

HUMAN SERVICES ASSOCIATES, INC.
CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2012

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, 2012, 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, 2012, 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 20, 2012, 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 Expenditures 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 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 Schedule of Expenditures of Federal Awards and State Financial Assistance 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 consolidated 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 20, 2012

HUMAN SERVICES ASSOCIATES, INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2012

ASSETS

Current assets	
Cash and cash equivalents	\$ 2,166,720
Grants, contracts and accounts receivable, net of allowance for doubtful accounts of \$9,615	1,303,764
Total current assets	<u>3,470,484</u>
Property and equipment, net	6,670,630
Deposits	34,256
Total Assets	<u><u>\$ 10,175,370</u></u>

LIABILITIES AND NET ASSETS

Current liabilities	
Accounts payable and accrued expenses	\$ 636,829
Deferred revenue	34,342
Current portion of long-term debt	1,619,737
Total current liabilities	<u>2,290,908</u>
Long-term liabilities	
Long-term debt, less current portion	476,678
Total liabilities	<u>2,767,586</u>
Net assets, unrestricted	7,407,784
Total Liabilities and Net Assets	<u><u>\$ 10,175,370</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, 2012

Support and Revenue	
Grants and contracts	\$ 12,784,394
In-kind contributions	1,335,808
Medicaid	1,401
Client fees	56,892
Rent	537,011
Interest	2,273
Other revenue	8,216
Total support and revenue	14,725,995
Expenses	
Program services:	
Children and family services	
Children's substance abuse	5,120,040
Children's mental health	1,697,764
Adult substance abuse	1,862,918
Adult mental health	568,932
Total children and family services	9,249,654
Juvenile justice services	900,582
Education, case management and other program services	2,918,697
Total program services	13,068,933
Support services:	
General and administrative	2,387,287
Total expenses	15,456,220
Decrease in net assets	(730,225)
Net assets , beginning of year	8,138,009
Net assets , end of year	\$ 7,407,784

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, 2012

	<u>Program Services</u>							<u>General and Administrative</u>	<u>Total</u>
	<u>Children's Substance Abuse</u>	<u>Children's Mental Health</u>	<u>Adult Substance Abuse</u>	<u>Adult Mental Health</u>	<u>Total Children and Family Services</u>	<u>Juvenile Justice Services</u>	<u>Education, Case Management and Other Program Services</u>		
Salaries	\$ 2,272,722	\$ 441,375	\$ 827,238	\$ 103,537	\$ 3,644,872	\$ 448,112	\$ 1,527,353	\$ 1,304,537	\$ 6,924,874
Fringe benefits	610,596	117,221	230,168	30,287	988,272	126,575	370,578	216,208	1,701,633
Building occupancy	263,943	88,776	122,451	6,265	481,435	78,902	324,986	197,043	1,082,366
Professional services	54,115	13,700	-	-	67,815	4,558	2,946	78,745	154,064
Travel	31,195	24,715	15,567	39	71,516	1,688	84,031	9,632	166,867
Equipment rental	19,886	7,169	8,252	1,011	36,318	3,394	2,955	7,721	50,388
Food services	63,854	111	145	-	64,110	79	15,087	19,318	98,594
Medical and pharmacy	4,824	145,853	-	-	150,677	-	412	-	151,089
Depreciation	55,723	1,524	1,259	-	58,506	10,182	192,809	106,302	367,799
Subcontracted services	402,855	840,068	553,044	427,064	2,223,031	187,227	48,038	146,316	2,604,612
Insurance	240	-	240	-	480	-	-	181,295	181,775
Interest	-	-	-	-	-	-	63,350	10,359	73,709
Operating supplies and expenses	56,604	15,768	22,424	659	95,455	26,398	26,891	34,922	183,666
Other	37,997	1,484	82,130	70	121,681	13,467	168,939	74,889	378,976
In-kind expenses	1,245,486	-	-	-	1,245,486	-	90,322	-	1,335,808
Total	<u>\$ 5,120,040</u>	<u>\$ 1,697,764</u>	<u>\$ 1,862,918</u>	<u>\$ 568,932</u>	<u>\$ 9,249,654</u>	<u>\$ 900,582</u>	<u>\$ 2,918,697</u>	<u>\$ 2,387,287</u>	<u>\$ 15,456,220</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, 2012
Increase (Decrease) in Cash and Cash Equivalents

Cash flows from operating activities	
Cash received from grantors, contractors and contributors	\$ 15,276,123
Cash paid to employees, vendors and subcontractors	(15,076,500)
Interest received	2,273
Interest paid	(73,709)
Net cash provided by operating activities	128,187
Cash flows from investing activities	
Purchase of property and equipment	(21,887)
Cash flows from financing activities	
Payments on long term debt	(406,230)
Net decrease in cash and cash equivalents	(299,930)
Cash and cash equivalents, beginning of year	2,466,650
Cash and cash equivalents, end of year	\$ 2,166,720
Reconciliation of decrease in net assets to net cash provided by operating activities	
Decrease in net assets	\$ (730,225)
Adjustments to reconcile decrease in net assets to net cash provided by operating activities:	
Depreciation	367,799
Decrease in grants, contracts and accounts receivable	589,672
Decrease in deposits	7,293
Decrease in prepaid expenses	160,670
Decrease in deferred revenue	(37,271)
Decrease in accounts payable and accrued expenses	(228,505)
Gain on disposal of property and equipment	(1,246)
Total adjustments	858,412
Net cash provided by operating activities	\$ 128,187

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, 2012

(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. In 2004, The Organization also formed Rivendell Academy, Inc. Human Services Associates Foundation, Inc., Human Services Associates Property Corporation and Rivendell Academy, Inc. are consolidated since Human Services Associates, Inc. has both an economic interest in and control of Human Services Associates Foundation, Inc., Human Services Associates Property Corporation and Rivendell Academy, Inc. 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., Human Services Associates Property Corporation, and Human Services Associates Foundation, Inc. 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. 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, 2012

(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, 2012

(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, 2012, the allowance for doubtful accounts was \$9,615. 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, 2012

(4) Property and Equipment:

The following is a summary of property and equipment at June 30, 2012:

Land	\$	736,499
Buildings and improvements		8,500,075
Computers and equipment		1,592,190
Furniture and fixtures		509,761
Vehicles		157,508
		11,496,033
Less: Accumulated depreciation		4,825,403
Net property and equipment	\$	6,670,630

(5) Long-term Debt:

Long-term debt consisted of the following at June 30, 2012:

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.	\$	521,117
Mortgage payable to a financial institution issued February 2012, containing a variable interest rate equal to the Wall Street Journal LIBOR rate plus 2.5% per annum. The note requires 11 monthly payments of \$9,444 plus interest. A final balloon payment of the outstanding principal and interest is due at maturity on February 1, 2013. The note is collateralized by real estate.		421,778
Mortgage payable to a financial institution issued February 2012, containing a variable interest rate equal to the Wall Street Journal LIBOR rate plus 2.5% per annum. The note requires 11 monthly payments of \$8,261 plus interest. A final balloon payment of the outstanding principal and interest is due at maturity on February 1, 2013. The note is collateralized by real estate.		1,153,520
Long-term debt		2,096,415
Less: Current portion of long-term debt		1,619,737
Long-term debt, less current portion	\$	476,678

HUMAN SERVICES ASSOCIATES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2012

(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, 2012, the Organization was in compliance with all restrictive covenants except one.

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

Year Ending June 30,	Amount
2013	\$ 1,619,737
2014	476,678
2015	-
2016	-
2017	-
Total	\$ 2,096,415

(6) **Line-of-Credit:**

The Organization has a \$250,000 unused line of credit containing a variable interest rate equal to British Bankers Association LIBOR rate plus 2.5% per annum. Interest due monthly and principal due February 1, 2013. 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 2016. Rent expense related to the operating leases for the year ended June 30, 2012 amounted to \$349,839. Minimum future rental payments under noncancellable operating leases having remaining terms in excess of one year as of June 30, 2012, for each of the next five years and in the aggregate are:

Year Ending June 30,	Amount
2013	\$ 171,989
2014	170,525
2015	149,202
2016	909
2017	-
	\$ 492,625

(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, 2012 were \$298,315.

HUMAN SERVICES ASSOCIATES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2012

(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, 2012, no matching obligation remains outstanding to the funding source.

Total SAMH Expenses	\$ 10,742,407
Plus: Approved Capital Outlay	-
Less: Other state and Federal funds	-
Less: Non-Match SAMH funds	5,061,923
Less: Unallowable costs per FAC 65E-14	-
Less: Unallowable patient fees	-
Total eligible expenses	5,680,484
SAMH funds received requiring match	3,493,238
Local match required by contracts	1,179,026
Minimum required expenses for SAMH contracts requiring match	4,672,264
Excess expenses	\$ 1,008,220

(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 \$1,335,808 for the year ended June 30, 2012 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 20, 2012, the date which the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

(12) Contingent Liabilities:

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the State government. Any disallowed claims, including amounts already collected, may constitute a liability. The amount, if any, of expenses which may be disallowed by the grantor cannot be determined at this time although the Organization expects amounts, if any, to be immaterial.

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2012

Federal Grantor/Pass Through Grantor/ State Grantor / Program Title	Federal CFDA Number	Contract Number	Expenditures
<u>FEDERAL AWARDS</u>			
U.S. Department of Education			
Passed through the School Board of DeSoto County, Florida Title I Grants to Local Educational Agencies	84.010	-	\$ 26,084
U.S. Department of Health and Human Services			
Passed through Central Florida Substance Abuse and Mental Health Services_ Projects of Regional and National Significance	93.243	-	96,786
Passed through Aids Help, Inc. Substance Abuse and Mental Health Services_ Projects of Regional and National Significance	93.243	-	100,939
			<u>197,725</u>
Passed through the State of Florida, Department of Children and Families Substance Abuse and Mental Health Services-Access to Recovery	93.275	ORC02	154,412
Passed through CBC of Central Florida Promoting Safe and Stable Families	93.556	SEM018-1112	66,843
Promoting Safe and Stable Families	93.556	SEM034-1112	522
			<u>67,365</u>
Passed through CBC of Central Florida Temporary Assistance for Needy Families	93.558	SEM018-1112	238,252
Temporary Assistance for Needy Families	93.558	SEM034-1112	22,527
Passed through the State of Florida, Department of Children and Families Temporary Assistance for Needy Families	93.558	GHK16	952,627
			<u>1,213,406</u>

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

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2012
(Continued)

Federal Grantor/Pass Through Grantor/ State Grantor / Program Title	Federal CFDA Number	Contract Number	Expenditures
FEDERAL AWARDS (Continued)			
U.S. Department of Health and Human Services (Continued)			
Passed through CBC of Central Florida			
Stephanie Tubbs Jones Child Welfare Services Programs	93.645	SEM018-1112	39,792
Stephanie Tubbs Jones Child Welfare Services Programs	93.645	SEM034-1112	3,798
			<u>43,590</u>
Passed through CBC of Central Florida			
Foster Care_Title IV-E	93.658	SEM018-1112	284,697
Foster Care_Title IV-E	93.658	SEM034-1112	27,173
			<u>311,870</u>
Passed through CBC of Central Florida			
Adoption Assistance	93.659	SEM018-1112	103,484
Adoption Assistance	93.659	SEM034-1112	7,318
			<u>110,802</u>
Passed through the State of Florida, Department of Children and Families			
Social Services Block Grant	93.667	GHK16	53,741
Social Services Block Grant	93.667	PD201	2,937
Social Services Block Grant	93.667	TDL04	4,677
Social Services Block Grant	93.667	ZDJ53	1,155
			<u>62,510</u>
Passed through the State of Florida, Department of Children and Families			
Children's Health Insurance Program	93.767	GHK19	<u>1,479,000</u>

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

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2012
(Continued)

Federal Grantor/Pass Through Grantor/ State Grantor / Program Title	Federal CFDA Number	Contract Number	Expenditures
<u>FEDERAL AWARDS</u> (Continued)			
U.S. Department of Health and Human Services (Continued)			
Passed through the State of Florida, Department of Children and Families			
Block Grants for Community Mental Health Services	93.958	GHK16	223,605
Block Grants for Community Mental Health Services	93.958	TDL04	5,575
			<u>229,180</u>
Passed through State of Florida, Department of Children and Families			
Block Grants for Prevention and Treatment of Substance Abuse	93.959	GHK16	1,650,163
Block Grants for Prevention and Treatment of Substance Abuse	93.959	ZDJ53	18,076
Block Grants for Prevention and Treatment of Substance Abuse	93.959	PD201	45,982
Block Grants for Prevention and Treatment of Substance Abuse	93.959	TDL04	95,400
			<u>1,809,621</u>
Total Federal Awards			<u><u>\$ 5,705,565</u></u>

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

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2012
(Continued)

Federal Grantor/Pass Through Grantor/ State Grantor / Program Title	State CSEA Number	Contract Number	Expenditures
<u>STATE FINANCIAL ASSISTANCE</u>			
State of Florida, Department of Children and Families			
Children's Mental Health Community Support Services	60.055	GHK16	<u>\$ 24,537</u>
Passed through CBC of Central Florida			
Community Based Care Supports	60.094	SEM018-1112	153,202
Community Based Care Supports	60.094	SEM034-1112	14,622
			<u>167,824</u>
State of Florida, Department of Juvenile Justice			
Juvenile Assessment Centers (JAC)	80.020	P2038	<u>320,123</u>
Passed through Evidence Based Associates, Inc.			
Conditional Release Services	80.018	-	<u>132,016</u>
Contracted Intensive Probation	80.019	-	132,017
Total State Financial Assistance			<u>776,517</u>
Total Awards			<u><u>\$ 6,482,082</u></u>

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

HUMAN SERVICES ASSOCIATES, INC.
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2012

Note 1: Basis of Presentation

The accompanying Schedule of Expenditures 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, 2012

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF PROGRAM / COST CENTER ACTUAL REVENUES
FOR THE YEAR ENDED JUNE 30, 2012

STATE-DESIGNATED AND STATE SAMH-FUNDED COST CENTERS

CHILDREN'S SUBSTANCE ABUSE

FUNDING SOURCES & REVENUES	Juvenile TASC		Juvenile	CAIC	ARF	Keys For Success	JAC Polk	DIP Polk	Children's	Children's	Ocala TASC	TANF	Program
	Juvenile TASC	Ft. Pierce	Assessments						Outreach	Outpatient		CSA	Total
STATE SAMH FUNDING	\$ 805,244	\$ 130,377	\$ 396,079	\$ 548,163	\$ 861,410	\$ 101,250	\$ 314,072	\$ 112,032	\$ 104,092	\$ 287,096	\$ 331,664	\$ 32,135	\$ 4,023,614
OTHER GOVERNMENT FUNDING													
Other State Agency Funding	-	-	-	-	-	-	-	-	-	-	-	-	-
Medicaid	-	-	-	-	-	-	-	-	-	1,401	-	-	1,401
Local Government	500	-	-	-	264,852	-	-	-	-	-	-	-	265,352
Federal Grants and Contracts	-	-	-	-	-	-	-	-	-	-	-	-	-
In-Kind from Local Government	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER GOVERNMENT FUNDING	<u>500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>264,852</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,401</u>	<u>-</u>	<u>-</u>	<u>266,753</u>
OTHER REVENUES													
First and Second Party Payments	-	-	-	-	56,764	-	-	-	-	-	-	-	56,764
Third Party Payments (Other than Medicare)	-	-	-	-	-	-	-	-	-	-	-	-	-
Medicare	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions and Donations	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	21	-	-	1	149	-	-	-	-	1	6	-	178
In-Kind - Other than from Local Government	1,010,767	-	-	-	234,719	-	-	-	-	-	-	-	1,245,486
TOTAL OTHER REVENUES	<u>1,010,788</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>291,632</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>6</u>	<u>-</u>	<u>1,302,427</u>
TOTAL FUNDING	<u>\$ 1,816,531</u>	<u>\$ 130,377</u>	<u>\$ 396,079</u>	<u>\$ 548,164</u>	<u>\$ 1,417,894</u>	<u>\$ 101,250</u>	<u>\$ 314,072</u>	<u>\$ 112,032</u>	<u>\$ 104,092</u>	<u>\$ 288,498</u>	<u>\$ 331,670</u>	<u>\$ 32,135</u>	<u>\$ 5,592,794</u>

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF PROGRAM / COST CENTER ACTUAL REVENUES (Continued)
FOR THE YEAR ENDED JUNE 30, 2012

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	Access To Recovery	Program Total
STATE SAMH FUNDING	\$ 623,157	\$ 1,479,000	\$ 14,864	\$ 2,117,021	\$ 499,112	\$ 414,506	\$ 14,990	\$ 165,690	\$ 190,043	\$ 118,039	\$ -	\$ 71,730	\$ 561,545	\$ 154,412	\$ 2,190,067
OTHER GOVERNMENT FUNDING															
Other State Agency Funding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Local Government	-	-	-	-	-	-	-	-	-	-	96,786	-	-	-	96,786
Federal Grants and Contracts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
In-Kind from Local Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER GOVERNMENT FUNDING	-	-	-	-	-	-	-	-	-	-	96,786	-	-	-	96,786
OTHER REVENUES															
First and Second Party Payments	-	-	-	-	-	-	-	128	-	-	-	-	-	-	128
Third Party Payments (Other than Medicare)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medicare	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions and Donations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	10	-	-	10	2	2	-	-	-	-	-	-	-	-	4
In-Kind - Other than from Local Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER REVENUES	10	-	-	10	2	2	-	128	-	-	-	-	-	-	131
TOTAL FUNDING	\$ 623,167	\$ 1,479,000	\$ 14,864	\$ 2,117,031	\$ 499,114	\$ 414,507	\$ 14,990	\$ 165,818	\$ 190,043	\$ 118,039	\$ 96,786	\$ 71,730	\$ 561,545	\$ 154,412	\$ 2,286,985

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF PROGRAM / COST CENTER ACTUAL REVENUES (Continued)
FOR THE YEAR ENDED JUNE 30, 2012

FUNDING SOURCES & REVENUES	STATE-DESIGNATED AND STATE SAMH-FUNDED COST CENTERS			JUVENILE JUSTICE SERVICES			EDUCATION	LOCAL GOVERNMENT PROGRAMS		
	ADULT MENTAL HEALTH									
	TANF AMH	Program Total	Total for State-Funded SAMH Cost Centers	JAC Orange County	JAC Polk	Total Juvenile Justice Services	DeSoto Juvenile Correctional Facility	DeSoto Dual Diagnostic Correctional	Redirection - EBA	Central Receiving Center
STATE SAMH FUNDING	\$ 670,028	\$ 670,028	\$ 9,000,731	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER GOVERNMENT FUNDING										
Other State Agency Funding	-	-	-	320,123	408,327	728,450	57,632	82,444	264,033	-
Medicaid	-	-	1,401	-	-	-	-	-	-	-
Local Government	-	-	362,138	-	64,584	64,584	-	-	-	-
Federal Grants and Contracts	-	-	-	-	-	-	10,704	15,380	-	-
In-Kind from Local Government	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER GOVERNMENT FUNDING	-	-	363,539	320,123	472,911	793,034	68,336	97,823	264,033	-
OTHER REVENUES										
First and Second Party Payments	-	-	56,891	24,758	12,450	37,208	-	-	-	15,000
Third Party Payments (Other than Medicare)	-	-	-	-	-	-	-	-	-	-
Medicare	-	-	-	-	-	-	-	-	-	-
Contributions and Donations	-	-	-	2,800	-	2,800	-	-	-	-
Other	-	-	192	300	-	300	50	90	-	-
In-Kind - Other than from Local Government	-	-	1,245,486	-	-	-	-	-	-	-
TOTAL OTHER REVENUES	-	-	1,302,569	27,858	12,450	40,308	50	90	-	15,000
TOTAL FUNDING	<u>\$ 670,028</u>	<u>\$ 670,028</u>	<u>\$ 10,666,838</u>	<u>\$ 347,981</u>	<u>\$ 485,361</u>	<u>\$ 833,342</u>	<u>\$ 68,386</u>	<u>\$ 97,913</u>	<u>\$ 264,033</u>	<u>\$ 15,000</u>

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF PROGRAM / COST CENTER ACTUAL REVENUES (Continued)
FOR THE YEAR ENDED JUNE 30, 2012

FEDERAL PROGRAMS	COMMUNITY BASED CARE
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FUNDING SOURCES & REVENUES	<u>AIDS Help</u>	<u>Project Achieve</u>	<u>CBC of Seminole</u>	<u>Orange Wrap Around</u>	<u>Miscellaneous</u>	<u>Total Other Grants</u>	<u>Total All Other Cost Centers</u>	<u>General and Administrative</u>	<u>Total Funding</u>
STATE SAMH FUNDING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,000,731	\$ -	\$ 9,000,731
OTHER GOVERNMENT FUNDING									
Other State Agency Funding	-	-	-	-	-	404,108	1,132,557	-	1,132,557
Medicaid	-	-	-	-	-	-	1,401	-	1,401
Local Government	-	-	-	-	-	-	426,723	-	426,723
Federal Grants and Contracts	100,939	280,541	-	77,805	-	485,369	485,369	-	485,369
In-Kind from Local Government	-	-	-	-	-	-	-	-	-
TOTAL OTHER GOVERNMENT FUNDING	<u>100,939</u>	<u>280,541</u>	<u>-</u>	<u>77,805</u>	<u>-</u>	<u>889,477</u>	<u>2,046,049</u>	<u>-</u>	<u>2,046,049</u>
OTHER REVENUES									
First and Second Party Payments	-	-	1,723,330	-	-	1,738,330	1,832,429	-	1,832,429
Third Party Payments (Other than Medicare)	-	-	-	-	-	-	-	-	-
Medicare	-	-	-	-	-	-	-	-	-
Contributions and Donations	-	250	-	-	-	250	3,050	-	3,050
Other	-	-	-	-	507,296	507,436	507,928	-	507,928
In-Kind - Other than from Local Government	-	69,058	21,264	-	-	90,322	1,335,808	-	1,335,808
TOTAL OTHER REVENUES	<u>-</u>	<u>69,308</u>	<u>1,744,594</u>	<u>-</u>	<u>507,296</u>	<u>2,336,338</u>	<u>3,679,215</u>	<u>-</u>	<u>3,679,215</u>
TOTAL FUNDING	<u>\$ 100,939</u>	<u>\$ 349,849</u>	<u>\$ 1,744,594</u>	<u>\$ 77,805</u>	<u>\$ 507,296</u>	<u>\$ 3,225,815</u>	<u>\$ 14,725,995</u>	<u>\$ -</u>	<u>\$ 14,725,995</u>

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF PROGRAM / COST CENTER ACTUAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2012

STATE-DESIGNATED AND STATE SAMH-FUNDED COST CENTERS

CHILDREN'S SUBSTANCE ABUSE

EXPENSE CATEGORIES	Juvenile		Juvenile Assessments	CAIC	ARF	Keys For Success	JAC Polk	DIP Polk	Children's Outreach	Children's Outpatient	Ocala TASC	TANF		Program Total
	Juvenile TASC	TASC Ft. Pierce										CSA	Program Total	
PERSONNEL EXPENSES														
Salaries	\$ 249,901	\$ 73,901	\$ 174,447	\$ 340,749	\$ 733,047	\$ 36,332	\$ 156,058	\$ 66,537	\$ 54,859	\$ 179,593	\$ 179,228	\$ 28,070	\$ 2,272,722	
Fringe Benefits	77,725	21,130	37,016	89,723	203,789	10,225	46,806	12,426	12,362	39,421	51,431	8,540	610,596	
TOTAL PERSONNEL EXPENSES	327,627	95,030	211,463	430,472	936,836	46,558	202,864	78,962	67,221	219,014	230,660	36,610	2,883,317	
OTHER EXPENSES														
Building Occupancy	93,360	4,809	43,732	19,993	28,586	8,810	19,067	3,952	832	11,516	29,104	182	263,943	
Professional Services	-	-	-	-	54,115	-	-	-	-	-	-	-	54,115	
Travel	1,771	1,729	809	2,821	244	1,213	2,824	12,633	148	636	6,369	-	31,195	
Equipment rental	5,548	2,276	3,259	1,849	1,327	-	3,162	-	-	679	1,786	-	19,886	
Food Services	105	-	-	9	63,510	-	34	-	-	9	35	152	63,854	
Medical and Pharmacy	1,031	-	825	-	2,967	-	-	-	-	-	-	-	4,824	
Depreciation	14,506	-	-	674	17,175	3,333	19,610	-	-	164	73	189	55,723	
Subcontracted Services	171,435	-	148,055	124	252	56,751	-	-	-	11	-	26,227	402,855	
Insurance	240	-	-	-	-	-	-	-	-	-	-	-	240	
Interest Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	
Operating Supplies & Expenses	13,949	1,881	10,757	3,089	11,126	188	7,149	437	217	2,974	3,786	1,052	56,604	
Other	8,207	3,568	3,634	1,526	7,796	499	4,660	1,500	-	5,566	944	97	37,997	
Donated Items	1,010,767	-	-	-	234,719	-	-	-	-	-	-	-	1,245,486	
TOTAL OTHER EXPENSES	1,320,918	14,263	211,070	30,085	421,817	70,793	56,506	18,522	1,197	21,555	42,098	27,898	2,236,722	
TOTAL PERSONNEL AND OTHER EXPENSES	1,648,545	109,293	422,532	460,557	1,358,653	117,350	259,370	97,484	68,418	240,569	272,758	64,508	5,120,039	
DISTRIBUTED INDIRECT COSTS														
General and Administrative Costs	254,314	18,253	55,451	76,743	198,505	14,175	43,970	15,684	14,573	40,390	46,434	4,499	782,991	
TOTAL ACTUAL OPERATING EXPENSES	1,902,860	127,546	477,983	537,300	1,557,158	131,525	303,340	113,169	82,991	280,959	319,192	69,007	5,903,030	
LESS UNALLOWABLE COSTS	105	-	-	9	-	-	34	-	-	9	35	152	344	
TOTAL ALLOWABLE OPERATING EXPENSES	\$ 1,902,754	\$ 127,546	\$ 477,983	\$ 537,291	\$ 1,557,158	\$ 131,525	\$ 303,306	\$ 113,169	\$ 82,991	\$ 280,950	\$ 319,157	\$ 68,855	\$ 5,902,685	
CAPITAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF PROGRAM / COST CENTER ACTUAL EXPENSES (Continued)
FOR THE YEAR ENDED JUNE 30, 2012

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	Access To Recovery	Program Total
PERSONNEL EXPENSES															
Salaries	\$ 151,968	\$ 289,407	\$ -	441,375	\$ 241,247	\$ 192,361	\$ 1,962	\$ 100,892	\$ 77,929	\$ 34,645	\$ 30,510	\$ 53,575	\$ 77,133	\$ 16,984	\$ 827,238
Fringe Benefits	44,965	72,256	-	117,221	76,222	42,350	300	24,339	22,699	11,505	9,434	7,956	32,830	2,534	230,168
TOTAL PERSONNEL EXPENSES	<u>196,933</u>	<u>361,663</u>	<u>-</u>	<u>558,596</u>	<u>317,469</u>	<u>234,712</u>	<u>2,262</u>	<u>125,231</u>	<u>100,628</u>	<u>46,150</u>	<u>39,943</u>	<u>61,530</u>	<u>109,963</u>	<u>19,518</u>	<u>1,057,406</u>
OTHER EXPENSES															
Building Occupancy	22,598	66,178	-	88,776	50,543	31,971	26	2,721	28,948	1,027	1,057	1,110	4,514	535	122,451
Professional Services	-	2,000	11,700	13,700	-	-	-	-	-	-	-	-	-	-	-
Travel	9,612	15,102	-	24,715	7,804	2,860	2	485	422	-	145	87	3,623	139	15,567
Equipment rental	1,510	5,659	-	7,169	1,615	5,180	-	145	1,015	-	-	-	297	-	8,252
Food Services	111	-	-	111	40	-	-	-	105	-	-	-	-	-	145
Medical and Pharmacy	-	145,853	-	145,853	-	-	-	-	-	-	-	-	-	-	-
Depreciation	998	526	-	1,524	396	725	-	45	-	-	-	-	93	-	1,259
Subcontracted Services	340,670	499,398	-	840,068	29	172	-	6	-	-	48,559	-	405,113	99,166	553,044
Insurance	-	-	-	-	-	-	-	-	240	-	-	-	-	-	240
Interest Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Supplies & Expenses	4,605	11,163	-	15,768	11,991	4,704	3	407	2,303	746	510	-	1,670	92	22,424
Other	346	1,138	-	1,484	22,739	9,729	-	4,413	6,244	31,409	2,228	-	4,869	500	82,130
Donated Items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER EXPENSES	<u>380,449</u>	<u>747,016</u>	<u>11,700</u>	<u>1,139,166</u>	<u>95,157</u>	<u>55,340</u>	<u>30</u>	<u>8,222</u>	<u>39,276</u>	<u>33,181</u>	<u>52,499</u>	<u>1,197</u>	<u>420,178</u>	<u>100,432</u>	<u>805,512</u>
TOTAL PERSONNEL AND OTHER EXPENSES	<u>577,382</u>	<u>1,108,680</u>	<u>11,700</u>	<u>1,697,762</u>	<u>412,627</u>	<u>290,052</u>	<u>2,292</u>	<u>133,453</u>	<u>139,903</u>	<u>79,331</u>	<u>92,442</u>	<u>62,727</u>	<u>530,142</u>	<u>119,950</u>	<u>1,862,918</u>
DISTRIBUTED INDIRECT COSTS															
General and Administrative Costs	87,243	207,060	2,081	296,384	69,876	58,031	2,099	23,214	26,606	16,526	13,550	10,042	78,616	21,618	320,178
TOTAL ACTUAL OPERATING EXPENSES	<u>664,625</u>	<u>1,315,740</u>	<u>13,781</u>	<u>1,994,146</u>	<u>482,502</u>	<u>348,083</u>	<u>4,391</u>	<u>156,667</u>	<u>166,510</u>	<u>95,856</u>	<u>105,992</u>	<u>72,769</u>	<u>608,758</u>	<u>141,567</u>	<u>2,183,096</u>
LESS UNALLOWABLE COSTS	<u>111</u>	<u>-</u>	<u>-</u>	<u>111</u>	<u>40</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>105</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>145</u>
TOTAL ALLOWABLE OPERATING EXPENSES	<u>\$ 664,515</u>	<u>\$ 1,315,740</u>	<u>\$ 13,781</u>	<u>\$ 1,994,036</u>	<u>\$ 482,463</u>	<u>\$ 348,083</u>	<u>\$ 4,391</u>	<u>\$ 156,667</u>	<u>\$ 166,404</u>	<u>\$ 95,856</u>	<u>\$ 105,992</u>	<u>\$ 72,769</u>	<u>\$ 608,758</u>	<u>\$ 141,567</u>	<u>\$ 2,182,951</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, 2012

EXPENSE CATEGORIES	STATE-DESIGNATED AND STATE SAMH-FUNDED COST CENTERS		JUVENILE JUSTICE SERVICES			EDUCATION		LOCAL GOVERNMENT PROGRAMS		
	ADULT MENTAL HEALTH		Total for State-Funded SAMH Cost Centers	JAC Orange County	JAC Polk	Total Juvenile Justice Services	DeSoto Juvenile Correctional Facility	DeSoto Dual Diagnostic Correctional	Redirection - EBA	Central Receiving Center
	TANF AMH	Program Total								
PERSONNEL EXPENSES										
Salaries	\$ 103,537	\$ 103,537	\$ 3,644,872	\$ 227,594	\$ 220,518	\$ 448,112	\$ 45,407	\$ 72,087	\$ 187,087	\$ 2,500
Fringe Benefits	30,287	30,287	988,271	63,693	62,882	126,575	11,445	17,989	40,179	350
TOTAL PERSONNEL EXPENSES	<u>133,824</u>	<u>133,824</u>	<u>4,633,143</u>	<u>291,287</u>	<u>283,401</u>	<u>574,688</u>	<u>56,852</u>	<u>90,075</u>	<u>227,265</u>	<u>2,850</u>
OTHER EXPENSES										
Building Occupancy	6,265	6,265	481,435	33,190	45,712	78,902	384	300	2,968	-
Professional Services	-	-	67,815	-	4,558	4,558	-	-	125	-
Travel	39	39	71,516	735	954	1,688	575	784	13,504	-
Equipment rental	1,011	1,011	36,318	2,784	611	3,394	792	1,141	-	-
Food Services	-	-	64,110	-	79	79	-	-	28	-
Medical and Pharmacy	-	-	150,676	-	-	-	-	-	413	-
Depreciation	-	-	58,506	78	10,103	10,182	1,310	-	502	-
Subcontracted Services	427,064	427,064	2,223,031	-	187,227	187,227	-	150	2,600	-
Insurance	-	-	480	-	-	-	-	-	-	-
Interest Paid	-	-	-	-	-	-	-	-	-	-
Operating Supplies & Expenses	659	659	95,455	17,390	9,008	26,398	54	(2,321)	1,012	-
Other	70	70	121,681	7,639	5,828	13,467	-	138	2,689	-
Donated Items	-	-	1,245,486	-	-	-	-	-	-	-
TOTAL OTHER EXPENSES	<u>435,107</u>	<u>435,107</u>	<u>4,616,507</u>	<u>61,815</u>	<u>264,081</u>	<u>325,896</u>	<u>3,116</u>	<u>192</u>	<u>23,840</u>	<u>-</u>
TOTAL PERSONNEL AND OTHER EXPENSES	<u>568,931</u>	<u>568,931</u>	<u>9,249,650</u>	<u>353,102</u>	<u>547,481</u>	<u>900,583</u>	<u>59,968</u>	<u>90,268</u>	<u>251,105</u>	<u>2,850</u>
DISTRIBUTED INDIRECT COSTS										
General and Administrative Costs	93,804	93,804	1,493,357	48,717	76,647	125,365	8,396	12,637	36,965	399
TOTAL ACTUAL OPERATING EXPENSES	<u>662,735</u>	<u>662,735</u>	<u>10,743,007</u>	<u>401,819</u>	<u>624,129</u>	<u>1,025,948</u>	<u>68,364</u>	<u>102,905</u>	<u>288,070</u>	<u>3,249</u>
LESS UNALLOWABLE COSTS	<u>-</u>	<u>-</u>	<u>600</u>	<u>-</u>	<u>79</u>	<u>79</u>	<u>-</u>	<u>-</u>	<u>28</u>	<u>-</u>
TOTAL ALLOWABLE OPERATING EXPENSES	<u>\$ 662,735</u>	<u>\$ 662,735</u>	<u>\$ 10,742,407</u>	<u>\$ 401,819</u>	<u>\$ 624,050</u>	<u>\$ 1,025,869</u>	<u>\$ 68,364</u>	<u>\$ 102,905</u>	<u>\$ 288,042</u>	<u>\$ 3,249</u>
CAPITAL EXPENDITURES	<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, 2012

FEDERAL PROGRAMS	COMMUNITY BASED CARE
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EXPENSE CATEGORIES	AIDS Help	Project Achieve	CBC of Seminole	Orange Wrap Around	Miscellaneous	Total Other Grants	Total All Other Cost Centers	General and Administrative	Total Expenditures
PERSONNEL EXPENSES									
Salaries	\$ 37,040	\$ 175,996	\$ 860,590	\$ 50,212	\$ 96,435	\$ 1,527,353	\$ 5,620,337	\$ 1,304,537	\$ 6,924,874
Fringe Benefits	13,967	43,305	202,485	12,296	28,564	370,578	1,485,424	216,208	1,701,632
TOTAL PERSONNEL EXPENSES	<u>51,007</u>	<u>219,301</u>	<u>1,063,074</u>	<u>62,508</u>	<u>124,998</u>	<u>1,897,931</u>	<u>7,105,762</u>	<u>1,520,745</u>	<u>8,626,507</u>
OTHER EXPENSES									
Building Occupancy	-	20,707	171,350	538	128,738	324,986	885,323	197,042	1,082,365
Professional Services	-	2,746	-	75	-	2,946	75,318	78,746	154,064
Travel	8,469	600	55,113	209	4,776	84,031	157,235	9,633	166,868
Equipment rental	-	1,022	-	-	-	2,955	42,667	7,721	50,387
Food Services	-	13,239	310	-	1,510	15,087	79,276	19,320	98,596
Medical and Pharmacy	-	-	-	-	-	413	151,089	-	151,089
Depreciation	-	372	859	-	189,765	192,809	261,496	106,302	367,799
Subcontracted Services	22,500	-	-	384	22,404	48,038	2,458,296	146,314	2,604,610
Insurance	-	-	-	-	-	-	480	181,295	181,775
Interest Paid	-	-	-	-	63,350	63,350	63,350	10,359	73,709
Operating Supplies & Expenses	66	3,747	15,383	7	8,942	26,891	148,744	34,921	183,665
Other	800	2,542	74,044	-	88,726	168,939	304,087	74,891	378,978
Donated Items	-	69,058	21,264	-	-	90,322	1,335,808	-	1,335,808
TOTAL OTHER EXPENSES	<u>31,836</u>	<u>114,032</u>	<u>338,324</u>	<u>1,213</u>	<u>508,212</u>	<u>1,020,766</u>	<u>5,963,168</u>	<u>866,545</u>	<u>6,829,713</u>
TOTAL PERSONNEL AND OTHER EXPENSES	82,843	333,334	1,401,398	63,721	633,210	2,918,697	13,068,930	2,387,290	15,456,220
DISTRIBUTED INDIRECT COSTS									
General and Administrative Costs	11,598	46,667	196,196	8,921	446,832	768,610	2,387,332	2,387,332	-
TOTAL ACTUAL OPERATING EXPENSES	<u>94,441</u>	<u>380,000</u>	<u>1,597,594</u>	<u>72,642</u>	<u>1,080,043</u>	<u>3,687,307</u>	<u>15,456,262</u>	<u>(42)</u>	<u>15,456,220</u>
LESS UNALLOWABLE COSTS	-	-	310	-	1,510	1,848	2,527	19,320	21,847
TOTAL ALLOWABLE OPERATING EXPENSES	<u>\$ 94,441</u>	<u>\$ 380,000</u>	<u>\$ 1,597,284</u>	<u>\$ 72,642</u>	<u>\$ 1,078,533</u>	<u>\$ 3,685,459</u>	<u>\$ 15,453,736</u>	<u>\$ (19,362)</u>	<u>\$ 15,434,373</u>
CAPITAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2012, and have issued our report thereon dated December 20, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to consolidated financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Human Services Associates, Inc. is responsible for establishing and maintaining effective 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 the Organization'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 2012-01 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 finding 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.

Pursuant to Chapter 119, Florida Statutes, this report is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter 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.

Tallahassee, Florida
December 20, 2012

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, State Projects Compliance Supplement that could have a direct and material effect on each of Human Services Associates, Inc.'s major federal programs and major state projects for the year ended June 30, 2012. Human Services Associates, Inc.'s major federal programs and major 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 major 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 major 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 major state projects for the year ended June 30, 2012.

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 major 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.

Pursuant to Chapter 119, Florida Statutes, this report is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter 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 20, 2012

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED June 30, 2012

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:

Federal Program	Federal CFDA Number
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 type="checkbox"/> yes <input checked="" type="checkbox"/> no

HUMAN SERVICES ASSOCIATES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012
(Continued)

II. Financial Statement Findings: (Continued)

Finding 2012-01: 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, 2011.

VII. State Financial Assistance Summary Schedule of Prior Year Findings: There were no audit findings for the year ended June 30, 2011.



HUMAN SERVICES ASSOCIATES, INC.

ADMINISTRATION

FOCUSING
ON
FAMILIES

Corrective Action Plan

Finding 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,

David R. Rooks

Vice President

