number	Contract Number	Current Year Expenses
FEDERAL AWARDS (Continued)			
U.S. Department of Health and Human Services (Continued)			
Passed through CBC of Seminole County, Florida			
Child Welfare Services_State Grants	93.645	040518	\$ 11,152
Child Welfare Services_State Grants	93.645	091018	33,455
			<u>44,607</u>
Passed through CBC of Seminole County, Florida			
Foster Care_Title IV-E	93.658	040518	89,362
Foster Care_Title IV-E	93.658	091018	268,085
			<u>357,447</u>
Passed through CBC of Seminole County, Florida			
Adoption Assistance	93.659	040518	27,051
Adoption Assistance	93.659	091018	81,152
			<u>108,203</u>
Passed through CBC of Seminole County, Florida			
Child Abuse and Neglect State Grants	93.669	070834	5,137
Child Abuse and Neglect State Grants	93.669	091034	10,274
			<u>15,411</u>
Passed through State of Florida, Department of Children and Families			
Children's Health Insurance Program	93.767	GHK19	<u>1,335,000</u>
Passed through State of Florida, Department of Children and Families			
Block Grants for Community Mental Health Services	93.958	GHK16	<u>115,673</u>

The accompanying note to Schedule of Expenses of Federal Awards and State
Financial Assistance is in an integral part of this Schedule.

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF EXPENSES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2010

Federal Grantor / Pass Through Grantor / State Grantor / Program Title	Federal CFDA Number	Contract Number	Current Year Expenses
<u>FEDERAL AWARDS</u> (Continued)			
U.S. Department of Health and Human Services (Continued)			
Passed through State of Florida, Department of Children and Families			
Block Grants for Prevention and Treatment of Substance Abuse	93.959	GHK16	1,418,455
Block Grants for Prevention and Treatment of Substance Abuse	93.959	PDJ03	94,277
Block Grants for Prevention and Treatment of Substance Abuse	93.959	CD915	2,568
Block Grants for Prevention and Treatment of Substance Abuse	93.959	TDJ04	81,439
Block Grants for Prevention and Treatment of Substance Abuse	93.959	ZDJ53	130,377
Block Grants for Prevention and Treatment of Substance Abuse	93.959	KDZ02	145,000
			<u>1,872,116</u>
Total Federal Awards			<u>\$ 6,238,846</u>

The accompanying note to Schedule of Expenses of Federal Awards and State
Financial Assistance is in an integral part of this Schedule.

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF EXPENSES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2010

State Grantor / Pass Through Grantor / Program Title	State CSFA Number	Contract Number	Current Year Expenses
<u>STATE AWARDS</u>			
State of Florida, Department of Children and Families			
Substance Abuse Detoxification Services for Children	60.028	GHK16	\$ 632,445
Substance Abuse Treatment and Aftercare Services for Children	60.030	GHK16	1,634,784
Substance Abuse Treatment and Aftercare Services for Children	60.030	PDJ03	237,387
Substance Abuse Treatment and Aftercare Services for Children	60.030	CD915	22,389
			<u>1,894,560</u>
Substance Abuse Treatment and Aftercare Services for Adults	60.033	GHK16	<u>458,643</u>
Children's Mental Health Community Support Services	60.055	GHK16	<u>585,102</u>
State of Florida, Department of Juvenile Justice			
Passed through Evidence Based Associates, Inc.			
Conditional Release Services	80.018	--	<u>285,248</u>
Juvenile Assessment Centers	80.020	P2038	320,123
Juvenile Assessment Centers	80.020	X1414	131,675
			<u>451,798</u>
Total State Awards			<u>4,307,796</u>
Total Awards			<u>\$ 10,546,642</u>

The accompanying note to Schedule of Expenses of Federal Awards and State
Financial Assistance is in an integral part of this Schedule.

**HUMAN SERVICES ASSOCIATES, INC.
NOTE TO SCHEDULE OF EXPENSES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2010**

Note 1: Basis of Presentation

The accompanying Schedule of Expenses of Federal Awards and State Financial Assistance includes the Federal award and State assistance activity of Human Services Associates, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133 Audits of States, Local Governments and Non-Profit Organizations and Chapter 10.650, Rules of the State of Florida Office of the Auditor General. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the consolidated financial statements.

HUMAN SERVICES ASSOCIATES, INC.

ADDITIONAL INFORMATION

FOR THE YEAR ENDED JUNE 30, 2010

**HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF PROGRAM / COST CENTER ACTUAL REVENUES
FOR THE YEAR ENDED JUNE 30, 2010**

STATE-DESIGNATED AND STATE SAMH-FUNDED COST CENTERS

CHILDREN'S SUBSTANCE ABUSE

FUNDING SOURCES & REVENUES	Juvenile TASC	Juvenile TASC Ft. Pierce	Juvenile Assessments	CAIC	Gainesville TASC	ARF	Keys For Success	JAC Polk	DIP Polk	Children's Outreach	Children's Outpatient	Ocala TASC	TANF CSA	TANF Circuit 5	Program Total
STATE SAMH FUNDING	\$ 763,610	\$ 130,377	\$ 500,799	\$ 437,897	\$ 24,957	\$ 873,781	\$ 145,000	\$ 344,357	\$ 94,408	\$ 53,359	\$ 258,918	\$ 331,664	\$ 58,054	\$ 25,801	\$ 4,042,982
OTHER GOVERNMENT FUNDING															
Other State Agency Funding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Local Government	-	-	-	-	4,613	264,852	-	-	-	-	-	-	-	-	269,465
Federal Grants and Contracts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
In-Kind from Local Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER GOVERNMENT FUNDING	-	-	-	-	4,613	264,852	-	-	-	-	-	-	-	-	269,465
OTHER REVENUES															
First and Second Party Payments	-	-	-	-	-	38,359	-	-	-	-	-	-	-	-	38,359
Third Party Payments (Other than Medicare)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medicare	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions and Donations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	182	-	-	-	-	-	-	182
In-Kind - Other than from Local Government	1,380,283	-	-	-	-	153,365	-	-	-	-	-	-	-	-	1,533,648
TOTAL OTHER REVENUES	1,380,283	-	-	-	-	191,724	-	182	-	-	-	-	-	-	1,572,189
TOTAL FUNDING	\$ 2,143,893	\$ 130,377	\$ 500,799	\$ 437,897	\$ 29,570	\$ 1,330,357	\$ 145,000	\$ 344,539	\$ 94,408	\$ 53,359	\$ 258,918	\$ 331,664	\$ 58,054	\$ 25,801	\$ 5,884,636

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF PROGRAM / COST CENTER ACTUAL REVENUES (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

STATE-DESIGNATED AND STATE SAMH-FUNDED COST CENTERS

FUNDING SOURCES & REVENUES	CHILDREN'S MENTAL HEALTH				ADULT SUBSTANCE ABUSE										
	FSPT	Title XXI	Mental Health Counseling	Program Total	FIS	Adult TASC	Adult Outreach	Adult Outpatient	Osceola Adult Drug Court	Adult Drug Testing	Seminole County Drug Court	Polk Outreach	TANF ASA	TANF Circuit 5	Program Total
STATE SAMH FUNDING	\$ 691,358	\$ 1,335,000	\$ 9,803	\$ 2,036,161	\$ 429,002	\$ 372,841	\$ 15,000	\$ 242,234	\$ 135,390	\$ 69,242	\$ -	\$ 71,730	\$ 687,426	\$ 237,406	\$ 2,260,271
OTHER GOVERNMENT FUNDING															
Other State Agency Funding	-	-	5,303	5,303	-	-	-	-	-	-	-	-	-	-	-
Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Local Government	-	-	1,932	1,932	-	-	-	-	-	-	36,806	-	-	-	36,806
Federal Grants and Contracts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
In-Kind from Local Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER GOVERNMENT FUNDING	-	-	7,235	7,235	-	-	-	-	-	-	36,806	-	-	-	36,806
OTHER REVENUES															
First and Second Party Payments	-	-	-	-	-	-	215	-	-	-	-	-	-	-	215
Third Party Payments (Other than Medicare)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medicare	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions and Donations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
In-Kind - Other than from Local Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER REVENUES	-	-	-	-	-	-	215	-	-	-	-	-	-	-	215
TOTAL FUNDING	\$ 691,358	\$ 1,335,000	\$ 17,038	\$ 2,043,396	\$ 429,002	\$ 372,841	\$ 15,000	\$ 242,449	\$ 135,390	\$ 69,242	\$ 36,806	\$ 71,730	\$ 687,426	\$ 237,406	\$ 2,297,292

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF PROGRAM / COST CENTER ACTUAL REVENUES (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

FUNDING SOURCES & REVENUES	STATE-DESIGNATED AND STATE SAMH-FUNDED COST CENTERS			JUVENILE JUSTICE SERVICES				EDUCATION					LOCAL GOVERNMENT PROGRAMS	
	TANF AMH	Program Total	Total for State-Funded SAMH Cost Centers	JAC Orange County	JAC Polk	St. Lucie Booking & Case Management	Total Juvenile Justice Services	DeSoto Juvenile Correctional Facility	Madalyn Academy	DeSoto Dual Diagnostic Correctional	Red Road Academy	Osceola Case Mngmnt	Redirection - EBA	Central Receiving Center
STATE SAMH FUNDING	\$ 674,031	\$ 674,031	\$ 9,013,445	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER GOVERNMENT FUNDING														
Other State Agency Funding	-	-	5,303	320,123	395,178	282,667	997,968	952,021	238,305	1,001,043	328,015	80,242	285,248	-
Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Local Government	-	-	308,203	-	57,394	-	57,394	-	-	-	-	-	-	-
Federal Grants and Contracts	-	-	-	-	-	-	-	71,068	-	80,140	-	-	-	-
In-Kind from Local Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER GOVERNMENT FUNDING	-	-	313,506	320,123	452,572	282,667	1,055,362	1,023,089	238,305	1,081,183	328,015	80,242	285,248	-
OTHER REVENUES														
First and Second Party Payments	-	-	38,574	24,908	10,750	-	35,658	-	-	-	-	-	-	15,000
Third Party Payments (Other than Medicare)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medicare	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions and Donations	-	-	-	1,920	-	-	1,920	-	-	-	-	-	-	-
Other	-	-	182	-	-	-	-	716	-	-	-	-	-	-
In-Kind - Other than from Local Government	-	-	1,533,648	-	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER REVENUES	-	-	1,572,404	26,828	10,750	-	37,578	716	-	-	-	-	-	15,000
TOTAL FUNDING	\$ 674,031	\$ 674,031	\$ 10,899,355	\$ 346,951	\$ 463,322	\$ 282,667	\$ 1,092,940	\$ 1,023,805	\$ 238,305	\$ 1,081,183	\$ 328,015	\$ 80,242	\$ 285,248	\$ 15,000

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF PROGRAM / COST CENTER ACTUAL REVENUES (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

FEDERAL PROGRAMS	COMMUNITY BASED CARE
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FUNDING SOURCES & REVENUES	AIDS Help	CEY	CBC of Seminole	Misc	Total Other Grants	Total All Other Cost Centers	General and Administrative	Total Funding
STATE SAMH FUNDING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,013,445	\$ -	\$ 9,013,445
OTHER GOVERNMENT FUNDING								
Other State Agency Funding	-	-	-	-	2,884,874	3,888,145	-	3,888,145
Medicaid	-	-	-	-	-	-	-	-
Local Government	-	-	-	-	-	365,597	-	365,597
Federal Grants and Contracts	100,939	261,187	-	-	513,334	513,334	-	513,334
In-Kind from Local Government	-	-	-	-	-	-	-	-
TOTAL OTHER GOVERNMENT FUNDING	<u>100,939</u>	<u>261,187</u>	<u>-</u>	<u>-</u>	<u>3,398,208</u>	<u>4,767,076</u>	<u>-</u>	<u>4,767,076</u>
OTHER REVENUES								
First and Second Party Payments	-	-	1,759,892	-	1,774,892	1,849,124	-	1,849,124
Third Party Payments (Other than Medicare)	-	-	-	-	-	-	-	-
Medicare	-	-	-	-	-	-	-	-
Contributions and Donations	-	-	1,000	-	1,000	2,920	-	2,920
Other	-	-	-	799,120	799,836	800,018	990,552	1,790,570
In-Kind - Other than from Local Government	-	-	-	-	-	1,533,648	-	1,533,648
TOTAL OTHER REVENUES	<u>-</u>	<u>-</u>	<u>1,760,892</u>	<u>799,120</u>	<u>2,575,728</u>	<u>4,185,710</u>	<u>990,552</u>	<u>5,176,262</u>
TOTAL FUNDING	<u>\$ 100,939</u>	<u>\$ 261,187</u>	<u>\$ 1,760,892</u>	<u>\$ 799,120</u>	<u>\$ 5,973,936</u>	<u>\$ 17,966,231</u>	<u>\$ 990,552</u>	<u>\$ 18,956,783</u>

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF PROGRAM / COST CENTER ACTUAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2010

STATE-DESIGNATED AND STATE SAMH-FUNDED COST CENTERS

CHILDREN'S SUBSTANCE ABUSE

EXPENSE CATEGORIES	Juvenile TASC		Juvenile	Gainesville		Keys For		Children's		Children's	TANF		Program Total			
	Juvenile TASC	Ft. Pierce	Assessments	CAIC	TASC	ARF	Success	JAC Polk	DIP Polk	Outreach	Outpatient	Ocala TASC		TANF	CSA	Circuit 5
PERSONNEL EXPENSES																
Salaries	\$ 390,423	\$ 61,919	\$ 216,793	\$ 268,414	\$ 20,482	\$ 742,360	\$ 28,349	\$ 162,674	\$ 59,852	\$ 15,481	\$ 157,908	\$ 173,816	\$ 4,966	\$ 3,013		2,306,450
Fringe Benefits	123,382	20,449	39,054	68,271	5,563	203,026	6,627	51,886	14,676	4,392	43,491	52,483	4,173	484		637,957
TOTAL PERSONNEL EXPENSES	<u>513,805</u>	<u>82,368</u>	<u>255,847</u>	<u>336,685</u>	<u>26,045</u>	<u>945,386</u>	<u>34,976</u>	<u>214,560</u>	<u>74,528</u>	<u>19,873</u>	<u>201,399</u>	<u>226,299</u>	<u>9,139</u>	<u>3,497</u>		<u>2,944,407</u>
OTHER EXPENSES																
Building Occupancy	110,506	2,936	428	19,241	878	50,761	7,010	19,962	3,177	33	11,228	25,984	10,271	219		262,634
Professional Services	-	-	-	34	-	58,086	-	14,500	-	-	34	-	-	-		72,654
Travel	4,817	392	2,645	2,897	2,271	185	5,709	2,108	10,928	469	1,388	8,005	318	82		42,214
Equipment rental	7,022	2,109	-	1,767	-	6,269	-	4,159	-	-	863	1,763	1,321	-		25,273
Food Services	26	-	-	123	-	64,203	-	272	-	-	37	44	68	-		64,773
Medical and Pharmacy	31	-	62	-	-	2,293	-	-	-	-	-	-	-	-		2,386
Depreciation	14,894	24	-	11,452	-	17,538	1,944	19,151	-	-	412	364	713	44		66,536
Subcontracted Services	14,119	11,332	32,753	-	-	-	43,871	-	-	-	-	-	44,135	20,972		167,182
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
Interest Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
Operating Supplies & Expenses	13,761	3,068	1,526	4,906	336	15,104	1,095	5,993	740	-	3,087	4,713	2,507	282		57,118
Other	4,714	2,156	2,513	2,815	200	76,814	915	5,202	433	56	2,682	660	458	17		99,635
Donated Items	1,442,155	-	-	-	-	160,240	-	-	-	-	-	-	-	-		1,602,395
TOTAL OTHER EXPENSES	<u>1,612,045</u>	<u>22,017</u>	<u>39,927</u>	<u>43,235</u>	<u>3,685</u>	<u>451,493</u>	<u>60,544</u>	<u>71,347</u>	<u>15,278</u>	<u>558</u>	<u>19,731</u>	<u>41,533</u>	<u>59,791</u>	<u>21,616</u>		<u>2,462,800</u>
TOTAL PERSONNEL AND OTHER EXPENSES	<u>2,125,850</u>	<u>104,385</u>	<u>295,774</u>	<u>379,920</u>	<u>29,730</u>	<u>1,396,879</u>	<u>95,520</u>	<u>285,907</u>	<u>89,806</u>	<u>20,431</u>	<u>221,130</u>	<u>267,832</u>	<u>68,930</u>	<u>25,113</u>		<u>5,407,207</u>
DISTRIBUTED INDIRECT COSTS																
General and Administrative Costs	91,633	15,645	60,096	52,548	2,995	140,220	17,400	41,536	11,329	6,403	31,070	39,800	6,966	3,141		520,782
TOTAL ACTUAL OPERATING EXPENSES	<u>2,217,483</u>	<u>120,030</u>	<u>355,870</u>	<u>432,468</u>	<u>32,725</u>	<u>1,537,099</u>	<u>112,920</u>	<u>327,443</u>	<u>101,135</u>	<u>26,834</u>	<u>252,200</u>	<u>307,632</u>	<u>75,896</u>	<u>28,254</u>		<u>5,927,989</u>
LESS UNALLOWABLE COSTS	<u>26</u>	<u>-</u>	<u>-</u>	<u>123</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>272</u>	<u>-</u>	<u>-</u>	<u>37</u>	<u>44</u>	<u>68</u>	<u>-</u>		<u>570</u>
TOTAL ALLOWABLE OPERATING EXPENSES	<u>\$ 2,217,457</u>	<u>\$ 120,030</u>	<u>\$ 355,870</u>	<u>\$ 432,345</u>	<u>\$ 32,725</u>	<u>\$ 1,537,099</u>	<u>\$ 112,920</u>	<u>\$ 327,171</u>	<u>\$ 101,135</u>	<u>\$ 26,834</u>	<u>\$ 252,163</u>	<u>\$ 307,588</u>	<u>\$ 75,828</u>	<u>\$ 28,254</u>		<u>\$ 5,927,419</u>
CAPITAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF PROGRAM / COST CENTER ACTUAL EXPENSES (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

STATE-DESIGNATED AND STATE SAMH-FUNDED COST CENTERS

EXPENSE CATEGORIES	CHILDREN'S MENTAL HEALTH				ADULT SUBSTANCE ABUSE										
	FSPT	Title XXI	Mental Health Counseling	Program Total	FIS	Adult TASC	Adult Outreach	Adult Outpatient	Osceola Adult Drug Court	Adult Drug Testing	Seminole County Drug Court	Polk Outreach	TANF ASA	TANF Circuit 5	Program Total
PERSONNEL EXPENSES															
Salaries	\$ 145,340	\$ 279,199	\$ 22,751	447,290	\$ 220,755	\$ 172,655	\$ 5,094	\$ 102,903	\$ 57,738	\$ 28,638	\$ 6,357	\$ 49,466	\$ 100,409	\$ 27,115	\$ 771,130
Fringe Benefits	43,020	70,196	6,160	119,376	63,507	40,404	757	26,462	13,510	7,117	1,131	7,533	27,401	4,384	192,206
TOTAL PERSONNEL EXPENSES	<u>188,360</u>	<u>349,395</u>	<u>28,911</u>	<u>566,666</u>	<u>284,262</u>	<u>213,059</u>	<u>5,851</u>	<u>129,365</u>	<u>71,248</u>	<u>35,755</u>	<u>7,488</u>	<u>56,999</u>	<u>127,810</u>	<u>31,499</u>	<u>963,336</u>
OTHER EXPENSES															
Building Occupancy	15,795	19,918	1,295	37,008	45,558	24,230	28	11,351	22,237	660	932	1,571	7,211	1,969	115,747
Professional Services	-	5,236	-	5,236	76	34	-	34	-	-	-	-	-	-	144
Travel	11,489	16,537	2,825	30,851	10,643	2,676	53	1,494	2	-	100	3,592	5,657	737	24,954
Equipment rental	1,454	1,550	-	3,004	1,606	4,384	-	744	973	-	-	-	214	-	7,921
Food Services	82	9	-	91	7	17	-	1	26	-	-	69	3	-	123
Medical and Pharmacy	-	98,204	-	98,204	-	-	-	-	-	-	-	-	-	-	-
Depreciation	799	411	-	1,210	1,082	868	-	357	-	-	-	-	9	397	2,713
Subcontracted Services	316,394	400,991	-	717,385	1,260	100	-	-	-	-	28,061	-	481,669	192,299	703,389
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Supplies & Expenses	3,753	5,153	256	9,162	9,490	9,691	-	2,659	2,327	541	249	788	1,734	2,542	30,021
Other	489	360	-	849	18,835	9,538	7	3,289	2,009	26,110	193	750	2,382	157	63,270
Donated Items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER EXPENSES	<u>350,255</u>	<u>548,369</u>	<u>4,376</u>	<u>903,000</u>	<u>88,557</u>	<u>51,538</u>	<u>88</u>	<u>19,929</u>	<u>27,574</u>	<u>27,311</u>	<u>29,535</u>	<u>6,770</u>	<u>498,879</u>	<u>198,101</u>	<u>948,282</u>
TOTAL PERSONNEL AND OTHER EXPENSES	<u>538,615</u>	<u>897,764</u>	<u>33,287</u>	<u>1,469,666</u>	<u>372,819</u>	<u>264,597</u>	<u>5,939</u>	<u>149,294</u>	<u>98,822</u>	<u>63,066</u>	<u>37,023</u>	<u>63,769</u>	<u>626,689</u>	<u>229,600</u>	<u>1,911,618</u>
DISTRIBUTED INDIRECT COSTS															
General and Administrative Costs	83,751	160,200	-	243,951	51,480	44,741	1,800	29,068	16,252	8,309	-	8,608	82,491	28,273	271,022
TOTAL ACTUAL OPERATING EXPENSES	<u>622,366</u>	<u>1,057,964</u>	<u>33,287</u>	<u>1,713,617</u>	<u>424,299</u>	<u>309,338</u>	<u>7,739</u>	<u>178,362</u>	<u>115,074</u>	<u>71,375</u>	<u>37,023</u>	<u>72,377</u>	<u>709,180</u>	<u>257,873</u>	<u>2,182,640</u>
LESS UNALLOWABLE COSTS	<u>82</u>	<u>10</u>	<u>-</u>	<u>92</u>	<u>7</u>	<u>17</u>	<u>-</u>	<u>1</u>	<u>26</u>	<u>-</u>	<u>-</u>	<u>68</u>	<u>3</u>	<u>-</u>	<u>122</u>
TOTAL ALLOWABLE OPERATING EXPENSES	<u>\$ 622,284</u>	<u>\$ 1,057,954</u>	<u>\$ 33,287</u>	<u>\$ 1,713,525</u>	<u>\$ 424,292</u>	<u>\$ 309,321</u>	<u>\$ 7,739</u>	<u>\$ 178,361</u>	<u>\$ 115,048</u>	<u>\$ 71,375</u>	<u>\$ 37,023</u>	<u>\$ 72,309</u>	<u>\$ 709,177</u>	<u>\$ 257,873</u>	<u>\$ 2,182,518</u>
CAPITAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF PROGRAM / COST CENTER ACTUAL EXPENSES (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

EXPENSE CATEGORIES	STATE-DESIGNATED AND STATE SAMH-FUNDED COST CENTERS			JUVENILE JUSTICE SERVICES				EDUCATION					LOCAL GOVERNMENT PROGRAMS	
	ADULT MENTAL HEALTH			St. Lucie				DeSoto Dual					Central	
	TANF AMH	Program Total	Total for State-Funded SAMH Cost Centers	JAC Orange County	JAC Polk	St. Lucie Booking & Case Management	Total Juvenile Justice Services	DeSoto Juvenile Correctional Facility	Madalyn Academy	DeSoto Dual Diagnostic Correctional	Red Road Academy	Osceola Case Management	Redirection - EBA	Central Receiving Center
PERSONNEL EXPENSES														
Salaries	\$ 125,856	\$ 125,856	\$ 3,650,726	\$ 188,881	\$ 224,275	\$ 47,413	\$ 460,569	\$ 689,470	\$ 128,948	\$ 711,246	\$ 210,944	\$ 61,492	\$ 147,828	\$ 5,000
Fringe Benefits	28,988	28,988	978,527	45,488	64,871	9,353	119,712	174,181	32,159	174,550	42,059	18,092	30,023	383
TOTAL PERSONNEL EXPENSES	154,844	154,844	4,629,253	234,369	289,146	56,766	580,281	863,651	161,107	885,796	253,003	79,584	177,851	5,383
OTHER EXPENSES														
Building Occupancy	4,746	4,746	420,135	77,647	47,451	2,469	127,567	3,578	8,618	2,707	8,720	1,550	3,569	-
Professional Services	-	-	78,034	-	-	-	-	-	-	975	-	-	-	-
Travel	660	660	98,679	1,508	322	804	2,634	5,342	1,446	4,036	1,728	6,426	15,500	-
Equipment rental	-	-	36,198	6,979	622	-	7,601	3,743	3,770	6,855	4,706	-	-	-
Food Services	-	-	64,987	50	124	-	174	68	-	16	-	-	-	-
Medical and Pharmacy	-	-	100,590	-	-	-	-	-	31	-	-	-	-	-
Depreciation	-	-	70,459	970	9,450	-	10,420	1,539	879	268	440	-	1,917	-
Subcontracted Services	378,739	378,739	1,966,695	-	185,157	167,403	352,560	43,663	6,025	12,282	13,903	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Supplies & Expenses	753	753	97,054	37,970	8,620	1,064	47,654	30,701	3,893	25,130	1,552	1,476	1,083	-
Other	-	-	163,754	5,363	2,779	314	8,456	2,645	1,581	3,471	2,881	5,042	524	-
Donated Items	-	-	1,602,395	-	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER EXPENSES	384,898	384,898	4,698,980	130,487	254,525	172,054	557,066	91,279	26,243	55,740	33,930	14,494	22,593	-
TOTAL PERSONNEL AND OTHER EXPENSES	539,742	539,742	9,328,233	364,856	543,671	228,820	1,137,347	954,930	187,350	941,536	286,933	94,078	200,444	5,383
DISTRIBUTED INDIRECT COSTS														
General and Administrative Costs	80,884	80,884	1,116,639	41,510	51,820	33,403	126,733	117,949	28,597	128,691	38,531	-	34,063	1,800
TOTAL ACTUAL OPERATING EXPENSES	620,626	620,626	10,444,872	406,366	595,491	262,223	1,264,080	1,072,879	215,947	1,070,227	325,464	94,078	234,507	7,183
LESS UNALLOWABLE COSTS	-	-	784	50	124	-	174	68	-	16	-	-	-	-
TOTAL ALLOWABLE OPERATING EXPENSES	\$ 620,626	\$ 620,626	\$ 10,444,088	\$ 406,316	\$ 595,367	\$ 262,223	\$ 1,263,906	\$ 1,072,811	\$ 215,947	\$ 1,070,211	\$ 325,464	\$ 94,078	\$ 234,507	\$ 7,183
CAPITAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF PROGRAM / COST CENTER ACTUAL EXPENSES (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

FEDERAL PROGRAMS	COMMUNITY BASED CARE
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EXPENSE CATEGORIES	AIDS Help	CEY	CBC of Seminole	Misc	Total Other Grants	Total All Other Cost Centers	General and Administrative	Total Expenditures
PERSONNEL EXPENSES								
Salaries	\$ 6,037	\$ 76,030	\$ 979,571	\$ 36,380	\$ 3,052,946	\$ 7,164,241	\$ 1,191,960	\$ 8,356,201
Fringe Benefits	1,823	23,206	248,479	9,585	754,540	1,852,779	601,141	2,453,920
TOTAL PERSONNEL EXPENSES	7,860	99,236	1,228,050	45,965	3,807,486	9,017,020	1,793,101	10,810,121
OTHER EXPENSES								
Building Occupancy	440	1,990	176,233	113,262	320,667	868,369	132,423	1,000,792
Professional Services	-	-	-	2,245	3,220	81,254	71,470	152,724
Travel	7,922	2,140	76,595	44	121,179	222,492	8,960	231,452
Equipment rental	-	-	-	118	19,192	62,991	6,927	69,918
Food Services	139	87	341	-	651	65,812	15,580	81,392
Medical and Pharmacy	-	-	93	-	124	100,714	-	100,714
Depreciation	-	-	-	208,042	213,085	293,964	89,550	383,514
Subcontracted Services	54,205	152,459	-	5,789	288,326	2,607,581	186,656	2,794,237
Insurance	-	-	-	-	-	-	144,290	144,290
Interest Paid	-	-	-	81,922	81,922	81,922	3,411	85,333
Operating Supplies & Expenses	338	877	23,889	1,501	90,440	235,148	39,242	274,390
Other	740	4,700	50,565	103,636	175,785	347,995	111,419	459,414
Donated Items	-	-	-	-	-	1,602,395	-	1,602,395
TOTAL OTHER EXPENSES	63,784	162,253	327,716	516,559	1,314,591	6,570,637	809,928	7,380,565
TOTAL PERSONNEL AND OTHER EXPENSES	71,644	261,489	1,555,766	562,524	5,122,077	15,587,657	2,603,029	18,190,686
DISTRIBUTED INDIRECT COSTS								
General and Administrative Costs	12,113	-	211,916	-	573,660	1,817,032	1,817,032	-
TOTAL ACTUAL OPERATING EXPENSES	83,757	261,489	1,767,682	562,524	5,695,737	17,404,689	785,997	18,190,686
LESS UNALLOWABLE COSTS	139	87	-	-	310	1,268	-	1,268
TOTAL ALLOWABLE OPERATING EXPENSES	\$ 83,618	\$ 261,402	\$ 1,767,682	\$ 562,524	\$ 5,695,427	\$ 17,403,421	\$ 785,997	\$ 18,189,418
CAPITAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

JAMES MOORE & CO., P.L.
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

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

We have audited the consolidated financial statements of Human Services Associates, Inc. as of and for the year ended June 30, 2010, and have issued our report thereon dated December 22, 2010. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Human Services Associates, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Human Services Associates, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Human Services Associates, Inc.'s internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Human Services Associates, Inc.'s consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Board of Directors, state and Federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

James Moore & Co., P.L.C.

Tallahassee, Florida
December 22, 2010

JAMES MOORE & CO., P.L.
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR FEDERAL
PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133 AND CHAPTER 10.650, RULES OF THE
STATE OF FLORIDA OFFICE OF THE AUDITOR GENERAL**

To the Board of Directors,
Human Services Associates, Inc.:

Compliance

We have audited Human Services Associates, Inc.'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the requirements described in the State of Florida, Department of Financial Services State Projects Compliance Supplement that could have a direct and material effect on each of Human Services Associates, Inc.'s major federal programs and state projects for the year ended June 30, 2010. Human Services Associates, Inc.'s major federal programs and state projects are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs and state projects is the responsibility of Human Services Associates, Inc.'s management. Our responsibility is to express an opinion on Human Services Associates, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133; and Chapter 10.650, Rules of the State of Florida, Office of the Auditor General. Those standards, OMB Circular A-133, and Chapter 10.650, Rules of the State of Florida, Auditor General require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about Human Services Associates, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Human Services Associates, Inc.'s compliance with those requirements.

In our opinion, Human Services Associates, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended June 30, 2010.

Internal Control Over Compliance

Management of Human Services Associates, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs and state projects. In planning and performing our audit, we considered Human Services Associates, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program or state project to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.650, Rules of the State of Florida, Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness Human Services Associates, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be a material weaknesses, as defined above.

This report is intended solely for the information and use of the Human Services Associates, Inc.'s management, the Board of Directors, State awarding agencies, and Federal awarding and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

James Moore & Co., P.L.C.

Tallahassee, Florida
December 22, 2010

**HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS –
FEDERAL PROGRAMS AND STATE PROJECTS
FOR THE YEAR ENDED JUNE 30, 2010**

I. Summary of Auditors' Results:

Financial Statements

Type of audit report issued on the financial statements: *Unqualified*

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X no
- Significant deficiencies identified? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major Federal programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiencies identified? _____ yes X none reported

Types of auditor's report issued on compliance for major Federal programs: *Unqualified*

Any audit findings that are required to be reported in accordance with section 510(a) of OMB Circular A-133? _____ yes X no

Identification of major programs:

Federal Program	Federal CFDA Number
Foster Care_ Title IV-E	93.658
Children's Health Insurance Program	93.767
Block Grants for Prevention and Treatment of Substance Abuse	93.959
Dollar threshold used to distinguish between Type A and Type B programs:	\$ 300,000
Auditee qualified as a low risk auditee?	<u> X </u> yes _____ no

