

**HUMAN SERVICES ASSOCIATES, INC.**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**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, 2011, 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, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2011, 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 basic consolidated financial statements. The Schedule of Expenses of Federal Awards and State Financial Assistance is presented for purposes of additional analysis as required by 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 basic 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 basic 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 basic consolidated financial statements as a whole.

Our audit was conducted for the purpose of forming an opinion on the basic consolidated financial statements. The additional information on pages 17 through 27 is presented for purposes of additional analysis and is not a required part of the basic 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 12, 2011

**HUMAN SERVICES ASSOCIATES, INC.**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2011**

**ASSETS**

<b>Current assets</b>	
Cash and cash equivalents	\$ 2,466,650
Grants, contracts and accounts receivable, net of allowance for doubtful accounts of \$10,865	1,893,436
Prepaid expenses	160,670
Total current assets	<u>4,520,756</u>
<b>Property and equipment, net</b>	7,015,296
<b>Deposits</b>	41,549
<b>Total Assets</b>	<u><u>\$ 11,577,601</u></u>

**LIABILITIES AND NET ASSETS**

<b>Current liabilities</b>	
Accounts payable and accrued expenses	\$ 865,334
Deferred revenue	71,613
Current portion of long-term debt	1,966,342
Total current liabilities	<u>2,903,289</u>
<b>Long-term liabilities</b>	
Long-term debt, less current portion	536,303
<b>Total liabilities</b>	<u>3,439,592</u>
<b>Net assets, unrestricted</b>	8,138,009
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 11,577,601</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, 2011**

<b>Support and Revenue</b>	
Grants and contracts	\$ 14,357,993
In-kind contributions	1,517,480
Client fees	35,108
Rent	591,890
Interest	5,107
Other revenue	25,116
Total support and revenue	16,532,694
<b>Expenses</b>	
Program services	
Children and family services	
Children - substance abuse	5,367,435
Children - mental health	1,598,756
Adult - substance abuse	1,781,574
Adult - mental health	526,576
Total children and family services	9,274,341
Juvenile justice services	887,095
Education, case management and other program services	4,311,821
Total program services	14,473,257
Support services	
General and administrative	2,710,388
Total expenses	17,183,645
<b>Decrease in net assets</b>	(650,951)
<b>Net assets</b> , beginning of year	8,788,960
<b>Net assets</b> , end of year	\$ 8,138,009

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, 2011**

	<b>Program Services</b>								
	<b>Children Substance Abuse</b>	<b>Children Mental Health</b>	<b>Adult Substance Abuse</b>	<b>Adult Mental Health</b>	<b>Total Children and Family Services</b>	<b>Juvenile Justice Services</b>	<b>Education, Case Management and Other Program Services</b>	<b>General and Administrative</b>	<b>Total</b>
Salaries	\$ 2,326,214	\$ 442,794	\$ 746,532	\$ 108,935	\$ 3,624,475	\$ 426,347	\$ 2,624,411	\$ 1,309,199	\$ 7,984,432
Fringe benefits	609,448	111,483	203,592	31,018	955,541	118,926	649,615	497,527	2,221,609
Building occupancy	290,792	66,543	119,392	5,737	482,464	91,928	307,582	206,937	1,088,911
Professional services	75,684	-	-	-	75,684	-	2,765	73,409	151,858
Travel	36,710	26,199	17,160	246	80,315	2,023	92,430	13,557	188,325
Equipment rental	26,375	6,233	7,936	84	40,628	3,783	11,357	8,439	64,207
Food services	62,268	53	187	-	62,508	121	6,197	17,180	86,006
Medical and pharmacy	3,333	131,389	62	-	134,784	62	93	31	134,970
Depreciation	55,595	990	1,152	-	57,737	9,851	202,392	111,959	381,939
Subcontracted services	259,926	795,614	600,502	380,028	2,036,070	186,992	143,726	163,896	2,530,684
Insurance	-	-	-	-	-	-	-	173,026	173,026
Interest	-	-	-	-	-	-	66,653	5,221	71,874
Operating supplies and expenses	61,260	13,462	27,396	452	102,570	36,795	43,228	38,619	221,212
Other	42,350	3,996	57,663	76	104,085	10,267	161,372	91,388	367,112
In-kind expenses	1,517,480	-	-	-	1,517,480	-	-	-	1,517,480
Total	<u>\$ 5,367,435</u>	<u>\$ 1,598,756</u>	<u>\$ 1,781,574</u>	<u>\$ 526,576</u>	<u>\$ 9,274,341</u>	<u>\$ 887,095</u>	<u>\$ 4,311,821</u>	<u>\$ 2,710,388</u>	<u>\$ 17,183,645</u>

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, 2011**  
**Increase (Decrease) in Cash and Cash Equivalents**

<b>Cash flows from operating activities</b>	
Cash received from grantors, contractors and contributors	\$ 14,798,784
Cash paid to employees, vendors and subcontractors	(15,034,030)
Interest received	5,107
Interest paid	(71,874)
Net cash used in operating activities	(302,013)
<b>Cash flows from investing activities</b>	
Purchase of property and equipment	(21,860)
<b>Cash flows from financing activities</b>	
Payments on long term debt	(320,897)
<b>Net decrease in cash and cash equivalents</b>	(644,770)
<b>Cash and cash equivalents, beginning of year</b>	3,111,420
<b>Cash and cash equivalents, end of year</b>	\$ 2,466,650
<b>Reconciliation of decrease in net assets to net cash used in operating activities</b>	
Decrease in net assets	\$ (650,951)
Adjustments to reconcile decrease in net assets to net cash used in operating activities:	
Depreciation	381,939
Increase in grants, contracts and accounts receivable	(257,901)
Increase in deposits	(1,060)
Decrease in prepaid expenses	61,173
Increase in deferred revenue	46,578
Increase in accounts payable and accrued expenses	118,209
Total adjustments	348,938
<b>Net cash used in operating activities</b>	\$ (302,013)
<b>Supplemental Schedule of non cash investing and financing activities:</b>	
Financing of insurance	\$ 174,945

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, 2011**

(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 two 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)(3) 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. The Organization's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

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, 2011**

(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) **Revenue Recognition**—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, 2011**

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

(k) **Grants, Contracts and Accounts Receivable**—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.

The Organization uses the reserve method to provide for uncollectible accounts receivable. At June 30, 2011, the allowance for doubtful accounts was \$10,865. The Organization does not charge interest on receivables. Amounts believed uncollectible are written off to the allowance when a determination is made that the balance will not be collected.

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

(m) **Contributed Services and Other Support**—Contributed services and other support are reported as in-kind contributions and expenses at their estimated fair value in the period in which they are donated.

(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 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) **Grants, Contracts and Accounts 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.

**HUMAN SERVICES ASSOCIATES, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**(4) Property and Equipment:**

The following is a summary of property and equipment at June 30, 2011:

Land	\$	736,499
Buildings and improvements		8,514,054
Computers and equipment		1,577,184
Furniture and fixtures		504,372
Vehicles		161,008
		11,493,117
Less: Accumulated depreciation		4,477,821
Net property and equipment	\$	7,015,296

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

Long-term debt consisted of the following at June 30, 2011:

Mortgage payable to a financial institution renewed April 2011, containing a variable interest rate equal to the Wall Street Journal LIBOR rate plus 2.5% 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 March 31, 2014. The note is collateralized by real estate.	\$	579,560
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.		530,067
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 February 1, 2012. The note is collateralized by real estate.		1,252,133
8.05% note payable to corporation, payable \$18,146 monthly, including interest, due February 1, 2012, uncollateralized		140,885
Long-term debt		2,502,645
Less: Current portion of long-term debt		1,966,342
Long-term debt, less current portion	\$	536,303

**HUMAN SERVICES ASSOCIATES, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

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

Under the terms of a loan agreement with a bank, the Organization is required to maintain certain financial ratios and other restrictive covenants. At June 30, 2011, the Organization was in compliance with all restrictive covenants except one. The bank has waived the covenant requirement as of June 30, 2011.

Principal maturities of long-term debt for each of the next five years are:

Year Ending June 30,	Amount
2012	\$ 1,966,342
2013	44,439
2014	491,864
2015	-
2016	-
Total	\$ 2,502,645

(6) **Line of Credit:**

The Organization has an \$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, 2012. 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. Rent expense related to the operating leases for the year ended June 30, 2011 amounted to \$398,225. Minimum future rental payments under noncancellable operating leases having remaining terms in excess of one year as of June 30, 2011, for each of the next five years and in the aggregate are:

Year Ending June 30,	Amount
2012	\$ 223,767
2013	244,307
2014	157,507
2015	142,956
2016	-
	\$ 768,537

(8) **Retirement Plan:**

The Organization sponsors a defined contribution pension 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 employer contributions to the plan for the year ended June 30, 2011 were \$575,465.

**HUMAN SERVICES ASSOCIATES, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**(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, 2011, no matching obligation remains outstanding to the funding source.

Total SAMH Expenses	\$ 10,899,645
Plus: Approved Capital Outlay	-
Less: Other state and Federal funds	-
Less: Non-Match SAMH funds	5,243,669
Less: Unallowable costs per FAC 65E-14	-
Less: Unallowable patient fees	-
Total eligible expenses	5,655,976
SAMH funds received requiring match	3,361,499
Local match required by contracts	1,120,527
Minimum required expenses for SAMH contracts requiring match	4,482,026
Excess expenses	\$ 1,173,950

**(10) In-Kind Support:**

The Organization receives donations of supplies to help serve clients, as well as facility space and security services. The value of this in-kind support is based upon the fair market value of donated items. In-kind revenue and expense totaled \$1,517,480 for the year ended June 30, 2011 and is recognized in the Statement of Activities.

**(11) Subsequent Events:**

The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through December 12, 2011, 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, 2011**

Federal Grantor/Pass Through Grantor/ State Grantor / Program Title	Federal CFDA Number	Contract Number	Expenses
<b><u>FEDERAL AWARDS</u></b>			
<b>U.S. Department of Education</b>			
Title I Grants to Local Educational Agencies	84.010	-	\$ 122,998
<b>U.S. Department of Health and Human Services</b>			
Compassion Capital Fund	93.009	-	31,003
Passed through the Department of Community Services of Seminole County, Florida Substance Abuse and Mental Health Services_Projects of Regional and National Significance	93.243	-	109,807
Passed through the State of Florida, Department of Children and Families Substance Abuse and Mental Health Services-Access to Recovery	93.275	ORC02	20,510
Passed through CBC of Seminole County, Florida Promoting Safe and Stable Families	93.556	091018	51,942
Promoting Safe and Stable Families	93.556	091034	230
			52,172
Passed through CBC of Seminole County, Florida Temporary Assistance for Needy Families	93.558	091018	216,579
Temporary Assistance for Needy Families	93.558	091034	19,080
Passed through the State of Florida, Department of Children and Families Temporary Assistance for Needy Families	93.558	GHK16	1,017,501
Temporary Assistance for Needy Families	93.558	PDJ03	10,204
			1,263,364
Passed through CBC of Seminole County, Florida Stephanie Tubbs Jones Child Welfare Services Programs	93.645	091018	60,616
Stephanie Tubbs Jones Child Welfare Services Programs	93.645	091034	5,344
			65,960

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

**HUMAN SERVICES ASSOCIATES, INC.**  
**SCHEDULE OF EXPENSES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**(Continued)**

Federal Grantor/Pass Through Grantor/ State Grantor / Program Title	Federal CFDA Number	Contract Number	Expenses
<b>FEDERAL AWARDS</b> (Continued)			
<b>U.S. Department of Health and Human Services</b> (Continued)			
Passed through CBC of Seminole County, Florida			
Foster Care _Title IV-E	93.658	091018	375,182
Foster Care _Title IV-E	93.658	091034	33,077
			<u>408,259</u>
Passed through CBC of Seminole County, Florida			
Adoption Assistance	93.659	091018	163,698
Adoption Assistance	93.659	091034	13,884
			<u>177,582</u>
Passed through the State of Florida, Department of Children and Families			
Children's Health Insurance Program	93.767	GHK19	1,492,000
Passed through the State of Florida, Department of Children and Families			
Block Grants for Community Mental Health Services	93.958	GHK16	114,573
Passed through State of Florida, Department of Children and Families			
Block Grants for Prevention and Treatment of Substance Abuse	93.959	GHK16	1,927,153
Block Grants for Prevention and Treatment of Substance Abuse	93.959	KDZ02	33,750
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	TDL04	90,214
Block Grants for Prevention and Treatment of Substance Abuse	93.959	ZDJ53	130,377
Passed through South Florida Behavioral Health Network, Inc.			
Block Grants for Prevention and Treatment of Substance Abuse	93.959	KDZ02	135,000
			<u>2,410,771</u>
<b>Total Federal Awards</b>			<u><u>\$ 6,268,999</u></u>

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



**HUMAN SERVICES ASSOCIATES, INC.**  
**SCHEDULE OF EXPENSES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**(Continued)**

<b>Federal Grantor/Pass Through Grantor/ State Grantor / Program Title</b>	<b>State CSFA Number</b>	<b>Contract Number</b>	<b>Expenses</b>
<b><u>STATE FINANCIAL ASSISTANCE</u></b>			
<b>State of Florida, Department of Children and Families</b>			
Substance Abuse Detoxification Services for Children	60.028	GHK16	\$ 632,446
Substance Abuse Treatment and Aftercare Services for Children	60.030	GHK16	1,660,860
Substance Abuse Treatment and Aftercare Services for Children	60.030	PDJ03	237,387
Substance Abuse Treatment and Aftercare Services for Children	60.030	TDL04	335,890
			<u>2,234,137</u>
Substance Abuse Treatment and Aftercare Services for Adults	60.033	GHK16	387,552
Substance Abuse Treatment and Aftercare Services for Adults	60.033	TDL04	65,753
			<u>453,305</u>
Children's Mental Health Community Support Services	60.055	GHK16	553,934
Children's Mental Health Community Support Services	60.055	TDL04	16,206
			<u>570,140</u>
Passed through CBC of Seminole County, Florida			
Community Based Care Supports	60.094	091018	750,989
Community Based Care Supports	60.094	091034	60,741
			<u>811,730</u>
<b>State of Florida, Department of Juvenile Justice</b>			
Juvenile Assessment Centers	80.020	P2038	320,123
Passed through Evidence Based Associates, Inc.			
Conditional Release Services	80.018	-	98,939
Contracted Intensive Probation	80.019	-	98,939
<b>Total State Financial Assistance</b>			<u>5,219,759</u>
<b>Total Awards</b>			<u>\$ 11,488,758</u>

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

**HUMAN SERVICES ASSOCIATES, INC.  
NOTE TO SCHEDULE OF EXPENSES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2011**

**Note 1: Basis of Presentation**

The accompanying Schedule of Expenses of Federal Awards and State Financial Assistance includes the Federal award and State financial 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, 2011**

**HUMAN SERVICES ASSOCIATES, INC.**  
**SCHEDULE OF PROGRAM / COST CENTER ACTUAL REVENUES**  
**FOR THE YEAR ENDED JUNE 30, 2011**

FUNDING SOURCES & REVENUES	Juvenile TASC		Juvenile	CAIC	Zebra House	ARF	Keys For Success	JAC Polk	DIP Polk	Children's	Children's	Ocala TASC	TANF	TANF	Program Total
	Juvenile TASC	Ft. Pierce	Assessment							Outreach	Outpatient		CSA	Circuit 5	
<b>STATE SAMH FUNDING</b>	\$ 788,103	\$ 130,377	\$ 510,853	\$ 492,288	\$ 16,271	\$ 862,742	\$ 168,750	\$ 330,111	\$ 112,032	\$ 58,273	\$ 205,590	\$ 331,664	\$ 50,578	\$ 2,900	\$ 4,060,531
<b>OTHER GOVERNMENT FUNDING</b>															
Other State Agency Funding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Local Government	-	-	-	-	-	264,852	-	-	-	-	-	-	-	-	264,852
Federal Grants and Contracts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
In-Kind from Local Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL OTHER GOVERNMENT FUNDING</b>	-	-	-	-	-	264,852	-	-	-	-	-	-	-	-	264,852
<b>OTHER REVENUES</b>															
First and Second Party Payments	-	-	-	-	-	34,360	-	-	-	-	-	-	-	-	34,360
Third Party Payments (Other than Medicare)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medicare	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions and Donations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	300	-	-	-	-	-	-	-	-	-	-	-	-	300
In-Kind - Other than from Local Government	1,270,958	-	-	-	-	246,522	-	-	-	-	-	-	-	-	1,517,480
<b>TOTAL OTHER REVENUES</b>	1,270,958	300	-	-	-	280,882	-	-	-	-	-	-	-	-	1,552,140
<b>TOTAL FUNDING</b>	\$ 2,059,061	\$ 130,677	\$ 510,853	\$ 492,288	\$ 16,271	\$ 1,408,476	\$ 168,750	\$ 330,111	\$ 112,032	\$ 58,273	\$ 205,590	\$ 331,664	\$ 50,578	\$ 2,900	\$ 5,877,524

**HUMAN SERVICES ASSOCIATES, INC.**  
**SCHEDULE OF PROGRAM / COST CENTER ACTUAL REVENUES**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**(Continued)**

FUNDING SOURCES & REVENUES	STATE-DESIGNATED AND STATE SAMH-FUNDED COST CENTERS															
	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	Access Tp Recovery	Program Total
<b>STATE SAMH FUNDING</b>	\$ 668,674	\$ 1,492,000	\$ -	\$ 2,160,674	\$ 384,415	\$ 359,824	\$ 18,647	\$ 246,243	\$ 151,773	\$ 110,003	\$ -	\$ 65,753	\$ 682,981	\$ 7,304	\$ 20,510	\$ 2,047,453
<b>OTHER GOVERNMENT FUNDING</b>																
Other State Agency Funding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Local Government	-	-	-	-	-	-	-	-	-	-	109,807	-	-	-	-	109,807
Federal Grants and Contracts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
In-Kind from Local Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL OTHER GOVERNMENT FUNDING</b>	-	-	-	-	-	-	-	-	-	-	109,807	-	-	-	-	109,807
<b>OTHER REVENUES</b>																
First and Second Party Payments	-	-	-	-	-	-	-	748	-	-	-	-	-	-	-	748
Third Party Payments (Other than Medicare)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medicare	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions and Donations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
In-Kind - Other than from Local Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL OTHER REVENUES</b>	-	-	-	-	-	-	-	748	-	-	-	-	-	-	-	748
<b>TOTAL FUNDING</b>	\$ 668,674	\$ 1,492,000	\$ -	\$ 2,160,674	\$ 384,415	\$ 359,824	\$ 18,647	\$ 246,991	\$ 151,773	\$ 110,003	\$ 109,807	\$ 65,753	\$ 682,981	\$ 7,304	\$ 20,510	\$ 2,158,008

**HUMAN SERVICES ASSOCIATES, INC.**  
**SCHEDULE OF PROGRAM / COST CENTER ACTUAL REVENUES**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
(Continued)

FUNDING SOURCES & REVENUES	STATE-DESIGNATED AND STATE SAMH-FUNDED COST CENTERS			JUVENILE JUSTICE SERVICES							MEDICAID SERVICES			
	ADULT MENTAL HEALTH			JAC Orange County		JAC St. Lucie		JAC Gainesville	St. Lucie Booking & Case Management	St. Lucie Mental Health	Total Juvenile Justice Services	HSA Solutions	CAP	Total Medicaid Services
	TANF AMH	Program Total	Total for State-Funded SAMH Cost Centers											
<b>STATE SAMH FUNDING</b>	\$ 697,991	\$ 697,991	\$ 8,966,650	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>OTHER GOVERNMENT FUNDING</b>														
Other State Agency Funding	-	-	-	320,123	395,025	-	-	-	-	-	715,148	-	-	-
Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Local Government	-	-	374,659	-	61,004	-	-	-	-	-	61,004	-	-	-
Federal Grants and Contracts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
In-Kind from Local Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL OTHER GOVERNMENT FUNDING</b>	-	-	374,659	320,123	456,029	-	-	-	-	-	776,152	-	-	-
<b>OTHER REVENUES</b>														
First and Second Party Payments	-	-	35,108	27,708	9,200	-	-	-	-	-	36,908	-	-	-
Third Party Payments (Other than Medicare)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medicare	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions and Donations	-	-	-	1,920	-	-	-	-	-	-	1,920	-	-	-
Other	-	-	300	-	-	-	-	-	-	-	-	-	-	-
In-Kind - Other than from Local Government	-	-	1,517,480	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL OTHER REVENUES</b>	-	-	1,552,888	29,628	9,200	-	-	-	-	-	38,828	-	-	-
<b>TOTAL FUNDING</b>	\$ 697,991	\$ 697,991	\$ 10,894,197	\$ 349,751	\$ 465,229	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 814,980	\$ -	\$ -	\$ -

**HUMAN SERVICES ASSOCIATES, INC.**  
**SCHEDULE OF PROGRAM / COST CENTER ACTUAL REVENUES**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
(Continued)

FUNDING SOURCES & REVENUES	EDUCATION			LOCAL GOVERNMENT PROGRAMS					FEDERAL PROGRAMS		COMMUNITY BASED CARE		Totals
	DeSoto Juvenile Correctional Facility	Madalyn Academy	DeSoto Dual Diagnostic Correctional	Red Road	Osceola Case Mngmnt	Project Achieve	Redirection - EBA	Central Receiving Center	Wrap Around Orange	AIDS Help	CEY	CBC of Seminole	
<b>STATE SAMH FUNDING</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>OTHER GOVERNMENT FUNDING</b>													
Other State Agency Funding	874,064	-	922,791	-	12,169	-	197,878	-	45,712	-	-	-	2,052,614
Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-
Local Government	-	-	-	-	-	137,010	-	-	-	-	-	-	137,010
Federal Grants and Contracts	57,478	-	65,520	-	-	-	-	-	-	100,939	31,003	-	254,940
In-Kind from Local Government	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL OTHER GOVERNMENT FUNDING</b>	<u>931,541</u>	<u>-</u>	<u>988,311</u>	<u>-</u>	<u>12,169</u>	<u>137,010</u>	<u>197,878</u>	<u>-</u>	<u>45,712</u>	<u>100,939</u>	<u>31,003</u>	<u>-</u>	<u>2,444,563</u>
<b>OTHER REVENUES</b>													
First and Second Party Payments	-	-	-	-	-	-	-	15,000	-	-	-	1,762,960	1,777,960
Third Party Payments (Other than Medicare)	-	-	-	-	-	-	-	-	-	-	-	-	-
Medicare	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions and Donations	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	190	-	-	-	-	-	-	-	-	-	190
In-Kind - Other than from Local Government	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL OTHER REVENUES</b>	<u>-</u>	<u>-</u>	<u>190</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,762,960</u>	<u>1,778,150</u>
<b>TOTAL FUNDING</b>	<u>\$ 931,541</u>	<u>\$ -</u>	<u>\$ 988,501</u>	<u>\$ -</u>	<u>\$ 12,169</u>	<u>\$ 137,010</u>	<u>\$ 197,878</u>	<u>\$ 15,000</u>	<u>\$ 45,712</u>	<u>\$ 100,939</u>	<u>\$ 31,003</u>	<u>\$ 1,762,960</u>	<u>\$ 4,222,713</u>

**HUMAN SERVICES ASSOCIATES, INC.**  
**SCHEDULE OF PROGRAM / COST CENTER ACTUAL REVENUES**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**(Continued)**

FUNDING SOURCES & REVENUES	<u>Misc</u>	<u>Total Other Grants</u>	<u>Total All Other Cost Centers</u>	<u>General and Administrative</u>	<u>Total Funding</u>
<b>STATE SAMH FUNDING</b>	\$ -	\$ -	\$ 8,966,650	\$ -	\$ 8,966,650
<b>OTHER GOVERNMENT FUNDING</b>					
Other State Agency Funding	-	2,052,614	2,767,762	-	2,767,762
Medicaid	-	-	-	-	-
Local Government	-	137,010	572,673	-	572,673
Federal Grants and Contracts	-	254,940	254,940	-	254,940
In-Kind from Local Government	-	-	-	-	-
<b>TOTAL OTHER GOVERNMENT FUNDING</b>	-	2,444,563	3,595,374	-	3,595,374
<b>OTHER REVENUES</b>					
First and Second Party Payments	-	1,777,960	1,849,975	-	1,849,975
Third Party Payments (Other than Medicare)	-	-	-	-	-
Medicare	-	-	-	-	-
Contributions and Donations	-	-	1,920	-	1,920
Other	-	190	490	600,804	601,294
In-Kind - Other than from Local Government	-	-	1,517,480	-	1,517,480
<b>TOTAL OTHER REVENUES</b>	-	1,778,150	3,369,866	600,804	3,970,670
<b>TOTAL FUNDING</b>	\$ -	\$ 4,222,713	\$ 15,931,890	\$ 600,804	\$ 16,532,694



**HUMAN SERVICES ASSOCIATES, INC.**  
**SCHEDULE OF PROGRAM / COST CENTER ACTUAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2011**

**STATE-DESIGNATED AND STATE SAMH-FUNDED COST CENTERS**

**CHILDREN'S SUBSTANCE ABUSE**

EXPENSE CATEGORIES	Juvenile TASC		Juvenile	CAIC	Zebra House	ARF	Keys For		DIP Polk	Children's	Children's	Ocala TASC	TANF	TANF	Program
	Juvenile TASC	Ft Pierce	Assessment				Success	JAC Polk		Outreach	Outpatient		CSA	Circuit 5	
<b>PERSONNEL EXPENSES</b>															
Salaries	\$ 384,819	\$ 74,430	\$ 165,929	\$ 304,128	\$ 27,039	\$ 740,598	\$ 35,583	\$ 174,760	\$ 62,822	\$ 9,439	\$ 156,498	\$ 162,981	\$ 26,912	\$ 276	2,326,214
Fringe Benefits	115,159	18,758	27,722	70,951	4,932	209,118	10,337	58,192	3,773	2,727	40,839	42,595	4,305	39	609,448
<b>TOTAL PERSONNEL EXPENSES</b>	<u>499,978</u>	<u>93,188</u>	<u>193,651</u>	<u>375,079</u>	<u>31,970</u>	<u>949,717</u>	<u>45,920</u>	<u>232,952</u>	<u>66,595</u>	<u>12,166</u>	<u>197,337</u>	<u>205,576</u>	<u>31,217</u>	<u>314</u>	<u>2,935,662</u>
	(02,17,18,19)	(51)	(202)	(39)	(83)	(08)	(213)	(10)	(96)	(99)	(92)	(15)	(23)	(82)	
<b>OTHER EXPENSES</b>															
Building Occupancy	108,872	4,463	37,310	21,487	866	35,780	9,423	19,615	3,208	41	11,726	26,691	11,309	-	290,792
Professional Services	-	-	-	-	-	56,484	-	19,200	-	-	-	-	-	-	75,684
Travel	5,303	3,711	585	2,832	10	185	1,279	2,190	12,856	137	1,507	5,492	606	16	36,710
Equipment Rental	5,714	2,276	3,142	1,845	-	4,491	-	4,160	-	-	674	1,887	2,187	-	26,375
Food Services	-	23	-	93	-	61,951	-	52	-	-	48	14	87	-	62,268
Medical and Pharmacy	31	-	-	-	-	3,302	-	-	-	-	-	-	-	-	3,333
Depreciation	14,684	-	-	642	-	17,175	3,333	19,359	-	-	137	-	137	128	55,595
Subcontracted Services	135,392	-	28,843	-	-	-	56,650	330	-	-	-	-	36,083	2,628	259,926
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Supplies & Expenses	13,934	2,356	8,737	3,496	79	13,276	1,055	7,519	806	74	2,994	3,400	3,516	18	61,260
Other	10,480	2,259	5,460	2,116	982	10,379	924	2,547	279	1	4,716	1,504	704	-	42,350
Donated Items	1,270,958	-	-	-	-	246,522	-	-	-	-	-	-	-	-	1,517,480
<b>TOTAL OTHER EXPENSES</b>	<u>1,565,369</u>	<u>15,088</u>	<u>84,077</u>	<u>32,511</u>	<u>1,937</u>	<u>449,546</u>	<u>72,665</u>	<u>74,972</u>	<u>17,149</u>	<u>253</u>	<u>21,802</u>	<u>38,987</u>	<u>54,629</u>	<u>2,790</u>	<u>2,431,774</u>
<b>TOTAL PERSONNEL AND OTHER EXPENSES</b>	<u>2,065,347</u>	<u>108,275</u>	<u>277,728</u>	<u>407,590</u>	<u>33,907</u>	<u>1,399,263</u>	<u>118,585</u>	<u>307,924</u>	<u>83,744</u>	<u>12,419</u>	<u>219,139</u>	<u>244,563</u>	<u>85,846</u>	<u>3,104</u>	<u>5,367,436</u>
<b>DISTRIBUTED INDIRECT COSTS</b>															
General and Administrative Costs	308,859	19,602	76,628	73,843	2,441	211,271	25,313	49,517	16,805	8,741	30,839	49,750	7,587	435	881,629
<b>TOTAL ACTUAL OPERATING EXPENSES</b>	<u>2,374,206</u>	<u>127,877</u>	<u>354,356</u>	<u>481,433</u>	<u>36,348</u>	<u>1,610,534</u>	<u>143,897</u>	<u>357,441</u>	<u>100,549</u>	<u>21,160</u>	<u>249,977</u>	<u>294,313</u>	<u>93,433</u>	<u>3,539</u>	<u>6,249,064</u>
<b>LESS UNALLOWABLE COSTS</b>	<u>-</u>	<u>23</u>	<u>-</u>	<u>93</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52</u>	<u>-</u>	<u>-</u>	<u>48</u>	<u>14</u>	<u>87</u>	<u>-</u>	<u>316</u>
<b>TOTAL ALLOWABLE OPERATING EXPENSES</b>	<u>\$ 2,374,206</u>	<u>\$ 127,854</u>	<u>\$ 354,356</u>	<u>\$ 481,340</u>	<u>\$ 36,348</u>	<u>\$ 1,610,534</u>	<u>\$ 143,897</u>	<u>\$ 357,389</u>	<u>\$ 100,549</u>	<u>\$ 21,160</u>	<u>\$ 249,930</u>	<u>\$ 294,298</u>	<u>\$ 93,346</u>	<u>\$ 3,539</u>	<u>\$ 6,248,748</u>
<b>CAPITAL EXPENDITURES</b>	<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**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
(Continued)

EXPENSE CATEGORIES	STATE-DESIGNATED AND STATE SAMH-FUNDED COST CENTERS															
	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	Access To Recovery	Program Total
<b>PERSONNEL EXPENSES</b>																
Salaries	\$ 147,715	\$ 293,421	\$ 1,658	442,794	\$ 223,637	\$ 168,674	\$ 4,021	\$ 107,678	\$ 57,356	\$ 29,447	\$ 26,915	\$ 43,691	\$ 79,859	\$ 675	\$ 4,581	\$ 746,532
Fringe Benefits	42,034	69,704	(256)	111,483	67,307	34,598	2,028	27,943	16,850	10,604	8,916	6,845	27,794	95	613	203,592
<b>TOTAL PERSONNEL EXPENSES</b>	<u>189,750</u>	<u>363,125</u>	<u>1,402</u>	<u>554,277</u>	<u>290,944</u>	<u>203,271</u>	<u>6,049</u>	<u>135,620</u>	<u>74,206</u>	<u>40,051</u>	<u>35,831</u>	<u>50,536</u>	<u>107,653</u>	<u>770</u>	<u>5,193</u>	<u>944,931</u>
	(13,46)	(34)	(214)		(57)	(07)	(95)	(91)	(36)	(35)	(215)	(75)	(93)	(82 X.71)	-	
<b>OTHER EXPENSES</b>																
Building Occupancy	19,746	46,530	266	66,543	46,941	26,312	26	11,340	23,954	560	1,076	955	7,539	-	687	119,392
Professional Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Travel	10,280	15,708	211	26,199	7,902	2,378	752	1,104	-	129	815	4,041	39	-	-	17,160
Equipment Rental	1,732	4,501	-	6,233	1,605	4,557	-	503	973	-	-	297	-	-	-	7,936
Food Services	53	-	-	53	36	127	-	-	-	24	-	-	-	-	-	187
Medical and Pharmacy	78	131,312	-	131,389	31	31	-	-	-	-	-	-	-	-	-	62
Depreciation	823	167	-	990	319	461	-	19	-	-	-	39	313	-	-	1,152
Subcontracted Services	328,396	467,218	-	795,614	600	-	-	-	-	60,941	250	514,316	8,916	15,479	-	600,502
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Supplies & Expenses	4,932	8,530	-	13,462	12,334	6,143	31	2,838	2,549	1,155	415	152	1,547	43	189	27,396
Other	868	3,128	-	3,996	19,075	6,475	-	1,585	2,344	23,539	2,080	48	2,467	-	50	57,663
Donated Items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL OTHER EXPENSES</b>	<u>366,908</u>	<u>677,093</u>	<u>477</u>	<u>1,044,479</u>	<u>88,844</u>	<u>46,485</u>	<u>808</u>	<u>17,390</u>	<u>29,820</u>	<u>25,253</u>	<u>64,665</u>	<u>2,220</u>	<u>530,247</u>	<u>9,311</u>	<u>16,405</u>	<u>831,449</u>
<b>TOTAL PERSONNEL AND OTHER EXPENSES</b>	556,658	1,040,219	1,880	1,598,756	379,788	249,756	6,858	153,011	104,026	65,304	100,496	52,755	637,900	10,081	21,598	1,776,380
<b>DISTRIBUTED INDIRECT COSTS</b>																
General and Administrative Costs	100,301	223,800	-	324,101	57,662	53,974	2,797	37,049	22,766	16,500	16,471	9,863	102,447	1,096	3,077	320,625
<b>TOTAL ACTUAL OPERATING EXPENSES</b>	<u>656,959</u>	<u>1,264,019</u>	<u>1,880</u>	<u>1,922,857</u>	<u>437,451</u>	<u>303,729</u>	<u>9,655</u>	<u>190,059</u>	<u>126,792</u>	<u>81,805</u>	<u>116,967</u>	<u>62,618</u>	<u>740,347</u>	<u>11,177</u>	<u>24,675</u>	<u>2,097,005</u>
<b>LESS UNALLOWABLE COSTS</b>	<u>53</u>	<u>-</u>	<u>-</u>	<u>53</u>	<u>36</u>	<u>127</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>187</u>
<b>TOTAL ALLOWABLE OPERATING EXPENSES</b>	<u>\$ 656,906</u>	<u>\$ 1,264,019</u>	<u>\$ 1,880</u>	<u>\$ 1,922,804</u>	<u>\$ 437,414</u>	<u>\$ 303,602</u>	<u>\$ 9,655</u>	<u>\$ 190,059</u>	<u>\$ 126,792</u>	<u>\$ 81,805</u>	<u>\$ 116,943</u>	<u>\$ 62,618</u>	<u>\$ 740,347</u>	<u>\$ 11,177</u>	<u>\$ 24,675</u>	<u>\$ 2,096,818</u>
<b>CAPITAL EXPENDITURES</b>																
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**HUMAN SERVICES ASSOCIATES, INC.**  
**SCHEDULE OF PROGRAM / COST CENTER ACTUAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**(Continued)**

EXPENSE CATEGORIES	STATE-DESIGNATED AND STATE SAMH-FUNDED COST CENTERS				JUVENILE JUSTICE SERVICES			
	ADULT MENTAL HEALTH							
	TANF AMH	TANF Circuit 5	Program Total	Total for State-Funded SAMH Cost Centers	JAC Orange County	JAC Polk	St. Lucie Booking & Case Management	Total Juvenile Justice Services
<b>PERSONNEL EXPENSES</b>								
Salaries	\$ 108,935	\$ -	\$ 108,935	\$ 3,624,476	\$ 201,227	\$ 224,206	\$ 914	426,347
Fringe Benefits	31,018	-	31,018	955,541	53,197	64,646	1,083	118,926
<b>TOTAL PERSONNEL EXPENSES</b>	<u>139,954</u>	<u>-</u>	<u>139,954</u>	<u>4,574,824</u>	<u>254,424</u>	<u>288,852</u>	<u>1,997</u>	<u>545,273</u>
	(32)				(03)	(11)	(94)	
<b>OTHER EXPENSES</b>								
Building Occupancy	5,737	-	5,737	482,463	45,707	46,053	168	91,928
Professional Services	-	-	-	75,684	-	-	-	-
Travel	246	-	246	80,316	1,193	830	-	2,023
Equipment Rental	84	-	84	40,628	3,162	622	-	3,783
Food Services	-	-	-	62,507	-	121	-	121
Medical and Pharmacy	-	-	-	134,784	-	62	-	62
Depreciation	-	-	-	57,737	125	9,725	-	9,851
Subcontracted Services	380,028	-	380,028	2,036,071	-	186,992	-	186,992
Insurance	-	-	-	-	-	-	-	-
Interest Paid	-	-	-	-	-	-	-	-
Operating Supplies & Expenses	452	-	452	102,569	30,313	6,482	-	36,795
Other	76	-	76	104,085	7,484	2,783	-	10,267
Donated Items	-	-	-	1,517,480	-	-	-	-
<b>TOTAL OTHER EXPENSES</b>	<u>386,623</u>	<u>-</u>	<u>386,623</u>	<u>4,694,324</u>	<u>87,984</u>	<u>253,671</u>	<u>168</u>	<u>341,822</u>
<b>TOTAL PERSONNEL AND OTHER EXPENSES</b>	<u>526,577</u>	<u>-</u>	<u>526,577</u>	<u>9,269,148</u>	<u>342,408</u>	<u>542,522</u>	<u>2,165</u>	<u>887,095</u>
<b>DISTRIBUTED INDIRECT COSTS</b>								
General and Administrative Costs	104,699	-	104,699	1,631,053	52,463	69,784	-	122,247
<b>TOTAL ACTUAL OPERATING EXPENSES</b>	<u>631,276</u>	<u>-</u>	<u>631,276</u>	<u>10,900,201</u>	<u>394,871</u>	<u>612,307</u>	<u>2,165</u>	<u>1,009,342</u>
<b>LESS UNALLOWABLE COSTS</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>556</u>	<u>50</u>	<u>121</u>	<u>-</u>	<u>171</u>
<b>TOTAL ALLOWABLE OPERATING EXPENSES</b>	<u>\$ 631,276</u>	<u>\$ -</u>	<u>\$ 631,276</u>	<u>\$ 10,899,645</u>	<u>\$ 394,821</u>	<u>\$ 612,185</u>	<u>\$ 2,165</u>	<u>\$ 1,009,171</u>
<b>CAPITAL EXPENDITURES</b>	<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**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
(Continued)

EXPENSE CATEGORIES	EDUCATION				LOCAL GOVERNMENT PROGRAMS				FEDERAL PROGRAMS		COMMUNITY BASED CARE	
	DeSoto Juvenile Correctional Facility	DeSoto Dual Diagnostic Correctional	Red Road Academy	Madalyn Academy	Osceola Case Management	Project Achieve	Redirection - EBA	Central Receiving Center	Wrap Around Orange	AIDS Help	CEY	CBC of Seminole
<b>PERSONNEL EXPENSES</b>												
Salaries	\$ 601,883	\$ 710,678	\$ 263	\$ -	\$ 10,416	\$ 78,124	\$ 186,736	\$ 3,750	\$ 31,097	\$ 35,941	\$ 15,098	\$ 904,639
Fringe Benefits	160,597	169,108	251	-	3,022	19,798	39,642	571	5,837	14,259	4,961	217,887
<b>TOTAL PERSONNEL EXPENSES</b>	<u>762,480</u>	<u>879,786</u>	<u>514</u>	<u>-</u>	<u>13,438</u>	<u>97,922</u>	<u>226,378</u>	<u>4,321</u>	<u>36,934</u>	<u>50,201</u>	<u>20,059</u>	<u>1,122,527</u>
	(40,81)	(63,65)	(212)	(211)	(208)		(204)	(210)		(73)	(207)	(79)
<b>OTHER EXPENSES</b>												
Building Occupancy	5,742	6,579	-	-	-	11,281	2,959	-	1,397	-	343	156,725
Professional Services	-	-	-	-	-	1,714	-	-	-	-	-	-
Travel	1,813	2,162	-	-	644	3,102	11,826	-	11	7,226	86	65,024
Equipment Rental	3,743	6,860	-	-	-	754	-	-	-	-	-	-
Food Services	89	7	-	-	-	5,545	-	-	-	-	-	556
Medical and Pharmacy	-	-	-	-	-	-	-	-	-	-	-	93
Depreciation	1,329	39	-	-	-	186	502	-	-	-	-	-
Subcontracted Services	26,676	16,820	-	-	-	-	-	-	-	57,104	30,158	-
Insurance	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid	-	-	-	-	-	-	-	-	-	-	-	-
Operating Supplies & Expenses	8,437	13,826	18	-	-	2,848	991	-	68	64	-	12,527
Other	1,717	3,613	60	-	40	2,448	2,830	-	481	1,128	2,775	76,783
Donated Items	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL OTHER EXPENSES</b>	<u>49,546</u>	<u>49,907</u>	<u>78</u>	<u>-</u>	<u>684</u>	<u>27,879</u>	<u>19,108</u>	<u>-</u>	<u>1,958</u>	<u>65,522</u>	<u>33,362</u>	<u>311,707</u>
<b>TOTAL PERSONNEL AND OTHER EXPENSES</b>	812,026	929,692	591	-	14,122	125,801	245,486	4,321	38,892	115,723	53,422	1,434,234
<b>DISTRIBUTED INDIRECT COSTS</b>												
General and Administrative Costs	139,731	148,275	-	-	1,825	20,551	29,682	2,250	6,857	-	-	264,444
<b>TOTAL ACTUAL OPERATING EXPENSES</b>	<u>951,757</u>	<u>1,077,968</u>	<u>591</u>	<u>-</u>	<u>15,948</u>	<u>146,352</u>	<u>275,168</u>	<u>6,571</u>	<u>45,749</u>	<u>115,723</u>	<u>53,422</u>	<u>1,698,678</u>
<b>LESS UNALLOWABLE COSTS</b>	<u>89</u>	<u>7</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL ALLOWABLE OPERATING EXPENSES</b>	<u>\$ 951,668</u>	<u>\$ 1,077,961</u>	<u>\$ 591</u>	<u>\$ -</u>	<u>\$ 15,948</u>	<u>\$ 146,352</u>	<u>\$ 275,168</u>	<u>\$ 6,571</u>	<u>\$ 45,749</u>	<u>\$ 115,723</u>	<u>\$ 53,422</u>	<u>\$ 1,698,678</u>
<b>CAPITAL EXPENDITURES</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**HUMAN SERVICES ASSOCIATES, INC.**  
**SCHEDULE OF PROGRAM / COST CENTER ACTUAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**(Continued)**

EXPENSE CATEGORIES	Misc	Total Other Grants	Total All Other Cost Centers	General and Administrative	Total Expenditures
<b>PERSONNEL EXPENSES</b>					
Salaries	\$ 45,786	\$ 2,624,411	\$ 6,675,234	\$ 1,309,198	\$ 7,984,432
Fringe Benefits	13,681	649,615	1,724,082	497,527	2,221,609
<b>TOTAL PERSONNEL EXPENSES</b>	<u>59,467</u>	<u>3,274,026</u>	<u>8,399,316</u>	<u>1,806,725</u>	<u>10,206,041</u>
<b>OTHER EXPENSES</b>					
Building Occupancy	122,554	307,582	881,973	206,938	1,088,911
Professional Services	1,051	2,765	78,450	73,409	151,858
Travel	535	92,430	174,769	13,556	188,325
Equipment rental	-	11,357	55,768	8,440	64,207
Food Services	-	6,197	68,826	17,180	86,006
Medical and Pharmacy	-	93	134,939	31	134,970
Depreciation	200,336	202,392	269,979	111,960	381,939
Subcontracted Services	12,968	143,726	2,366,789	163,895	2,530,684
Insurance	-	-	-	173,026	173,026
Interest Paid	66,653	66,653	66,653	5,221	71,874
Operating Supplies & Expenses	4,450	43,228	182,592	38,620	221,212
Other	69,497	161,372	275,724	91,388	367,112
Donated Items	-	-	1,517,480	-	1,517,480
<b>TOTAL OTHER EXPENSES</b>	<u>478,044</u>	<u>1,037,795</u>	<u>6,073,941</u>	<u>903,663</u>	<u>6,977,604</u>
<b>TOTAL PERSONNEL AND OTHER EXPENSES</b>	537,511	4,311,821	14,473,258	2,710,388	17,183,645
<b>DISTRIBUTED INDIRECT COSTS</b>					
General and Administrative Costs	80,627	694,242	2,447,542	2,447,542	-
<b>TOTAL ACTUAL OPERATING EXPENSES</b>	<u>618,138</u>	<u>5,006,063</u>	<u>16,920,800</u>	<u>262,845</u>	<u>17,183,645</u>
<b>LESS UNALLOWABLE COSTS</b>	<u>-</u>	<u>\$ 96</u>	<u>824</u>	<u>-</u>	<u>824</u>
<b>TOTAL ALLOWABLE OPERATING EXPENSES</b>	<u>\$ 618,138</u>	<u>\$ 5,005,968</u>	<u>\$ 16,919,976</u>	<u>\$ 262,845</u>	<u>\$ 17,182,822</u>
<hr/>					
<b>CAPITAL EXPENDITURES</b>	<u>\$ 1,365</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**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, 2011, and have issued our report thereon dated December 12, 2011. 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control over financial reporting that we consider to be a material weakness.

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. We consider the deficiency 2011-01 described in the accompanying schedule of findings and questions costs to be a material weakness.

## 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*.

Human Services Associates, Inc.'s response to the findings identified in our audit is described in the accompanying corrective action plan. We did not audit Human Services Associates, Inc.'s response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Board of Directors, others within the entity, Federal and state 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 12, 2011

**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, 2011. 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, *Audits of States, Local Governments, and Non-Profit Organizations*; 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, Office of the 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 of 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, 2011.



## 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 the 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 management, the Board of Directors, others within the entity, Federal and state 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 12, 2011

**HUMAN SERVICES ASSOCIATES, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2011**

**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  no
- Significant deficiency(ies) identified?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

*Federal Awards*

Internal control over major Federal programs:

- Material weakness(es) identified?  yes  no
- Significant deficiency(ies) identified?  yes  none reported

Type of auditors' 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  no

Identification of major Federal programs:

<b>Federal Program</b>	<b>Federal CFDA Number</b>
Temporary Assistance for Needy Families	93.558
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 Federal programs:	 \$ 300,000
 Auditee qualified as a low risk auditee?	 <input checked="" type="checkbox"/> yes <input type="checkbox"/> no

**HUMAN SERVICES ASSOCIATES, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
(Continued)

**I. Summary of Auditors' Results:** (Continued)

*State Financial Assistance*

Internal control over major state projects:

- Material weakness(es) identified? \_\_\_\_\_ yes     X  no
- Significant deficiency(ies) identified? \_\_\_\_\_ yes     X  none reported

Types of auditor's report issued on compliance for major state projects: *Unqualified*

Any audit findings disclosed that are required to be reported related to state financial assistance projects? \_\_\_\_\_ yes     X  no

Identification of major state projects:

<b>State Project</b>	<b>State CFSA Number</b>
Substance Abuse Treatment and Aftercare Services for Children	60.030
Substance Abuse Treatment and Aftercare Services for Adults	60.033
Children's Mental Health Community Support Services	60.055
Community Based Care Supports	60.094
 Dollar threshold used to distinguish between Type A and Type B State projects:	 \$ 300,000

**II. Financial Statement Findings:**

**Finding 2011-01: Segregation of Duties**—Internal controls is designed to safeguard assets and help or detect losses from employee dishonesty or error. A fundamental concept in a good system of internal control is the segregation of duties. We recommend that the following practices be implemented to improve existing internal control without impairing efficiency:

- Mail should be opened by an employee not responsible for accounting. Cash receipts should be logged in a journal and the deposit prepared by this person. The cash receipts journal, supplemented by remittance advices, should be forwarded to the accounting department for posting to the general ledger and detailed customer accounts. The cash receipts journal should be reconciled to the validated deposit slip by the accounting department.
- Bank statements, canceled checks, and appropriate advices should be received by someone other than employees maintaining cash records. Such items could be periodically reviewed prior to turning them over for reconciliation. Unusual items noted during the review should be investigated promptly.

**HUMAN SERVICES ASSOCIATES, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
(Continued)

**II. Financial Statement Findings: (Continued)**

**Finding 2011-01: Segregation of Duties—(Continued)**

- Signed checks should be mailed without allowing them to be returned to the employee responsible for accounts payable.
  
- Journal entries should be approved by an employee other than the one who prepared the entry.

**III. Federal Award Findings and Questioned Costs: None.**

**IV. State Financial Assistance Findings and Questioned Costs: None.**

**V. Management letter required by Chapter 10.650, Rules of the State of Florida, Office of the Auditor General: Nothing to report.**

**VI. Federal Award Summary Schedule of Prior Year Findings: There were no audit findings for the year ended June 30, 2010.**

**VII. State Financial Assistance Summary Schedule of Prior Year Findings: There were no audit findings for the year ended June 30, 2010.**



**HUMAN SERVICES ASSOCIATES, INC.**

ADMINISTRATION

FOCUSING  
ON  
FAMILIES

## Corrective Action Plan

Finding 2001-01: Segregation of Duties – We concur with the recommendations and have instituted the following procedures to correct the deficiencies:

The receptionist opens all mail and logs the cash receipts and checks received in a journal. She photocopies the checks and cash and puts the endorsement stamp on the checks received. She forwards the photocopies and remittance advice to David Rooks and gives the Controller the checks and cash to be deposited. When the deposit is prepared the Controller forwards the deposit and deposit receipt to David Rooks to be compared to the photocopies he has received.

Bank statements, there are no cancelled checks, and appropriate advices are opened by the receptionist. Such items are periodically reviewed by David Rooks and turned over to the Controller for reconciliation.

Signed checks are now given directly to the receptionist by either Frank Francisco or David Rooks to be mailed.

Journal entries are reviewed and approved along with the appropriate documentation by David Rooks.

All of these internal controls were instituted August 2011. If you have any questions or need any additional information, please do not hesitate to contact me at (407) 422-0880.

Sincerely,

A handwritten signature in black ink that reads 'D-R Rooks'. The signature is written in a cursive, slightly slanted style.

David R. Rooks

Vice President

