

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
AND SUBSIDIARIES**

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2010 AND 2009

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4/6/11

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
YEARS ENDED JUNE 30, 2010 AND 2009

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Report of independent certified public accountants

Board of Directors and Officers
Resources for Human Development, Inc. and Subsidiaries

We have audited the accompanying consolidated statements of financial position of Resources for Human Development, Inc. and Subsidiaries (the Organization) as of June 30, 2010 and 2009, and the related consolidated statements of unrestricted revenues, expenditures and other changes in unrestricted net assets, changes in net assets, functional expenditures and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits 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 audits 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 financial statement presentation. We believe that our audits provide 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 Resources for Human Development, Inc. and Subsidiaries as of June 30, 2010 and 2009, and the consolidated changes in their net assets and their cash flows for the years 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 January 3, 2011, on our consideration of the Organization'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 audits.

Shechtman Marks Devor PC

Philadelphia, PA
January 3, 2011

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2010 AND 2009

| <u>ASSETS</u> | <u>2010</u> | <u>2009</u> |
|--|--------------------------|--------------------------|
| Current assets: | | |
| Cash and cash equivalents | \$ 436,714 | \$ 796,275 |
| Limited use cash, representative payee cash funds | 1,015,617 | 1,017,103 |
| Accounts receivable, net of allowance for doubtful accounts of \$2,089,816 for 2010 and \$1,177,557 for 2009 | 32,521,010 | 29,057,345 |
| Advances and loans, current portion | 355,684 | 57,753 |
| Inventory | 947,164 | 1,425,084 |
| Prepaid expenses | <u>1,471,428</u> | <u>1,335,302</u> |
| Total current assets | 36,747,617 | 33,688,862 |
| Property and equipment, net | 23,997,857 | 24,929,781 |
| Equity investments in companies | 1,042,379 | 1,469,522 |
| Advances and loans, net of current portion and allowance for uncollectible advances and loans of \$93,880 for 2010 and 2009 | 859,407 | 516,928 |
| Other assets | <u>517,395</u> | <u>682,008</u> |
| Total assets | <u>\$ 63,164,655</u> | <u>\$ 61,287,101</u> |

| <u>LIABILITIES AND NET ASSETS</u> | <u>2010</u> | <u>2009</u> |
|--|--------------------------|--------------------------|
| Current liabilities: | | |
| Lines of credit and short-term borrowings | \$ 3,121,000 | \$ 3,182,000 |
| Current portion of long-term debt | 799,553 | 726,682 |
| Accounts payable and accrued expenses | 23,219,896 | 21,855,136 |
| Deferred revenue | 3,292,863 | 2,564,506 |
| Contract advances, current | 145,954 | 294,012 |
| Due to custodial clients | <u>1,015,617</u> | <u>1,017,103</u> |
| Total current liabilities | 31,594,883 | 29,639,439 |
| Long-term liabilities: | | |
| Long-term debt, net of current portion | 15,962,746 | 16,919,113 |
| Long-term commitments | - | 23,066 |
| Contract advances, long-term | 226,628 | 226,628 |
| Deferred credits | 119,333 | 122,333 |
| Retirement liabilities, long-term | 887,331 | 675,870 |
| Interest rate swap | <u>654,526</u> | <u>528,557</u> |
| Total liabilities | <u>49,445,447</u> | <u>48,135,006</u> |
| Net assets: | | |
| Unrestricted | 10,395,798 | 8,918,941 |
| Temporarily restricted | <u>2,882,170</u> | <u>3,612,005</u> |
| Total net assets before noncontrolling interests | 13,277,968 | 12,530,946 |
| Noncontrolling interests | <u>441,240</u> | <u>621,149</u> |
| Total net assets | <u>13,719,208</u> | <u>13,152,095</u> |
| Total liabilities and net assets | <u>\$ 63,164,655</u> | <u>\$ 61,287,101</u> |

The accompanying notes are an integral part of these consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF UNRESTRICTED REVENUES, EXPENDITURES
AND OTHER CHANGES IN UNRESTRICTED NET ASSETS
YEARS ENDED JUNE 30, 2010 AND 2009

| | <u>2010</u> | <u>2009</u> |
|---|--------------------|--------------------|
| Support, revenue and other: | | |
| Support: | | |
| Federal | \$ 4,598,135 | \$ 4,112,580 |
| Various states | 95,189,622 | 52,805,959 |
| City of Philadelphia, PA | 28,821,214 | 48,684,415 |
| Montgomery County, PA | 8,147,632 | 11,160,045 |
| Other PA counties | 4,450,318 | 14,605,873 |
| Medical assistance/managed care | 20,889,239 | 18,919,328 |
| Grants and donations | <u>1,958,300</u> | <u>1,833,496</u> |
| Total unrestricted support | <u>164,054,460</u> | <u>152,121,696</u> |
| Revenue: | | |
| Patient/client fees | 19,593,767 | 18,132,683 |
| Other fees and sales | 8,258,487 | 7,512,973 |
| Interest and miscellaneous income | <u>1,054,396</u> | <u>644,067</u> |
| Total unrestricted revenue | <u>28,906,650</u> | <u>26,289,723</u> |
| Net assets released from temporary restrictions | <u>1,165,299</u> | <u>1,879,216</u> |
| Total unrestricted support, revenue and other | <u>194,126,409</u> | <u>180,290,635</u> |
| Expenditures: | | |
| Program | 163,566,217 | 152,249,426 |
| Management and general | 22,499,239 | 21,609,735 |
| Fundraising | 334,705 | 308,488 |
| Other operating | <u>6,181,579</u> | <u>5,755,810</u> |
| Total expenditures | <u>192,581,740</u> | <u>179,923,459</u> |
| Income from operations | <u>1,544,669</u> | <u>367,176</u> |

The accompanying notes are an integral part of these consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF UNRESTRICTED REVENUES, EXPENDITURES
AND OTHER CHANGES IN UNRESTRICTED NET ASSETS (CONTINUED)
YEARS ENDED JUNE 30, 2010 AND 2009

| | 2010 | 2009 |
|--|--------------|--------------|
| Other changes in unrestricted net assets: | | |
| Equity in net losses of investments | (105,087) | (934,659) |
| Change in fair value of interest rate swap | (125,969) | (318,061) |
| Total other changes in unrestricted net assets | (231,056) | (1,252,720) |
| Changes in unrestricted net assets before noncontrolling interests | 1,313,613 | (885,544) |
| Noncontrolling interests in net losses of investments | 163,244 | 116,932 |
| Changes in unrestricted net assets | \$ 1,476,857 | \$ (768,612) |

The accompanying notes are an integral part of these consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2010 AND 2009

| | 2010 | 2009 |
|---|----------------|----------------|
| Unrestricted net assets: | | |
| Total unrestricted support and revenue | \$ 192,961,110 | \$ 178,411,419 |
| Net assets released from temporary restrictions | 1,165,299 | 1,879,216 |
| Total expenditures | (192,581,740) | (179,923,459) |
| Equity in net losses of investments | (105,087) | (934,659) |
| Change in fair value of interest rate swap | (125,969) | (318,061) |
| Noncontrolling interests in net losses of investments | 163,244 | 116,932 |
| | 1,476,857 | (768,612) |
| Temporarily restricted net assets: | | |
| Contributions | 435,464 | 539,887 |
| Net assets released from temporary restrictions | (1,165,299) | (1,879,216) |
| | (729,835) | (1,339,329) |
| Changes in total net assets before noncontrolling interests | 747,022 | (2,107,941) |
| Noncontrolling interests: | | |
| Net losses of investments | (163,244) | (116,932) |
| Distributions | (16,665) | - |
| | (179,909) | (116,932) |
| Change in total net assets | 567,113 | (2,224,873) |
| Total net assets at beginning of year, as previously reported | 13,152,095 | 14,638,887 |
| Effect of adoption of FASB guidance on noncontrolling interests | - | 738,081 |
| Total net assets at beginning of year, as revised | 13,152,095 | 15,376,968 |
| Total net assets at end of year | \$ 13,719,208 | \$ 13,152,095 |

The accompanying notes are an integral part of these consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
 CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENDITURES
 YEAR ENDED JUNE 30, 2010

| Program | SALARIES | BENEFITS | FEES AND SERVICES | OCCUPANCY | COMMUNICA-TIONS | PROGRAM SUPPLIES | TRAVEL AND MISC | SMALL EQUIPMENT & MAINTENANCE | PROPERTY AND EQUIPMENT | TOTAL |
|---|------------|-----------|-------------------|------------|-----------------|------------------|-----------------|-------------------------------|------------------------|--------------|
| LOWER MERION COUNSELING SERVICES | \$ 352,631 | \$ 87,664 | \$ 369,606 | \$ 158,390 | \$ 19,880 | \$ 10,038 | \$ 8,391 | \$ 12,676 | \$ - | \$ 1,019,176 |
| MH Outpatient | 6,782 | 1,982 | 8,764 | 8,848 | 6,117 | 743 | 1,907 | 20,542 | 583 | 237,042 |
| Student Assistance | 166,037 | 40,433 | 80 | 61 | 61 | 61 | 61 | 61 | 61 | 43,967 |
| Recovery | 32,644 | 10,261 | 63,359 | 14,523 | 5,988 | 7,350 | 10,727 | 2,080 | 4,879 | 378,821 |
| Case Management | 228,561 | 41,354 | 13,466 | 28 | 27,192 | 103,603 | 9,667 | 95,833 | 13,327 | 2,078,271 |
| CONSULTANTS IN CONTEXT -Montgomery County | 1,056,084 | 318,438 | 1,374,522 | 440,659 | 10,009 | 6,483 | 9,667 | 67,264 | 801 | 1,086,689 |
| NEW FOUNDATIONS/WELLSPRINGS-Montgomery County | 79,749 | 18,537 | 3,721 | 10,753 | 10,009 | 2,545 | 1,230 | 77,875 | 5,902 | 1,593,916 |
| COMPEER-Montgomery County | 26,555 | 1,480 | 4,836 | 7,633 | 81,087 | 3,307 | 6,685 | 79,174 | 29,744 | 1,249,742 |
| COMPEER-Delaware County | 613,376 | 179,595 | 793,971 | 208,310 | 42,279 | 120,005 | 9,272 | 13,586 | 558 | 269,410 |
| NEW OPTIONS-Montgomery County | 83,921 | 247,632 | 24,307 | 60,177 | 20,083 | 151,251 | 5,789 | 32,622 | 15,952 | 1,238,809 |
| POSITIVE RESOLUTIONS-Montgomery County | 767,083 | 231,664 | 2,278 | 5,348 | 8,197 | 3,188 | 14,161 | 2,074 | 184,270 | 1,171,281 |
| COORDINATED HOMELESS OUTREACH CENTER | 147,470 | 47,438 | 20,915 | 100,617 | 12,182 | 75,771 | 15,079 | 9,030 | 26,314 | 392,838 |
| COORDINATED HOMELESS OUTREACH CENTER -CTI | 711,201 | 172,358 | 103,027 | 42,263 | 7,721 | 21,068 | 4,700 | 18,705 | 8,960 | 656,601 |
| FAMILY SUPPORT-Montgomery County | 215,638 | 64,485 | 1,731 | 39,199 | 7,184 | 78,606 | 5,296 | 17,524 | 4,919 | 1,125,551 |
| METHADONE CENTER-Montgomery County | 381,355 | 113,472 | 3,824 | 43,382 | 5,826 | 28,638 | 3,484 | 27,987 | 13,859 | 549,144 |
| WOMANSACE-Philadelphia | 322,252 | 93,997 | 34,661 | 96,355 | 15,579 | 29,810 | 3,484 | 2,074 | 184,270 | 1,171,281 |
| FAMILY HOUSE-Philadelphia | 381,111 | 109,705 | 4,115 | 61,447 | 6,069 | 8,184 | 14,161 | 2,074 | 184,270 | 1,171,281 |
| CITY OF PHILADELPHIA - DHS | 172,870 | 36,171 | 422,768 | 2,359,848 | 244,895 | 1,271,756 | 84,328 | 629,149 | 1,160 | 18,308,677 |
| BEHAVIORAL HEALTH SERVICES-CITY OF PHILA. NOVA 3 | 10,152,700 | 3,038,963 | 35,575 | 113,378 | 16,297 | 57,607 | 70 | 17,896 | 1,160 | 1,171,281 |
| PENNSYLVANIA IDD | 11,516,073 | 3,495,564 | 215,360 | 1,711,910 | 212,208 | 796,068 | 135,525 | 760,949 | 158,988 | 19,025,643 |
| City of Philadelphia - Residential | 233,309 | 55,919 | 323,638 | 32,467 | 11,172 | 9,389 | 6,025 | 10,574 | 682,493 | 682,493 |
| City of Philadelphia - EI | 193,647 | 47,130 | 8,182 | 34,971 | 4,412 | 13,710 | 8,089 | 3,379 | 2,284 | 315,754 |
| Oasis Art Center | 251,625 | 74,382 | 1,292 | 16,535 | 3,797 | 9,297 | 6,777 | 17,205 | 2,284 | 375,210 |
| Maitstay - Backs County | 135,041 | 43,196 | 2,185 | 15,140 | 1,786 | 6,140 | 349 | 12,568 | - | 215,016 |
| Maitstay - Delaware County | 31,574 | 6,112 | 380 | 15,538 | 1,786 | 11,038 | 2,575 | 1,114 | 70,214 | 70,214 |
| Supported Living - Lancaster County | 943,256 | 294,185 | 153,920 | 129,188 | 19,892 | 75,024 | 16,564 | 81,612 | 10,571 | 1,725,392 |
| Community Passages - Allegheny County | 1,473,289 | 416,187 | 127,221 | 364,533 | 106,711 | 71,186 | 235,163 | 161,815 | 161,815 | 2,963,794 |
| RSS -Montgomery County | 578,044 | 159,635 | 11,701 | 229,011 | 39,087 | 38,027 | 11,831 | 65,832 | 11,565 | 1,094,733 |
| LMVTC -Montgomery County | 8,499 | 1,680 | 96 | 96 | - | - | - | 10,275 | - | 10,275 |
| Lower Merion Industries | 1,861,855 | 478,002 | 10,095 | 182,174 | 23,815 | 103,106 | 39,245 | 131,043 | 9,263 | 2,840,598 |
| Maitstay North -Northampton, Lehigh, & CHP Counties | 2,257,301 | 700,253 | 6,315 | 269,306 | 40,921 | 159,264 | 34,571 | 117,260 | 2,510 | 3,587,743 |
| On Our Own -Northampton and Lehigh Counties | 1,321,403 | 381,368 | 101,555 | 175,708 | 25,292 | 103,008 | 34,244 | 105,367 | 18,532 | 2,266,497 |
| On Our Way -Northampton County | 618,177 | 183,529 | 34,289 | 83,403 | 10,187 | 41,651 | 17,102 | 29,855 | 3,070 | 1,021,263 |
| BRIDGES -ALLEGHENY COUNTY | 1,616,426 | 401,000 | 224,508 | 14,295 | 22,144 | 24,191 | 1,479 | 14,577 | - | 2,319,220 |
| CHILDRENS PROGRAMS | 746,235 | 210,851 | 106,081 | 319,897 | 7,133 | 48,639 | 4,424 | 25,667 | 979 | 1,469,906 |
| School Based BH Services | 3,153,717 | 578,717 | 109,332 | 95,960 | 38,628 | 23,823 | 15,919 | 29,753 | 2,473 | 4,048,322 |
| Stepping Stones | 470,975 | 112,088 | 2,080 | 33,995 | 14,745 | 11,102 | 6,713 | 9,202 | 3,237 | 661,426 |
| COSP | 1,218,630 | 276,252 | 104,074 | 7,600 | 11,555 | 29,448 | 1,240 | 9,202 | 8,345 | 1,666,346 |
| GIRT | 101,309 | 22,152 | 569 | 238 | 994 | - | - | - | 555 | 125,817 |
| STDS | 414,198 | 108,297 | 3,483 | 108,586 | 9,493 | 35,212 | 33,790 | 9,718 | - | 721,777 |
| Mastery | 11,107 | 1,671 | 304 | 304 | 951 | 4,682 | 1,627 | 1,575 | - | 21,917 |
| North ES Center | 269,620 | 52,257 | 23,102 | 90,890 | 9,292 | 41,823 | 5,603 | 47,536 | 18,729 | 558,758 |
| ACES | 328,947 | 83,088 | 24,965 | 78,015 | 17,680 | 13,947 | 37,882 | 13,027 | 693 | 598,144 |
| RTFA | 96,558 | 26,216 | 269 | 119,534 | 3,263 | 6,936 | 1,817 | 10,227 | - | 258,192 |
| SUPPORTED ADULT-1260 | 342,698 | 97,283 | 11,261 | 66,870 | 7,693 | 34,780 | 965 | 11,227 | 23,500 | 596,199 |
| SUPPORTED ADULT | 153,717 | 41,623 | 5,221 | 257,380 | 3,412 | 11,392 | 3,242 | 598 | - | 476,787 |
| PROJECT ADVANTAGE | | | | | | | | | | |
| FAMILIES IN TRANSITION | | | | | | | | | | |

The accompanying notes are an integral part of these consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
 CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENDITURES
 YEAR ENDED JUNE 30, 2010

| Program | SALARIES | BENEFITS | FEES AND SERVICES | OCCUPANCY | COMMUNICA-TIONS | PROGRAM SUPPLIES | TRAVEL AND MISC | SMALL EQUIPMENT & MAINTENANCE | PROPERTY AND EQUIPMENT | TOTAL |
|---------------------------------------|-----------|-----------|-------------------|-----------|-----------------|------------------|-----------------|-------------------------------|------------------------|-----------|
| RIDGE AVENUE SHELTER | 1,453,400 | 467,323 | 562,659 | 112,295 | 53,931 | 149,698 | 20,578 | 164,145 | 13,999 | 2,996,028 |
| WOODSTOCK SHELTER | 882,475 | 203,388 | 2,688 | 53,423 | 17,089 | 30,994 | 3,919 | 18,572 | 931 | 1,293,479 |
| FASST AND CONNECTIONS | 1,184,336 | 348,390 | 136,397 | 34,685 | 42,869 | 34,680 | 6,632 | 50,874 | 6,680 | 1,805,723 |
| NORTHEAST PENNSYLVANIA (excludes IDD) | | | | | | | | | | |
| Hope House | 430,786 | 113,539 | 46,980 | 32,483 | 6,805 | 32,741 | 2,989 | 27,825 | 2,390 | 696,538 |
| New Perspectives - Residential | 436,208 | 136,531 | 71,560 | 40,148 | 11,667 | 35,490 | 4,803 | 21,269 | - | 750,076 |
| New Perspectives - Phone | 252,008 | 70,311 | 7,217 | 9,839 | 7,104 | 4,063 | 1,923 | 2,479 | - | 354,946 |
| New Perspectives - Mobile | 207,744 | 52,301 | 24,400 | 10,441 | 3,466 | 6,638 | 3,243 | 22,031 | - | 325,263 |
| Lehigh Valley NCM | 412,654 | 113,709 | 639 | 22,587 | 12,008 | 9,569 | 44,340 | 6,154 | - | 621,660 |
| Lehigh Valley ACT | 1,267,657 | 318,064 | 244,872 | 181,283 | 47,102 | 49,091 | 112,348 | 52,548 | 12,520 | 2,285,365 |
| Lehigh Valley Work in Progress | 71,030 | 20,169 | 12,940 | 19,173 | 2,367 | 139 | 1,440 | 15,303 | - | 142,581 |
| LV Housing Supports | 7,301 | 1,342 | 132 | 151,835 | 28 | - | - | 160,638 | - | 160,638 |
| CMF Power | 272,977 | 72,483 | 2,603 | 30,085 | 11,322 | 19,239 | 12,712 | 11,102 | - | 433,523 |
| Cross Roads | 384,121 | 107,366 | 1,794 | 378,057 | 18,462 | 9,377 | 19,056 | 45,380 | 5,605 | 969,218 |
| Fair Weather Lodge | 4,429 | 1,107 | 2,500 | 30,887 | 109 | 43 | 746 | 142 | 606 | 9,683 |
| Hope Springs - Friends | 302,519 | 92,087 | 5,995 | 30,887 | 5,235 | 25,841 | 3,709 | 20,505 | 4,162 | 490,910 |
| Hope Springs - Almond | 344,422 | 111,165 | 5,748 | 32,089 | 5,850 | 28,071 | 6,480 | 34,579 | 5,034 | 573,638 |
| CONNECTICUT | 4,086,157 | 1,000,370 | 256,239 | 565,037 | 72,258 | 197,183 | 196,264 | 375,088 | 46,660 | 6,785,266 |
| DELAWARE | | | | | | | | | | |
| Wilmington NOW | 461,091 | 107,825 | 24,886 | 114,808 | 5,947 | 61,428 | 7,737 | 16,429 | - | 800,151 |
| Brandywine Hills | 320,517 | 69,607 | 24,574 | 73,133 | 5,472 | 35,909 | 4,543 | 23,537 | - | 557,142 |
| DB Passages | 708,202 | 164,271 | 40,665 | 136,142 | 10,762 | 87,035 | 7,022 | 240,331 | 558 | 1,308,989 |
| Choices | 553,746 | 163,391 | 4,370 | 72,666 | 16,011 | 74,515 | 8,946 | 41,068 | 21,772 | 956,483 |
| Multisay Delaware | 551,119 | 136,785 | 62,444 | 5,955 | 9,226 | 45,307 | 4,978 | 19,495 | 6,333 | 841,643 |
| Multisay Delaware-Philadelphia | 165,219 | 50,909 | 5,488 | 26,467 | 3,068 | 8,547 | 153 | 5,187 | 550 | 265,588 |
| FLORIDA | | | | | | | | | | |
| Deborah Day Program | 259,650 | 98,482 | 2,603 | 33,268 | 12,289 | 17,495 | 8,089 | 16,135 | 1,187 | 451,198 |
| Bay Area Alliance | 557,883 | 196,599 | 19,979 | 88,877 | 17,339 | 80,308 | 8,302 | 51,372 | 10,369 | 1,030,948 |
| Jacksonville | 1,476,674 | 500,801 | 12,290 | 227,580 | 21,210 | 145,981 | 17,396 | 114,455 | 17,260 | 2,530,927 |
| Vollusia | 625,033 | 205,250 | 27,104 | 69,758 | 19,401 | 65,407 | 17,258 | 52,382 | 6,261 | 1,087,634 |
| Fl Lauderdale | 228,818 | 80,380 | 9,239 | 54,728 | 5,052 | 46,091 | 1,818 | 33,591 | 3,425 | 483,163 |
| LOUISIANA | | | | | | | | | | |
| Womanspace | 417,558 | 110,037 | 8,961 | 73,466 | 12,150 | 44,772 | 6,973 | 43,394 | 5,222 | 722,533 |
| Family House | 532,036 | 138,433 | 20,518 | 167,166 | 14,143 | 71,871 | 6,711 | 24,104 | 931 | 975,913 |
| Pathways | 380,081 | 100,589 | 5,662 | 152,088 | 20,132 | 43,784 | 14,844 | 29,118 | 27,095 | 772,393 |
| RPRP | 11,832 | 2,652 | - | - | 45 | 632 | 289 | - | - | 15,450 |
| ACT | 987,752 | 215,797 | 429,036 | 53,966 | 39,567 | 92,324 | 72,324 | 25,354 | - | 1,916,762 |
| Jefferson Parish MCS | 451,479 | 94,367 | 77,564 | 34,997 | 26,245 | 5,900 | 20,392 | 12,280 | - | 725,224 |
| Jefferson Parish Outreach | 111,754 | 25,877 | 103 | 9,930 | 3,752 | 22,432 | 2,338 | 13,284 | - | 189,170 |
| MST | 194,994 | 40,480 | 31,542 | 17,155 | 4,323 | 1,463 | 36 | 56 | 5,900 | 313,083 |
| LA Housing Support Team | 478,820 | 127,729 | 4,811 | 28,613 | 11,259 | 12,014 | 37,590 | 11,147 | 14,495 | 726,478 |
| MARYLAND | 641,387 | 167,537 | 162,230 | 7,314 | 10,632 | 91,434 | 3,026 | 17,636 | 10,439 | 1,111,625 |
| MASSACHUSETTS | | | | | | | | | | |
| Adult Residential & Day Programs | 3,174,947 | 873,142 | 16,161 | 777,245 | 57,702 | 265,002 | 29,074 | 196,560 | 39,759 | 5,429,592 |
| MISSOURI | 1,545,037 | 335,714 | 19,778 | 238,160 | 24,078 | 91,993 | 98,072 | 63,138 | 9,476 | 2,225,246 |
| NEBRASKA | 16,803 | 2,608 | - | 1,396 | 2,193 | 11,339 | 7,774 | 13,325 | 14,983 | 70,411 |
| NEW JERSEY | | | | | | | | | | |
| Supported Adult-Pasaic County | 386,974 | 93,338 | 15,372 | 339,474 | 21,017 | 25,861 | 8,359 | 57,095 | 8,861 | 956,351 |
| Supported Adult-Ocean County | 806,567 | 186,373 | 21,925 | 716,568 | 32,905 | 97,060 | 15,237 | 90,766 | 3,593 | 1,972,994 |
| Supported Adult -Tri-County | 247,831 | 64,570 | 9,081 | 227,980 | 11,809 | 35,978 | 7,929 | 36,644 | - | 641,822 |

The accompanying notes are an integral part of these consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENDITURES
YEAR ENDED JUNE 30, 2010

| | SALARIES | BENEFITS | FEES AND SERVICES | OCCUPANCY | COMMUNICATIONS | PROGRAM SUPPLIES | TRAVEL AND MISC | SMALL EQUIPMENT & MAINTENANCE | PROPERTY AND EQUIPMENT | TOTAL |
|--|---------------|---------------|-------------------|---------------|----------------|------------------|-----------------|-------------------------------|------------------------|----------------|
| Program Camden Housing Program | 235,537 | 66,662 | 473 | 360,215 | 5,909 | 18,988 | 5,314 | 22,620 | 1,778 | 717,496 |
| NORTH CAROLINA Supported Adult | 1,632,994 | 495,954 | 47,699 | 360,911 | 59,716 | 231,752 | 35,856 | 1,387,738 | 15,729 | 3,074,549 |
| RHODE ISLAND | 986,220 | 307,563 | 6,269 | 108,789 | 8,599 | 53,574 | 48,305 | 18,048 | 7,363 | 1,546,730 |
| TENNESSEE | 4,489,546 | 1,421,868 | 86,846 | 312,112 | 68,195 | 112,702 | 182,212 | 233,734 | 36,363 | 6,943,578 |
| VIRGINIA | 72,631 | 14,900 | 16,829 | 9,780 | 3,824 | 3,148 | 10,407 | 19,971 | 11,568 | 163,058 |
| FAMILY PRACTICE AND COUNSELING NETWORK | 5,789,687 | 1,206,639 | 3,116,906 | 901,844 | 120,011 | 548,064 | 97,019 | 194,526 | 897,735 | 12,866,431 |
| POINT TO POINT | 928,021 | 244,416 | 3,238 | 107,780 | 50,166 | 8,324 | 337,029 | 244,115 | 2,800 | 1,925,889 |
| NEW BEGINNINGS | 523,374 | 139,153 | 706,961 | 35,869 | 96,110 | 198,165 | 68,883 | 15,929 | 7,294 | 1,738,738 |
| NEW START 1 & 2 | 981,767 | 263,136 | 47,664 | 164,471 | 23,521 | 102,146 | 4,322 | 30,844 | 584 | 1,588,453 |
| ENDOW-A-HOME | 170,641 | 39,207 | 13,887 | 211,515 | 2,194 | 8,170 | 41,085 | 49,567 | 44,850 | 581,116 |
| CHESTER YOUTH BUILD | 335,405 | 73,085 | 14,441 | 82,505 | 7,179 | 37,132 | 7,666 | 439 | - | 525,822 |
| CHESTER YOUTH BUILD DOL | 215,522 | 350 | 44,730 | 31,400 | 2,794 | 1,789 | 36 | - | 1,200 | 292,621 |
| PARTNERSHIP FOR EMPLOYMENT | 86,622 | 17,253 | 29,602 | 16,763 | 2,053 | 5,871 | 22,985 | 1,047 | - | 185,376 |
| AFFORDABLE HOUSING | 26,401 | 6,886 | 2,375 | 34,545 | 154 | - | 2,908 | 108,766 | (43) | 181,990 |
| CLEARINGHOUSE FOR THE HOMELESS | 81,474 | 23,084 | 30 | 914 | 4,838 | 1,809 | 999 | 920 | 3,955 | 112,148 |
| HEALING AJAX | 26,410 | 6,676 | 29,620 | 30 | 506 | 3,951 | 920 | 21 | - | 78,122 |
| HIGH STREET | 53,110 | 15,499 | 956 | 956 | 1,445 | 3,611 | 1,742 | 1,759 | - | 72,550 |
| FUTURE SEARCH | 29,132 | 8,885 | 3,977 | 250 | 23,344 | 250 | 3,508 | - | 746 | 45,332 |
| PHILADELPHIA COUNTY SO | 44,453 | 6,893 | 725 | 1,387 | 3,454 | 479 | 617 | 32 | - | 10,470 |
| SUMMER SERVICE YOUTH CORPS | 3,911 | 539 | - | - | - | 4,839 | 1,181 | - | - | 10,470 |
| MISCELLANEOUS | 340,087 | 62,589 | 48,321 | 14,060 | 14,258 | 31,905 | 97,138 | 32,571 | 15,144 | 660,713 |
| Grand Totals | 92,796,151 | 25,507,786 | 9,419,577 | 16,537,780 | 2,239,641 | 7,391,450 | 2,540,654 | 6,087,144 | 2,101,437 | 164,621,620 |
| Property and equipment capitalized | - | - | - | - | - | - | - | 6,087,144 | (2,088,136) | (2,088,136) |
| Change in inventory costs capitalized | - | - | (2,575) | (22,329) | (47) | - | (2,466) | (107,050) | 753,720 | 619,453 |
| Depreciation and amortization expense | - | - | - | - | - | - | - | - | 2,398,023 | 2,398,023 |
| Long term debt principal payments made | - | - | (372,775) | (58,496) | - | - | (2,340) | (889,789) | - | (58,498) |
| Interest charges | - | - | - | (703,177) | - | - | - | - | - | (1,868,061) |
| Vacation accrual | 154,113 | 13,006 | - | 187,982 | - | - | - | - | - | 357,101 |
| Elimination of program fundraising costs | (173,504) | (45,090) | - | - | (24,576) | - | - | - | - | (240,170) |
| Other consolidated entities | - | - | - | - | - | - | 14,888 | - | - | 14,888 |
| Elimination of consolidated activity | - | (187,982) | - | - | - | - | - | - | - | (187,982) |
| Total Program | \$ 92,776,760 | \$ 25,478,702 | \$ 9,144,427 | \$ 15,753,776 | \$ 2,215,018 | \$ 7,391,450 | \$ 2,550,736 | \$ 5,090,305 | \$ 3,165,044 | \$ 163,566,218 |
| Management and general | \$ 12,409,131 | \$ 2,654,142 | \$ 1,426,470 | \$ 1,501,412 | \$ 441,572 | \$ 421,011 | \$ 1,482,654 | \$ 631,958 | \$ 1,610,400 | \$ 23,590,550 |
| Property and equipment capitalized | - | - | - | - | - | - | - | - | (1,610,399) | (1,610,399) |
| Depreciation and amortization expense | - | - | - | - | - | - | - | - | 2,011,921 | 2,011,921 |
| Long term debt principal payments made | - | - | - | (98,719) | - | - | - | - | - | (98,719) |
| Elimination of admin fund raising costs | (67,531) | (16,526) | - | - | (110,478) | - | - | - | - | (94,535) |
| Other consolidated entities | - | - | - | - | - | - | 9,998 | - | - | 9,998 |
| Elimination of consolidated activity | - | - | - | - | - | (309,577) | - | - | - | (309,577) |
| Total management and general | \$ 12,341,600 | \$ 2,637,616 | \$ 1,426,470 | \$ 1,402,693 | \$ 436,894 | \$ 421,011 | \$ 1,483,073 | \$ 631,958 | \$ 2,011,922 | \$ 22,491,239 |
| Fundraising | \$ 241,035 | \$ 58,616 | \$ - | \$ - | \$ 35,054 | \$ - | \$ - | \$ - | \$ - | \$ 344,705 |

The accompanying notes are an integral part of these consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENDITURES
YEAR ENDED JUNE 30, 2009

| Program | SALARIES | BENEFITS | FEES AND SERVICES | OCCUPANCY | COMMUNICA-TIONS | PROGRAM SUPPLIES | TRAVEL AND MISC | SMALL EQUIPMENT & MAINTENANCE | PROPERTY AND EQUIPMENT | TOTAL |
|--|------------|-----------|-------------------|------------|-----------------|------------------|-----------------|-------------------------------|------------------------|------------|
| LOWER MERION COUNSELING SERVICES | | | | | | | | | | |
| MH Outpatient | \$ 303,256 | \$ 65,834 | \$ 309,610 | \$ 151,646 | \$ 21,148 | \$ 6,838 | \$ 1,915 | \$ 10,145 | \$ - | \$ 370,692 |
| Student Assistance | 13,868 | 3,087 | 8,764 | 1,500 | 165 | 1,380 | 482 | 10,875 | 6,696 | 23,729 |
| Recovery | 32,216 | 5,663 | 1,029 | 65 | - | - | 149 | - | - | 60,006 |
| Case Management | 1,454 | 457 | 65 | - | - | - | - | - | - | 2,123 |
| CONSULTANTS IN CONTEXT - Montgomery County | 183,260 | 30,475 | 128,066 | 16,258 | 7,156 | 13,549 | 22,836 | 201 | 666 | 402,467 |
| CONSULTANTS IN CONTEXT -Other | 5810 | 917 | 3,148 | 435 | - | 132 | 793 | - | - | 11,233 |
| NEW FOUNDATIONS/WELLSPRINGS-Montgomery County | 1,028,883 | 216,524 | 9,759 | 451,512 | 25,469 | 130,512 | 8,217 | 113,531 | 46,464 | 2,090,873 |
| COMPEER-Montgomery County | 74,327 | 16,025 | 7,924 | 10,752 | 8,723 | 9,274 | 4,156 | 472 | 796 | 131,449 |
| COMPEER-Deaware County | 25,119 | 5,488 | 1,080 | 7,563 | 4,326 | 624 | 2,008 | - | - | 46,208 |
| NEW OPTIONS-Montgomery County | 889,797 | 199,157 | 16,044 | 122,862 | 13,370 | 75,475 | 5,759 | 51,872 | 6,588 | 1,040,924 |
| POSITIVE RESOLUTIONS-Montgomery County | 867,843 | 234,955 | 11,762 | 194,679 | 36,897 | 131,528 | 15,474 | 66,885 | 5,954 | 1,563,977 |
| COORDINATED HOMELESS OUTREACH CENTER | 821,661 | 213,951 | 8,207 | 323,819 | 34,840 | 19,481 | 19,481 | 66,949 | 70,613 | 1,441,693 |
| FAMILY SUPPORT-Montgomery County | - | - | 24,383 | 93,971 | 50 | 42,797 | 138 | - | - | 67,368 |
| METHADONE CENTER-Montgomery County | 681,583 | 149,362 | 118,019 | 100,031 | 13,135 | 77,117 | 13,756 | 10,418 | 10,580 | 1,173,002 |
| WOMANSPACE-Ardmore-Montgomery County | 223,210 | 59,670 | 2,537 | 40,599 | 5,721 | 21,507 | 3,243 | 10,417 | 607 | 367,511 |
| FAMILY HOUSE-Norristown-Montgomery County | 399,552 | 98,676 | 3,466 | 40,617 | 6,758 | 57,346 | 5,478 | 33,132 | 15,267 | 660,292 |
| WOMANSPACE-Philadelphia | 342,357 | 85,805 | 46,541 | 45,893 | 6,779 | 33,588 | 2,605 | 23,674 | 7,805 | 595,647 |
| FAMILY HOUSE-Philadelphia | 440,238 | 108,972 | 34,351 | 85,974 | 17,066 | 34,169 | 2,031 | 42,868 | 14,033 | 779,704 |
| CITY OF PHILADELPHIA - DHS | 387,866 | 90,626 | 1,631 | 67,541 | 18,702 | 8,934 | 41,757 | 8,331 | - | 625,188 |
| BEHAVIORAL HEALTH SERVICES-CITY OF PHILA. | 11,477,748 | 3,093,041 | 646,281 | 2,322,555 | 302,899 | 1,297,863 | 99,421 | 561,624 | 205,405 | 20,029,037 |
| PROJECT ADVANTAGE | 377,041 | 93,727 | 4,362 | 69,803 | 7,543 | 30,361 | 2,266 | 8,753 | 695 | 594,551 |
| NOVA 3 | 743,085 | 174,003 | 39,386 | 110,171 | 12,341 | 55,092 | 1,779 | 22,938 | 3,803 | 1,162,598 |
| PENNSYLVANIA MR | 10,168,117 | 2,725,442 | 408,210 | 1,579,423 | 208,939 | 765,864 | 117,482 | 660,484 | 114,493 | 16,748,454 |
| City of Philadelphia -Residential | 246,003 | 50,913 | 418,242 | 34,721 | 13,545 | 12,649 | 5,961 | 6,156 | 2,007 | 790,197 |
| City of Philadelphia -EI | 188,124 | 43,574 | 6,277 | 20,583 | 5,585 | 12,578 | 8,313 | 2,369 | 14,120 | 301,523 |
| Oaks Art Center | 305,109 | 82,883 | 11,723 | 24,311 | 4,453 | 11,671 | 1,051 | 13,646 | 599 | 455,446 |
| Milnsley - Bucks County | 242,510 | 71,243 | 11,455 | 25,230 | 2,825 | 15,336 | 1,018 | 38,070 | 6,554 | 414,241 |
| Milnsley - Delaware County | 27,340 | 4,144 | 893 | 394 | 7,343 | 394 | 2,782 | 685 | - | 64,131 |
| Supported Living -Lancaster County | 584,600 | 152,477 | 41,728 | 81,043 | 10,417 | 53,639 | 19,902 | 32,015 | 23,784 | 999,605 |
| Community Passages -Allegheny County | 1,212,780 | 356,665 | 43,927 | 343,721 | 14,215 | 94,791 | 21,631 | 200,297 | 12,471 | 2,674,498 |
| RSS -Montgomery County | 447,313 | 124,561 | 46,655 | 82,647 | 31,744 | 78,745 | 17,608 | 73,469 | 62,049 | 964,791 |
| LAWYC -Montgomery County | 20,276 | 3,705 | 224 | 11,659 | 5,504 | 8,745 | 1,799 | 4,422 | 597 | 41,368 |
| Lower Merion Industries | 155,759 | 42,466 | 5,921 | 27,373 | 2,998 | 8,374 | 1,799 | 4,422 | 597 | 248,089 |
| Milnsley Delaware-Philadelphia | 1,419,760 | 371,732 | 106,377 | 161,681 | 20,419 | 81,453 | 29,000 | 110,160 | 1,340 | 2,303,922 |
| Milnsley North-Northampton and Lehigh Counties | 2,301,447 | 656,456 | 269,892 | 392,537 | 15,684 | 170,726 | 45,400 | 116,210 | 3,009 | 3,618,461 |
| On Our Own-Northampton and Lehigh Counties | 925,678 | 263,990 | 69,939 | 117,777 | 16,061 | 61,221 | 12,508 | 36,668 | 2,682 | 1,506,524 |
| On Our Way -Northampton County | 970,179 | 257,263 | 231,336 | 144,825 | 18,813 | 74,359 | 19,556 | 70,549 | 12,916 | 1,799,796 |
| BRIDGES-ALLEGHENY COUNTY | 1,696,069 | 347,241 | 197,632 | 17,795 | 24,842 | 32,642 | 2,295 | 23,277 | 15,201 | 2,359,094 |
| CHILDRENS PROGRAMS | 722,540 | 183,958 | 128,542 | 303,665 | 15,006 | 26,353 | 2,302 | 42,903 | 4,105 | 1,429,374 |
| School Based BH Services | 3,623,711 | 576,842 | 104,221 | 121,648 | 33,362 | 32,638 | 12,643 | 17,892 | 5,224 | 4,531,181 |
| Stepping Stones | 258,161 | 53,797 | 3,092 | 18,612 | 10,236 | 5,627 | 1,096 | 1,683 | 2,404 | 353,708 |
| COSP | 394,216 | 87,763 | 23,555 | 110,431 | 11,246 | 47,853 | 35,003 | 2,289 | 7,634 | 719,990 |
| CIRT | 184,006 | 39,322 | 12,390 | 65,009 | 6,186 | 25,605 | 11,735 | 4,971 | 14,041 | 363,245 |
| NORTH ES CENTER | - | - | - | - | - | - | 91 | 3 | - | 3,564 |
| ACES | - | - | - | - | - | - | - | - | - | - |
| RTFA | - | - | - | - | - | - | - | - | - | - |
| SUPPORTED ADULT-1260 | 331,421 | 70,920 | 32,163 | 79,577 | 22,448 | 23,109 | 51,004 | 11,210 | 8,953 | 630,805 |

The accompanying notes are an integral part of these consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENDITURES
YEAR ENDED JUNE 30, 2009

| Program | SALARIES | BENEFITS | FEES AND SERVICES | OCCUPANCY | COMMUNICA-TIONS | PROGRAM SUPPLIES | TRAVEL AND MISC | SMALL EQUIPMENT & MAINTENANCE | PROPERTY AND EQUIPMENT | TOTAL |
|---|-----------|-----------|-------------------|-----------|-----------------|------------------|-----------------|-------------------------------|------------------------|-----------|
| FAMILIES IN TRANSITION | 154,892 | 39,386 | 31,590 | 374,193 | 3,105 | 13,194 | 5,374 | 478 | 600 | 521,812 |
| RIDGE AVENUE SHELTER | 1,544,938 | 425,371 | 224,785 | 138,460 | 35,900 | 201,498 | 13,093 | 84,675 | 10,759 | 2,679,449 |
| WOODSTOCK SHELTER | 899,143 | 257,401 | 33,447 | 55,480 | 16,786 | 27,955 | 2,956 | 26,294 | - | 1,309,462 |
| NORTHEAST PENNSYLVANIA (excludes MR) | | | | | | | | | | |
| Hope House | 370,216 | 92,825 | 64,698 | 38,839 | 7,884 | 28,096 | 1,519 | 13,364 | 52 | 617,493 |
| New Perspectives - Residential | 488,968 | 120,044 | 55,185 | 45,291 | 12,726 | 42,339 | 7,196 | 2,846 | 2,846 | 784,798 |
| New Perspectives - Phone | 254,239 | 61,769 | 5,379 | 10,298 | 7,930 | 5,837 | 3,437 | 1,680 | 21 | 350,590 |
| New Perspectives - Mobile | 163,962 | 35,097 | 14,842 | 9,786 | 4,330 | 3,700 | 2,450 | 16,959 | 1,374 | 251,500 |
| Lehigh County Medical Mobile | 458,377 | 103,355 | 98,144 | 34,904 | 13,259 | 41,524 | 10,135 | 10,401 | 59 | 770,158 |
| Lehigh Valley ACT | 1,387,566 | 312,209 | 227,183 | 193,339 | 44,834 | 61,245 | 139,702 | 53,988 | 4,727 | 2,424,793 |
| Lehigh Valley Work in Progress | 84,827 | 17,524 | 9,443 | 19,616 | 2,407 | 3,415 | 1,885 | 13,706 | - | 152,623 |
| L.V. Housing Supports | 4,632 | 867 | 53 | 132,375 | 76 | - | - | - | - | 138,003 |
| CMP Power | 419,272 | 90,892 | 5,689 | 89,156 | 22,585 | 22,474 | 27,232 | 25,775 | 103,261 | 806,206 |
| Cross Roads | 160,499 | 35,360 | 996 | 335,129 | 8,632 | 18,656 | 4,249 | 19,814 | 23,431 | 606,666 |
| Hope Springs - Friedens | 271,212 | 74,506 | 51,453 | 33,886 | 4,532 | 22,478 | 3,353 | 18,945 | 1,162 | 481,327 |
| Hope Springs - Almond | 275,088 | 79,857 | 41,712 | 30,874 | 4,423 | 25,163 | 4,448 | 25,263 | 37,051 | 522,879 |
| NORTH CAROLINA Supported Adult | 1,703,554 | 391,175 | 58,735 | 353,507 | 64,442 | 226,045 | 54,952 | 162,741 | 17,874 | 3,033,025 |
| NEW JERSEY Supported Adult-Passaic County | 378,896 | 90,671 | 24,245 | 363,331 | 16,939 | 27,616 | 3,973 | 56,052 | 5,561 | 967,284 |
| Supported Adult-Ocean County | 709,944 | 162,301 | 69,687 | 544,389 | 55,865 | 115,590 | 12,233 | 72,693 | 69,873 | 1,812,465 |
| Supported Adult -Tri-County | 84,498 | 15,932 | 8,805 | 37,585 | 8,253 | 36,394 | 4,059 | 27,937 | 65,254 | 288,717 |
| Canaden Housing Program | 195,924 | 50,831 | 3,873 | 169,878 | 4,681 | 72,458 | 7,334 | 56,872 | 66,949 | 628,800 |
| LOUISIANA New Options for Women | 416,116 | 97,990 | 20,155 | 67,106 | 8,236 | 39,789 | 7,892 | 26,038 | 817 | 684,139 |
| Family House | 440,808 | 110,239 | 15,814 | 168,399 | 10,716 | 66,049 | 1,585 | 14,066 | 34,848 | 862,524 |
| Pathways | 331,845 | 76,758 | 6,525 | 154,190 | 14,684 | 93,642 | 11,248 | 38,441 | - | 727,333 |
| MCS/ACT | 1,485,239 | 277,848 | 486,134 | 115,968 | 110,594 | 233,697 | 104,873 | 73,837 | 134,717 | 3,022,907 |
| Jefferson Parish Outreach | 99,565 | 21,685 | 609 | 4,891 | 11,898 | 19,092 | 3,523 | 12,737 | 5,674 | 173,774 |
| FTAP Peer Monitor | 181,468 | 37,045 | 14,750 | 18,662 | 7,436 | 3,329 | 22,580 | 288 | 659 | 286,217 |
| Project Safety Net | 44,235 | 10,457 | 9,577 | 2,796 | 1,948 | 5,595 | 465 | 5,640 | 1,400 | 79,913 |
| LA Housing Support Team | 172,074 | 40,685 | 4,038 | 14,072 | 7,410 | 8,649 | 14,346 | 4,820 | 10,374 | 278,468 |
| MASSACHUSETTS Axis Residential & Day Programs | 3,178,904 | 845,040 | 14,821 | 827,274 | 58,792 | 286,226 | 36,546 | 215,322 | 24,069 | 5,486,994 |
| RHODE ISLAND | 838,071 | 235,563 | 6,753 | 118,365 | 6,793 | 48,406 | 35,200 | 8,196 | 2,279 | 1,299,626 |
| CONNECTICUT | 4,318,230 | 1,016,322 | 275,193 | 621,913 | 99,662 | 229,378 | 208,737 | 419,445 | 71,644 | 7,361,524 |
| FLORIDA Tallahassee | 86,748 | 20,458 | 3,615 | 8,896 | 3,820 | 4,425 | 1,918 | 5,170 | - | 135,050 |
| Defunk Day Program | 253,806 | 74,423 | 1,513 | 31,486 | 12,599 | 21,281 | 4,420 | 25,176 | - | 424,704 |
| Bay Area Alliance Jacksonville | 575,668 | 171,822 | 3,091 | 109,680 | 18,857 | 66,337 | 5,349 | 66,337 | 598 | 1,014,339 |
| Volusia Ft. Lauderdale | 1,244,734 | 382,624 | 6,270 | 204,082 | 16,859 | 132,809 | 12,365 | 119,783 | 2,998 | 2,122,524 |
| | 553,046 | 152,063 | 58,561 | 19,139 | 19,139 | 64,433 | 11,060 | 60,140 | 835 | 997,319 |
| | 288,499 | 98,129 | 1,010 | 42,895 | 9,190 | 74,661 | 6,554 | 38,124 | 2,095 | 558,157 |
| MISSOURI | 513,682 | 96,384 | 6,908 | 59,347 | 11,445 | 53,309 | 57,197 | 34,219 | 69,539 | 892,030 |
| TENNESSEE | 4,637,782 | 1,215,053 | 59,429 | 372,380 | 73,178 | 130,983 | 178,173 | 262,011 | 14,350 | 6,943,339 |

The accompanying notes are an integral part of these consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENDITURES
YEAR ENDED JUNE 30, 2009

| Program | SALARIES | BENEFITS | FEES AND SERVICES | OCCUPANCY | COMMUNICA-TIONS | PROGRAM SUPPLIES | TRAVEL MISC | SMALL EQUIPMENT & MAINTENANCE | PROPERTY AND EQUIPMENT | TOTAL |
|--|----------------------|----------------------|---------------------|----------------------|---------------------|---------------------|---------------------|-------------------------------|------------------------|-----------------------|
| DELAWARE | | | | | | | | | | |
| Wilmington NOW | 478,302 | 107,896 | 18,508 | 114,190 | 7,230 | 66,490 | 14,833 | 23,752 | 2,966 | 836,167 |
| Brandywine Hills | 362,229 | 76,273 | 20,585 | 60,958 | 5,356 | 44,051 | 2,294 | 14,951 | - | 586,697 |
| DE Passages | 655,904 | 138,632 | 28,929 | 150,991 | 11,339 | 77,969 | 6,319 | 41,580 | 8,140 | 1,119,803 |
| Choices | 107,619 | 24,358 | - | 916 | 12 | - | - | - | - | 132,905 |
| Mainstay Delaware | 1,071,784 | 251,227 | 23,707 | 97,682 | 23,794 | 92,290 | 10,355 | 13,069 | 37,416 | 1,621,324 |
| MARYLAND | | | | | | | | | | |
| FAMILY PRACTICE AND COUNSELING NETWORK | 580,749 | 131,020 | 148,506 | 8,575 | 8,523 | 75,872 | 2,451 | 11,004 | 1,353 | 968,053 |
| CHESTER COUNTY SO | 5,218,666 | 1,018,536 | 2,593,545 | 671,822 | 109,435 | 582,119 | 367,691 | 177,228 | 453,230 | 11,192,272 |
| CHESTER YOUTH BUILD | 20,920 | 3,017 | 4,300 | 442 | 40 | 760 | 6,548 | 994 | - | 37,021 |
| CHESTER YOUTH BUILD DOL | 180,224 | 35,989 | 30,367 | 42,173 | 8,661 | 36,669 | 10,157 | 16,349 | 11,358 | 372,147 |
| SUMMER SERVICE YOUTH CORPS | 290,087 | 55,245 | 7,466 | 61,632 | 4,842 | 22,057 | 4,919 | 2,047 | - | 448,295 |
| NEW START 1 & 2 | 9,581 | 1,102 | - | - | - | 1,858 | 237 | - | - | 12,784 |
| POINT TO POINT | 849,703 | 214,250 | 63,210 | 178,482 | 21,724 | 113,394 | 4,265 | 54,605 | 10,395 | 1,510,028 |
| HEALING AJAX | 1,004,603 | 219,113 | 5,352 | 113,113 | 50,356 | 12,526 | 410,009 | 264,672 | 110,524 | 2,190,368 |
| NEW BEGINNINGS | 436,943 | 96,440 | 47,047 | 36,940 | 41 | 3,432 | 7,377 | 25,596 | 5,091 | 60,147 |
| FUTURE SEARCH | 28,445 | 7,270 | 750,964 | 7,728 | 87,671 | 151,123 | 73,006 | 50,295 | 86,128 | 1,222,554 |
| ENDOW-A-HOME | 181,867 | 39,807 | 18,304 | 241,435 | 6,660 | 8,262 | 1,243 | - | - | 634,221 |
| AFFORDABLE HOUSING | 44,913 | 7,158 | 8,858 | 41,484 | 1,028 | - | 2,537 | 191,362 | - | 297,310 |
| MISCELLANEOUS | 462,651 | 92,897 | 1,430 | 134,458 | 12,332 | 25,267 | 139,246 | 14,727 | 2,199 | 885,202 |
| Grand Totals | 87,084,658 | 21,470,463 | 9,598,701 | 15,483,689 | 2,267,625 | 7,678,282 | 2,808,282 | 5,532,274 | 2,230,057 | 154,154,033 |
| Property and equipment capitalized | - | - | (35,193) | - | - | - | (26,862) | - | (2,230,073) | (2,292,127) |
| Change in inventory costs capitalized | - | - | (8,858) | (27,873) | (10) | - | (2,350) | (182,676) | 161,125 | (60,642) |
| Depreciation and amortization expense | - | - | - | - | - | - | - | - | 2,187,108 | 2,187,108 |
| Long term debt principal payments made | - | - | - | (55,538) | - | - | 3,325 | - | (597) | (52,213) |
| Interunit charges | - | - | (225,358) | (691,227) | - | - | (32,025) | (739,032) | - | (1,687,642) |
| Vacation accrual | 188,737 | 26,159 | - | - | - | - | - | - | - | 214,896 |
| Elimination of program fundraising costs | (154,703) | (34,062) | - | 131,000 | (23,633) | - | - | - | - | (212,398) |
| Other consolidated entities | - | - | - | (131,000) | - | - | - | - | - | (131,000) |
| Elimination of consolidated activity | - | - | - | (131,000) | - | - | - | - | - | (131,000) |
| Total Program | \$ 87,118,692 | \$ 21,462,560 | \$ 9,329,293 | \$ 14,709,061 | \$ 2,243,982 | \$ 7,678,282 | \$ 2,749,370 | \$ 4,610,566 | \$ 2,247,620 | \$ 152,249,425 |
| Management and general | | | | | | | | | | |
| Depreciation and amortization expense | - | - | - | - | - | - | - | - | 2,440,442 | 2,440,442 |
| Property and equipment capitalized | - | - | - | - | - | - | - | - | 1,891,232 | 1,891,232 |
| Long term debt principal payments made | - | - | - | - | - | - | - | - | (2,440,442) | (2,440,442) |
| Elimination of admin fundraising costs | - | - | - | (93,400) | - | - | (9,299) | - | - | (93,400) |
| Other consolidated entities | (71,938) | (14,853) | - | - | - | - | 8,040 | - | - | (66,900) |
| Elimination of consolidated activity | - | - | - | - | - | - | (77,119) | - | - | (77,119) |
| Total management and general | \$ 11,039,051 | \$ 3,295,881 | \$ 1,413,306 | \$ 1,519,430 | \$ 385,119 | \$ 382,248 | \$ 1,144,874 | \$ 539,674 | \$ 1,891,232 | \$ 21,609,735 |
| Fundraising | | | | | | | | | | |
| | \$ 226,641 | \$ 48,915 | \$ - | \$ - | \$ 23,633 | \$ - | \$ 9,299 | \$ - | \$ - | \$ 308,488 |

The accompanying notes are an integral part of these consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2010 AND 2009

| | 2010 | 2009 |
|--|-------------|----------------|
| Cash flows from operating activities: | | |
| Changes in total net assets before noncontrolling interests | \$ 747,022 | \$ (2,107,941) |
| Adjustments to reconcile changes in total net assets before noncontrolling interests to net cash provided by operating activities: | | |
| Noncontrolling interests in net losses of investments | (163,244) | (116,932) |
| Loss (gain) on disposition of property and equipment | 11,302 | (49,221) |
| Net increase in allowances for doubtful accounts and uncollectible advances and loans | 912,259 | 239,738 |
| Depreciation and amortization | 4,679,188 | 4,316,999 |
| Equity in net losses of investments | 105,087 | 934,659 |
| Deferred credit forgiveness | (3,000) | (3,000) |
| Change in fair value of interest rate swap | 125,969 | 318,061 |
| Changes in operating assets and liabilities: | | |
| (Increase) decrease in: | | |
| Accounts receivable | (4,375,924) | (3,807,334) |
| Inventory | 477,920 | (210,939) |
| Prepaid expenses | (136,126) | (289,715) |
| Other assets | 164,613 | 129,801 |
| Increase (decrease) in: | | |
| Accounts payable and accrued expenses | 1,372,410 | 1,095,049 |
| Deferred revenue | 728,357 | 323,410 |
| Contract advances | (148,058) | (715,059) |
| Retirement liabilities | 211,461 | 266,317 |
| | 4,709,236 | 323,893 |
| Cash flows from investing activities: | | |
| Net decrease in equity investments in companies | 291,340 | 417,235 |
| Acquisitions of property and equipment | (3,808,798) | (4,839,015) |
| Proceeds from sale of property and equipment | 126,932 | 241,900 |
| Net (issuances) collection of advances and loans | (640,410) | 251,586 |
| | (4,030,936) | (3,928,294) |

The accompanying notes are an integral part of these consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED JUNE 30, 2010 AND 2009

| | <u>2010</u> | <u>2009</u> |
|--|---------------------|---------------------|
| Cash flows from financing activities: | | |
| Net (payments) proceeds on lines of credit and short-term borrowings | (61,000) | 2,685,000 |
| Principal payments on long-term debt | (960,196) | (993,719) |
| Proceeds received from deferred credits | - | 57,000 |
| Principal payments on capital lease obligations | - | (597) |
| Distribution to noncontrolling interest | <u>(16,665)</u> | <u>-</u> |
| Net cash (used in) provided by financing activities | <u>(1,037,861)</u> | <u>1,747,684</u> |
| Net decrease in cash and cash equivalents | (359,561) | (1,856,717) |
| Cash and cash equivalents, beginning | <u>796,275</u> | <u>2,652,992</u> |
| Cash and cash equivalents, ending | <u>\$ 436,714</u> | <u>\$ 796,275</u> |
| Supplemental disclosure of cash flow information: | | |
| Cash paid for interest | <u>\$ 1,023,770</u> | <u>\$ 1,041,347</u> |
| Taxes paid | <u>\$ 15,969</u> | <u>\$ 1,089</u> |
| Supplemental disclosure of noncash investing and financing activities: | | |
| Debt incurred for the acquisition of property and equipment | <u>\$ 76,700</u> | <u>\$ -</u> |
| Decrease in long-term commitment and related investment | <u>\$ 30,716</u> | <u>\$ 166,273</u> |

The accompanying notes are an integral part of these consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009

1. Summary of significant accounting policies

Nature of activities

Resources for Human Development, Inc. (RHD) is a comprehensive social services organization. Its mission is to empower the most vulnerable and marginalized members of our society as they build the highest level of independence possible. RHD oversees and supports 160 locally-managed programs in 13 states, which help more than 28,000 people each year. These innovative and effective programs specialize in helping people who have mental illnesses or developmental disabilities, homeless individuals and families, people rejoining society after incarceration, and people with histories of substance abuse so that they may build better lives for themselves, their families, and their communities. Program areas also encompass these community needs: arts, culture and humanities, community commerce, community improvement and capacity building, crime prevention, education, employment readiness and job training, environmental quality, health care, homelessness prevention, behavioral health, substance abuse, intellectual disabilities, reintegration after incarceration, volunteer development, and youth development, wellness, and education.

Through its for-profit subsidiaries, RHD operates programs primarily designed to lend capital to and invest capital in businesses which are located in and employ people from economically challenged areas. Furthermore, RHD, through a for-profit subsidiary, holds a majority interest in a "closed-door" pharmacy dedicated to providing high quality pharmaceutical services to both RHD managed and non-RHD managed health care facilities in the greater Philadelphia area as well as out of state. The pharmacy uses a share of its profits and dividends to donate funds to the health care community.

Basis of presentation

The accompanying consolidated financial statements include the accounts of RHD, its for-profit subsidiaries, Murex Corporation (Murex) 100% owned by RHD, Murex Investments, Inc. (Murex Investments) 93% owned by RHD, and its related not-for-profit organizations, The SQ Foundation (SQ) and The Non-profit Housing Corporation of Pennsylvania (NPHO) (collectively referred to hereafter as "the Organization"). The consolidated financial statements have been prepared in accordance with the audit guide published by the American Institute of Certified Public Accountants, Audit and Accounting Guide for Not-for-Profit Organizations, as required for Voluntary Health and Welfare Organizations. Inter-company investments, advances and transactions have been eliminated.

Other operating expenditures included in the consolidated statements of unrestricted revenues, expenditures and other changes in unrestricted net assets relate to the operating expenses of the for-profit subsidiaries.

Accounting principles generally accepted in the United States require not-for-profit organizations to distinguish between contributions received that increase permanently restricted net assets, temporarily restricted net assets and unrestricted net assets.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2010 AND 2009

1. Summary of significant accounting policies (continued)

Basis of presentation (continued)

Donated space, goods, and certain services are required to be reported at their fair market value in the year that they are contributed. The Organization records in-kind income and expenses for reporting to its funding sources in accordance with the associated contract requirements. The contract requirements for reporting donated services differ from generally accepted accounting principles. Accordingly, only a portion of the amounts reported to funding sources have been recorded as donated services in the accompanying consolidated financial statements.

Contracts and grants

Revenue from government contracts and grants, including overhead allowance, is generally recognized as the related expenses are incurred. The Organization has significant contracts and grants with various agencies of the federal and state governments, departments of the City of Philadelphia, and various counties in Pennsylvania.

Net assets

Net assets are categorized according to externally (donor) imposed restrictions. A description of the net asset categories is as follows:

Unrestricted net assets - are those assets that are available for the support of operations and whose use is not externally restricted.

Temporarily restricted net assets - are those assets whose use by the Organization has been limited by donors to a specific time period or purpose.

Permanently restricted net assets - are those assets whose use by the Organization is limited by donor-imposed stipulations that neither expire with the passage of time nor that can be fulfilled or otherwise removed by actions of the Organization. There were no permanently restricted net assets as of June 30, 2010 and 2009.

Restricted contributions received, whose restrictions are met in the same reporting period are reflected as unrestricted contributions. Restricted contributions received whose restrictions are for the purchase of property and equipment are released at a rate of the related depreciation of the property and equipment purchased.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2010 AND 2009

1. Summary of significant accounting policies (continued)

Concentrations of credit risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of temporary cash investments and receivables from governmental and other agencies. The receivables from governmental agencies are primarily obligations of the federal and various state governments, the City of Philadelphia and various counties. In addition, there are accounts receivable from third party managed care organizations that reimburse the Organization on behalf of governmental agencies.

Cash and cash equivalents

The Organization considers cash on hand, deposits with banks and short-term investments with original maturities of three months or less to be cash and cash equivalents.

Limited use cash

Representative payee cash funds are custodial funds that have been established to account for assets received by the Organization on behalf of certain clients of certain programs. These funds are expended at the discretion of the program directors, for the direct benefit of the individual clients. This amount is also included as a current liability, due to custodial clients.

Accounts receivable

Accounts receivable consist of amounts primarily due from federal, state and local governments as well as third party managed care organizations and are stated at the amount management expects to collect from balances outstanding at year end. Management has recorded an allowance for doubtful accounts based on their historical experience with accounts receivable collections.

Inventory

Inventory is recorded at the lower of cost, on a specific identification basis, or market (net realizable value) and consists primarily of residential properties purchased for resale and related construction-in-progress. Through its affordable housing programs, the Organization purchases, renovates and sells homes, primarily to eligible low-income families. Inventory also consists of prescription and over-the-counter drugs used in the Organization's closed-door pharmacy and outpatient health centers.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2010 AND 2009

1. Summary of significant accounting policies (continued)

Property and equipment and depreciation and amortization

Property and equipment are recorded at cost. Provisions for depreciation and amortization are made over the estimated useful lives, ranging from 3 to 40 years, of the respective assets using the straight-line method. Maintenance and repairs are charged to activities as incurred. A substantial portion of capital assets has been purchased through grants and contracts. Such amounts received are included in support and revenue. Related expenditures are capitalized and depreciated over estimated lives when title to the related assets is held by the Organization.

Under certain program-funded agreements, ownership of property and equipment acquired with grantor funds is vested with and may revert back to the grantor under certain circumstances. However, due to the nature of the programs and the long-term relationships of the Organization with the grantors, management feels that the financial statements of the Organization are more accurate by capitalizing these assets.

Equity investments in companies

Equity investments in partnerships, limited liability companies and unconsolidated corporations are included in the accompanying consolidated financial statements using the equity and cost methods of accounting.

Deferred revenue

Deferred revenue consists primarily of program revenues received but not earned as of the date of the statements of financial position. Deferred revenues will be earned as the program conditions are met.

Vacation accrual

All eligible employees (including program employees) of the Organization are able to carry over unused earned vacation time. Employees are able until December 31st (changed from September 30th during the fiscal year ended June 30, 2010) to use vacation time earned as of June 30. At June 30, 2010 and 2009, \$2,140,492 and \$1,986,380, respectively, of program vacation expenses are included in accrued expenses. A portion of the vacation accrual related to program employees will ultimately be charged to and reimbursed by cost reimbursed programs, resulting in an accrual of program revenue of \$936,743 and \$903,724 at June 30, 2010 and 2009, respectively. At June 30, 2010 and 2009, there is \$1,203,749 and \$1,082,656, respectively, of vacation expense accrued for which no revenue or receivable was recorded as these amounts were incurred under fee-for-service contracts. At June 30, 2010 and 2009, \$456,673 and \$444,823, respectively, of administrative vacation expenses are also included in accrued expenses.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2010 AND 2009

1. Summary of significant accounting policies (continued)

Derivative instruments

Part of the Organization's interest rate risk management strategy is to stabilize cash flow requirements by maintaining interest rate swap contracts to convert certain variable-rate debt to a fixed rate. Interest rate swap contracts designated and qualifying as hedges against future cash flows are reported at fair value. The gain or loss on the hedges is reflected in changes in unrestricted net assets.

Tax status

RHD, SQ, and NPHO are exempt from federal, state and local income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state and local laws, therefore, no provision for income taxes has been made in the accompanying consolidated financial statements related to these entities. Murex and Murex Investments are for-profit corporations and are subject to federal, state and local taxation.

Use of estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Financial instruments

Generally accepted accounting principles require entities to disclose the estimated fair value of their financial instrument assets and liabilities. In addition to the derivative instruments identified above, the Organization has identified the following as financial instruments, all of which have carrying values which approximate fair value: cash and cash equivalents, accounts receivable, equity investments in and advances to companies, and long-term debt.

Noncontrolling interests

Noncontrolling interests reflect the equity of subsidiaries which are not owned by RHD or its subsidiaries.

Reclassification

Certain amounts in the 2009 financial statements have been reclassified to conform with the 2010 financial statement presentation.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2010 AND 2009

2. Unconditional promises to give

The Organization records unconditional promises to give when received. During the years ended June 30, 2010 and 2009, contributions were received with multiple year payment terms. These receivables were recorded at their present value using discount rates ranging from 3.25% to 5.0%.

| | <u>2010</u> | <u>2009</u> |
|--------------------------------------|-------------------|-------------------|
| Gross unconditional promises to give | \$ 272,748 | \$ 462,100 |
| Less unamortized discount | (<u>1,442</u>) | (<u>7,436</u>) |
| | \$ <u>271,306</u> | \$ <u>454,664</u> |
| Amounts due: | | |
| Within one year | \$ 232,748 | \$ 270,450 |
| Within two to five years | <u>38,558</u> | <u>184,214</u> |
| | \$ <u>271,306</u> | \$ <u>454,664</u> |

The current portion of this receivable is reported as part of accounts receivable at June 30, 2010 and 2009, with the remaining balance reported as other assets in the consolidated statements of financial position.

3. Property and equipment

The following is a summary of property and equipment (at cost) and accumulated depreciation and amortization.

| | <u>2010</u> | <u>2009</u> |
|--|----------------------|----------------------|
| Real estate and improvements | \$ 23,406,207 | \$ 22,898,028 |
| Leasehold improvements | 12,876,098 | 12,097,501 |
| Furniture and fixtures | 3,985,826 | 3,640,138 |
| Computer equipment and software | 5,363,822 | 4,716,638 |
| Automobiles | <u>7,363,250</u> | <u>6,599,278</u> |
| | 52,995,203 | 49,951,583 |
| Less accumulated depreciation and amortization | <u>28,997,346</u> | <u>25,021,802</u> |
| Property and equipment, net | \$ <u>23,997,857</u> | \$ <u>24,929,781</u> |

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2010 AND 2009

3. Property and equipment (continued)

Depreciation and amortization expense for the year:

| | <u>2010</u> | <u>2009</u> |
|------------------------|---------------------|---------------------|
| Program | \$ 2,398,023 | \$ 2,187,108 |
| Management and general | 2,011,921 | 1,891,232 |
| Other operating | <u>269,244</u> | <u>238,659</u> |
| | \$ <u>4,679,188</u> | \$ <u>4,316,999</u> |

Equipment purchased through grants and contracts amounted to \$2,101,437 and \$2,230,060 for the years ended June 30, 2010 and 2009, respectively.

4. Equity investments in companies and noncontrolling interests

The Organization has investments in the following companies either individually or through its for-profit subsidiaries, Murex and Murex Investments:

| <u>Company name</u> | <u>Percentage of ownership</u> |
|--|--------------------------------|
| Absolute Computer Support | 30.00 |
| CSS Staffing, Inc. | 30.00 |
| Laptop Service Center | 30.00 |
| Lighthouse Ventures | 30.00 |
| SURF Investments, LTD | 30.00 |
| Murex Capital, LP | 27.30 |
| Murex Capital II, LP | 33.30 |
| Murex Investments I, LP | 42.72 |
| Murex Investments, LLC | 20.00 |
| Murex Investments II, LLC | 20.00 |
| Brother's Keepers Hope Improvements, LLC | 40.00 |
| Other miscellaneous investments | .01-1.00 |

Aggregate cost and carrying values of the investments are as follows:

| | <u>2010</u> | <u>2009</u> |
|---|----------------------|----------------------|
| Original investments | \$ 4,301,370 | \$ 4,251,270 |
| Accumulated allocated net losses, distributions, and return of capital | (<u>3,258,891</u>) | (<u>2,781,648</u>) |
| | 1,042,479 | 1,469,622 |
| Direct write off of investments | (<u>100</u>) | (<u>100</u>) |
| Equity investments in companies | \$ <u>1,042,379</u> | \$ <u>1,469,522</u> |

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2010 AND 2009

4. Equity investments in companies and noncontrolling interests (continued)

Over the past several years, the Organization has received donor designated grants and donations for the purpose of investing in companies through Murex and Murex Investments, to promote economic and job development in specified areas in Pennsylvania. These companies are typically considered risky based on their current financial position and inability to receive additional financing from their banks. During the years ended June 30, 2010 and 2009, the Organization recognized approximately \$105,000 and \$935,000, respectively, of net losses from investments.

The Organization accounts for most of its investments using the equity method, even some in which they own less than 20%. In most cases, the Organization exercises significant influence and in those investments in which it owns less than 20%, the equity method approximates the cost method. The Organization uses the cost method in cases in which they own less than 20% and do not exercise significant influence. The Organization's losses are limited to the extent of their capital contributions.

The noncontrolling interest in Murex Investments consists of a 7% non-voting common stock ownership by another investor as of June 30, 2010 and 2009. The Organization owns all of the voting equity of this subsidiary. As of June 30, 2010 and 2009, this noncontrolling interest was \$0.

Effective July 1, 2009, Murex adopted new authoritative guidance for noncontrolling interests in consolidated financial statements. This guidance requires, among other things, that the ownership interest in subsidiaries be clearly identified and presented in the consolidated statement of financial position within equity/net assets, but separate from the parent's equity/net assets. As such, a reclassification was made to beginning total net assets as of July 1, 2008 to reflect this change in the statement of changes in net assets.

There are three investments of Murex in which there is a noncontrolling interest. Murex has control of the companies but only the majority ownership of one. Control results from the Organization's appointment of management or members of the board of directors. The noncontrolling interests own 99%, 99.9%, and 33.3% of the equity of the companies.

5. Advances and loans

The Organization through its for-profit subsidiaries, Murex and Murex Investments, has made loans and advances to certain partnerships and companies. In addition, the Organization, through its subsidiary, Murex Investments, has made loans to certain companies in which it has an equity interest. Murex and Murex Investments invests in certain companies located in distressed areas of Philadelphia, Pennsylvania. Its investees adhere to certain principles, including a minimum level of hiring local people from welfare, a minimum wage in excess of the applicable minimum wage, and the sharing of profits with the employees. The major sources of funds for investing in and lending to these companies were restricted grants and donations. The investments in these companies are accounted for using the equity method of accounting.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2010 AND 2009

5. Advances and loans (continued)

The nature of the significant loans are as follows:

| | <u>2010</u> | <u>2009</u> |
|---|-------------|-------------|
| Various advances to affiliated entities in which the Organization or its subsidiaries has an ownership interest or control. These advances have no repayment terms. | \$ 340,634 | \$ 325,632 |
| Note receivable to three partnerships in which Murex is a partner. The note bears interest at 1% over prime rate, 4.25% at June 30, 2009 and was due on demand. | - | 3,000 |
| Note receivable to a company in which Murex is a partner. This note is payable on demand and bearing an interest rate at 1% over prime rate, 4.25% at June 30, 2010 and 2009. | 205,000 | 50,000 |
| Note receivable to an affiliated entity, payable on demand and bearing an interest rate of 4.72%. | 66,000 | 66,000 |
| Note receivable to a company in which Murex is a partner. This note is payable in monthly installments of \$1,000, plus interest at 7%. This note will become due in full March 2013. | 73,939 | 83,300 |
| Various advances to companies, payable in monthly installments of principal ranging from \$209 to \$699 and bearing no interest. These notes become due in full in 2014. | 86,799 | 94,483 |
| Various advances to companies, payable on demand and bearing an 8% interest rate. | 49,997 | 46,146 |
| Note receivable to a company in which Murex is a partner. This note is payable no later than August 23, 2010 and bears interest at 5%. | 293,000 | - |
| Mortgage note receivable payable in monthly installments of \$403 and bearing interest at 4.625%. This note matures October 2039. | 77,581 | - |
| Mortgage note receivable payable in monthly installments of \$366 and bearing interest at 4.625%. This note matures April 2040. | 71,021 | - |

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2010 AND 2009

5. Advances and loans (continued)

| | | |
|--|-------------------|-------------------|
| Note receivable to an unrelated company, payable June 22, 2011 and bearing interest at 10%. | 5,000 | - |
| | | |
| Note receivable to an affiliated company, principal payable in installments beginning in July 2013 and bearing interest at 2%. This note matures June 2017. | <u>40,000</u> | <u>-</u> |
| | 1,308,971 | 668,561 |
| Less allowance for uncollectible advances and loans | (<u>93,880</u>) | (<u>93,880</u>) |
| | 1,215,091 | 574,681 |
| Less current portion | <u>355,684</u> | <u>57,753</u> |
| Long-term portion | \$ <u>859,407</u> | \$ <u>516,928</u> |

As noted above, the Organization has made advances that are due on demand. It is not the Organization's intention to call these advances for repayment during the fiscal year ending June 30, 2011 and they are therefore considered long-term assets on the consolidated statements of financial position.

6. Deferred income taxes and net operating loss carryforwards

Murex Investments has recorded deferred income tax assets resulting from net operating loss carryforwards, unrealized losses on investments, and allowances created against advances and loans to investees. As of June 30, 2010 and 2009, management has created a valuation allowance to account for the uncertainty that a portion of the deferred tax asset would be utilized.

The tax effects of temporary differences and carry forwards that give rise to deferred income tax assets consist of the following:

| | <u>2010</u> | <u>2009</u> |
|--|--------------------|--------------------|
| Net operating loss carry forwards | \$ 571,605 | \$ 594,825 |
| Unrealized losses on investments | 186,989 | 233,117 |
| Allowance on advances and loans to investees | <u>32,858</u> | <u>32,858</u> |
| | | |
| Deferred income tax assets | 791,452 | 860,800 |
| Valuation allowance | (<u>477,185</u>) | (<u>546,533</u>) |
| | \$ <u>314,267</u> | \$ <u>314,267</u> |

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2010 AND 2009

6. Deferred income taxes and net operating loss carryforwards (continued)

Deferred income tax assets are included in other assets in the consolidated statements of financial position.

Murex Investments has net operating loss carryforwards of approximately \$1,600,000 as of June 30, 2010 which are available to offset future federal taxable income. These carryforwards will begin to expire in 2024.

Provisions for income tax benefits are included in interest and miscellaneous income on the consolidated statements of unrestricted revenues, expenditures and other changes in unrestricted net assets and consist of the following components:

| | <u>2010</u> | <u>2009</u> |
|---------------------------------------|--------------------------|--------------------------|
| Deferred income tax (expense) benefit | \$ (69,348) | \$ 322,305 |
| Change in valuation allowance | <u>69,438</u> | (<u>322,305</u>) |
| | \$ (<u> </u>) | \$ (<u> </u>) |

7. Lines of credit and short-term borrowings

The Organization has lines of credit and short-term borrowings as follows:

| | <u>2010</u> | <u>2009</u> |
|---|---------------------|---------------------|
| * Line of credit of \$20,000,000 with two banks; interest on borrowings under this agreement is based on the lower of prime rate less 1.0% or LIBOR +2.0%. The effective interest rate at June 30, 2010 and 2009 was 2.25%. It is collateralized by accounts receivable and other assets of the Organization. | \$ 2,610,000 | \$ 2,679,000 |
| Line of credit of \$650,000 with a bank; interest on borrowings under this agreement is prime rate plus 1.0%; the effective interest rate at June 30, 2010 and 2009 was 4.25%; the line is collateralized by all personal property of SQA Pharmacy. | <u>511,000</u> | <u>503,000</u> |
| | \$ <u>3,121,000</u> | \$ <u>3,182,000</u> |

* On November 30, 2010, the commitment on the above line of credit was extended through April 30, 2011. The terms of the extension include an increase in maximum borrowings to \$22,000,000 and an adjustment of the interest rate on the borrowings to LIBOR + 3.0%.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2010 AND 2009

7. Lines of credit and short-term borrowings (continued)

The Organization was obligated under outstanding letters of credit of \$2,962,525 and \$3,002,525 at June 30, 2010 and 2009, respectively.

8. Long-term debt

| | <u>2010</u> | <u>2009</u> |
|---|-------------|--------------|
| RHD: | | |
| Mortgage notes, payable in monthly installments ranging from \$0 to \$3,219, mostly including interest ranging from 1.0% to 8.75%, collateralized by various properties, maturing at various times from September 2010 through February 2040. | \$5,858,294 | \$ 5,938,811 |
| Note payable, interest and principal due monthly, interest at LIBOR plus 1.5% through 2018 (effective rate was 1.85% and 1.82% at June 30, 2010 and 2009, respectively), collateralized by accounts receivable and other assets. | 5,131,550 | 5,598,418 |
| Note payable, interest due semi-annually at 4.0%, principal due September, 2010. | 50,000 | 50,000 |
| Note payable, interest due semi-annually at 3%, principal due February, 2012. This debt was forgiven during FY 2010. | - | 15,000 |
| Note payable, interest due at 3%, principal due September, 2012. This debt was forgiven during FY 2010. | - | 25,000 |
| Murex Corporation: | | |
| Mortgage notes, payable in monthly installments ranging from \$0 to \$21,841, mostly including interest ranging from 1% to 7.1%, collateralized by rental property and equipment, maturing at various times from June, 2027 through December, 2028. | 4,138,175 | 4,206,272 |
| Mortgage notes, payable in monthly installments ranging from \$0 to \$4,428, mostly including interest ranging from 1% to 10.5%, collateralized by income producing assets, maturing at various times from year 2021 through 2035. | 587,994 | 598,008 |

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2010 AND 2009

8. Long-term debt (continued)

Murex Investments:

| | | |
|---|----------------------|----------------------|
| Notes payable, interest due semi-annually based on the participating percentage of operating distributions received from Murex Investments I, LP, outstanding principal due on March 24, 2017, collateralized by a participating interest in the investment in Murex Investments I, LP. | <u>996,286</u> | <u>1,214,286</u> |
| | 16,762,299 | 17,645,795 |
| Less current portion | <u>799,553</u> | <u>726,682</u> |
| Long-term portion | <u>\$ 15,962,746</u> | <u>\$ 16,919,113</u> |

Maturities of long-term debt over the next five years and thereafter are as follows:

| <u>Year ending June 30,</u> | |
|-----------------------------|---------------------|
| 2011 | \$ 799,553 |
| 2012 | 990,282 |
| 2013 | 1,185,104 |
| 2014 | 1,175,571 |
| 2015 | 940,486 |
| Thereafter | <u>11,671,303</u> |
| | <u>\$16,762,299</u> |

Interest expense for the years ended June 30, 2010 and 2009 was \$1,125,086 and \$1,152,584 respectively.

As noted above, the Organization has a note payable which bears interest at LIBOR plus 1.5%. However, the Organization entered into an interest rate swap contract that effectively converts the interest rate on the note to 6.45%. The Organization pays interest on the note based on the current interest rate terms. In addition, under the swap agreement, the Organization either pays or receives additional amounts on the outstanding notional amount based on the relationship of the current interest rate terms to 6.45%. The notional amount under the swap decreases as principal payments are made on the note so that the notional amount equals the principal outstanding under the note. The swap is designed to hedge the risk of changes in interest payments on the note caused by changes in LIBOR.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2010 AND 2009

8. Long-term debt (continued)

The swap was issued at market terms so that it had no fair value at its inception. The carrying amount of the swap has been adjusted to its fair value at the end of the year, which because of changes in forecasted levels of LIBOR resulted in reporting a liability for the fair value of the future net payments forecasted under the swap. As of June 30, 2010 and 2009, the fair value of the swap liability was \$654,526 and \$528,557, respectively, and is included in other liabilities in the consolidated statements of financial position. The liability is classified as noncurrent since management does not intend to discontinue the swap contract during fiscal year 2011.

9. Deferred credits

The Organization has received grants/loans from various governmental agencies for acquiring and/or rehabilitating properties for specified purposes. If the conditions of each grant/loan agreement are met, these balances will be forgiven over periods ranging from 15 to 30 years. The grants/loans bear no interest except in the event of default. No interest has been accrued because it is the intention of the Organization to comply with all related conditions. The deferred credit balances are as follows:

| | <u>2010</u> | <u>2009</u> |
|---|-------------------|-------------------|
| First Trust Savings (originated June, 1998 to be forgiven at the rate of 3.4% per year over a 30-year period ending June, 2027) | \$ 51,000 | \$ 54,000 |
| Montgomery County Home Program (originated June, 1996 to be forgiven in July, 2011) | <u>68,333</u> | <u>68,333</u> |
| | \$ <u>119,333</u> | \$ <u>122,333</u> |

10. Lease commitments

The Organization leases various buildings and equipment under leasing arrangements expiring through the year 2036. These leases are accounted for as operating leases. Generally, leases with terms beyond one year contain defunding clauses which allow the Organization to terminate a lease, within 90 days of the loss of government funding. Future minimum annual rentals required under lease arrangements at June 30, 2010 are as follows:

| <u>Year ending June 30,</u> | |
|-----------------------------|----------------------|
| 2011 | \$ 4,580,822 |
| 2012 | 3,818,966 |
| 2013 | 2,902,408 |
| 2014 | 2,103,211 |
| 2015 | 2,036,073 |
| Thereafter | <u>2,506,474</u> |
| Total | \$ <u>17,947,954</u> |

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2010 AND 2009

10. Lease commitments (continued)

The Organization also maintains numerous leases with terms of up to one year which are not included in the above schedule. Rent expense for the years ended June 30, 2010 and 2009 totaled \$11,220,191 and \$10,162,606, respectively.

11. Captive and self-insurance

The Organization belongs to a captive insurance program, which covers workers compensation and automobile insurance. Excess insurance policies are maintained with respect to the various self-insurance plans, and claims are handled by third-party administrators. Included in accounts payable and accrued expenses at June 30, 2010 and 2009 is \$2,556,459 and \$2,295,821, respectively, for future claims for all self-insurance coverage, which represents an estimate by management. The ultimate cost, however, will depend on the extent of future claims.

The Organization is also self-insured for unemployment claims in certain states, and therefore is responsible for paying actual unemployment claims as they are incurred. As a result, approximately \$4,219,000 and \$3,491,000 is included in accrued expenses as of June 30, 2010 and 2009, respectively, as a reserve for potential future unemployment claims. This also is an estimate by management and the ultimate cost will depend on the extent of future claims.

12. Retirement plans

Deferred compensation plan

The Organization has implemented a non-qualified deferred compensation plan in accordance with Internal Revenue Service Code Section 457. In order to receive a payment under this plan, an employee must have both worked full-time for the Organization for 25 years and have attained the age of 65. The benefit amount is equal to the annual salary that the employee was receiving on the later of the dates on which the employee completes 25 years of service or attains the age of 65. It will be paid to the employee in four annual installments beginning in the year the employee attains both criteria. At June 30, 2010 and 2009, the liability associated with this benefit is \$658,292 and \$536,114, respectively. The current portion of this liability is \$167,160 and \$122,093, respectively, and has been included in accrued expenses.

Medical retirement plan

In fiscal year 2008, the Organization implemented a non-qualified medical retirement plan. In order to receive a payment under this plan, an employee must have worked full-time for the Organization for 10 years, attained the age of 65, and have fully retired. The benefit amount for eligible expenditures is based on the number of years of service, ranges from \$3,000 to \$6,000 per year and is paid over the course of 2 to 10 years. At June 30, 2010 and 2009, the liability associated with this benefit is \$421,801 and \$269,649, respectively. The current portion of this liability is \$25,600 and \$7,800, respectively, and has been included in accrued expenses.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2010 AND 2009

12. Retirement plans (continued)

Pension plan

The Organization maintains a "403(b)" plan for the benefit of its employees. Employee participation is voluntary and contributions by the employees are pursuant to salary reduction. The Organization does not match employee contributions.

13. Temporarily restricted net assets

Temporarily restricted net assets are restricted for the following as of June 30, 2010 and 2009:

| | <u>2010</u> | <u>2009</u> |
|--|---------------------|---------------------|
| Restricted for the purchase of property and equipment and related depreciation | \$ 627,113 | \$ 894,866 |
| Restricted for program purpose | 1,308,271 | 1,446,139 |
| Social investment | 798,825 | 1,044,471 |
| Time restrictions | <u>147,961</u> | <u>226,529</u> |
| Total | \$ <u>2,882,170</u> | \$ <u>3,612,005</u> |

14. Support - various states

A breakdown of support from various states is as follows:

| | <u>Years ended June 30,</u> | |
|----------------|-----------------------------|----------------------|
| | <u>2010</u> | <u>2009</u> |
| Connecticut | \$ 6,887,197 | \$ 7,123,931 |
| Delaware | 5,315,345 | 4,689,145 |
| Florida | 5,265,604 | 5,285,208 |
| Louisiana | 6,928,828 | 6,445,455 |
| Maryland | 1,272,878 | 1,084,863 |
| Massachusetts | 5,680,925 | 5,789,087 |
| Missouri | 2,487,160 | 789,044 |
| New Jersey | 4,712,502 | 3,979,456 |
| North Carolina | 3,106,624 | 3,383,058 |
| Pennsylvania | 43,898,526 | 5,201,103 |
| Rhode Island | 1,702,260 | 1,402,473 |
| Tennessee | 7,804,388 | 7,602,696 |
| Virginia | <u>127,385</u> | <u>30,440</u> |
| Total | \$ <u>95,189,622</u> | \$ <u>52,805,959</u> |

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2010 AND 2009

14. Support - various states (continued)

Intellectual Developmental Disability Services in Pennsylvania transitioned to fee for service effective July 1, 2009. During the current fiscal year, the Organization was contracted with the Commonwealth of Pennsylvania. In previous fiscal years, the Organization was contracted with the counties within the Commonwealth. This transition caused a shift of revenue from the individual counties – Philadelphia, Montgomery, and Other to the various states classification on the Statements of Unrestricted Revenues, Expenditures, and Other Changes in Unrestricted Net Assets.

15. Concentrations of credit risk

Programs operated by the Organization are primarily funded by various governmental agencies. The ability of the Organization to maintain its overhead structure and meet future financial commitments is dependent on the continued funding of these programs.

The Organization maintains cash balances at financial institutions located in various states. Accounts at an institution may, at times, exceed the Federally insured limits of \$250,000. As of June 30, 2010, approximately \$1,668,000 of cash balances exceeded insured limits.

16. Fair value measurements

The Organization's swap liability is reported at fair value in the accompanying financial statements as follows:

| | Fair value at June 30, 2010 | | | |
|----------------|-----------------------------|--------------|---------|--------------|
| | Level 1 | Level 2 | Level 3 | Total |
| Swap liability | \$ - | \$ (654,526) | \$ - | \$ (654,526) |
| | Fair value at June 30, 2009 | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| Swap liability | \$ - | \$ (528,557) | \$ - | \$ (528,557) |

Topic 820 of the FASB Accounting Standards Codification, Fair Value Measurements and Disclosures, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its derivatives. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are used only when Level 1 or Level 2 inputs are not available.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2010 AND 2009

17. Other commitments and contingencies

Litigation

The Organization is currently defending itself in several ongoing lawsuits. All estimated costs relating to these actions have been included in accrued expenses or are covered under existing insurance policies.

Guarantee commitment

The Organization has applied the disclosure provisions of Topic 460 of the FASB Accounting Standards Codification, "Guarantees", to its agreements that contain guarantee clauses. These disclosure provisions expand those required by Topic 450 of the FASB Accounting Standards Codification, "Contingencies", by requiring a guarantor to disclose certain types of guarantees, even if the likelihood of requiring the guarantor's performance is remote. Topic 460 requires the Organization to record the guarantee commitments as liabilities in the statement of financial position, starting with guarantees entered into after December 31, 2002, rather than simply disclosing the guarantee commitments in the financial statement footnotes. The following is a description of the arrangement in which the Organization is the guarantor.

The Organization has guaranteed that there will be funds available in an entity partially owned by Murex Investments over a ten year period to match similar amounts provided by the Small Business Administration (SBA). The entity will use these funds for technical assistance in its investment program. If the entity cannot generate funds equal to the funds provided by the SBA for paying its technical assistance costs, then the Organization must provide the funds. At June 30, 2010, the Organization has received restricted contributions and grants available to fund this project, if necessary. The present value of the liability at June 30, 2010 and 2009 was \$157,350 and \$188,066, respectively. The current portion of this liability at June 30, 2010 and 2009 is \$157,350 and \$165,000, respectively, and is reported as part of accrued expenses at June 30, 2010 and 2009, with the remaining balance, if applicable, reported as a long-term commitment in the consolidated statement of financial position.

Other commitments

SQA Pharmacy has a prime vendor agreement. This agreement provides that this vendor will be its primary provider of prescription and over-the-counter drugs purchased for resale.

18. Uncertain tax positions

The Organization has adopted the new accounting for uncertainty in income taxes guidance on July 1, 2009. The guidance requires entities to evaluate, measure, recognize and disclose any uncertain income tax positions taken on their respective returns. The adoption of that guidance by the Organization resulted in no change to net assets or the subsidiaries' retained earnings, deferred taxes, or accrued income taxes.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2010 AND 2009

18. Uncertain tax positions (continued)

As of June 30, 2010, The Organization believes that they have no unrecognized tax benefits or obligations. The Organization continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law, and new authoritative rulings.

The Organization files informational returns in accordance with federal and various state requirements. The Organization also files income tax returns related to its for-profit subsidiaries in the U.S. federal jurisdiction, multiple state and local jurisdictions. U.S. federal, state and local jurisdictions have statutes of limitation that generally range from three to seven years.

19. Subsequent events

The Organization has evaluated events and transactions for potential recognition or disclosure in the consolidated financial statements through January 3, 2011, the date on which the consolidated financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON
SUPPLEMENTAL INFORMATION**

Board of Directors and Officers
Resources for Human Development, Inc. and Subsidiaries

Our report on our audits of the basic consolidated financial statements of Resources for Human Development, Inc. and Subsidiaries as of and for the years ended June 30, 2010 and 2009 appears on page 6. Those audits were conducted for the purpose of forming an opinion on the basic consolidated financial statements of the Organization taken as a whole.

The accompanying supplemental information on pages 39 through 45 is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic consolidated financial statements taken as a whole.

The accompanying supplemental information on pages 46 through 107 is also presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. It includes only information of Resources for Human Development, Inc. and not its subsidiaries. Such information has been subjected to the auditing procedures applied in the audits of the basic consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic consolidated financial statements taken as a whole.

Philadelphia, PA
January 3, 2011

Shechtman Marks Devor PC

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2010

| | Resources for Human Development, Inc. | | | Other Entities | | | Total |
|---|---------------------------------------|----------------------|---------------------|---------------------|-------------------------|----------------------|----------------------|
| | Operating | Equipment | Social Investment | Murex Corporation | Murex Investments, Inc. | SQ Foundation & NPHO | |
| ASSETS | | | | | | | |
| Current assets: | | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ - | \$ 243,638 | \$ 132,480 | \$ 60,596 | \$ 436,714 |
| Limited use cash, representative payee cash funds | 1,015,617 | - | - | - | - | - | 1,015,617 |
| Accounts receivable, net of allowance for doubtful accounts of \$2,089,816 | 32,102,100 | 109,000 | - | 490,093 | 2,721 | 66,695 | 32,521,010 |
| Advances and loans, current portion | - | - | 290,000 | 327,373 | 31,505 | - | 355,684 |
| Inventory | 568,186 | - | - | 378,978 | - | - | 947,164 |
| Prepaid expenses | 900,869 | - | - | 567,935 | 2,624 | - | 1,471,428 |
| Interfund | - | - | 935,575 | - | - | - | (935,575) |
| Total current assets | 34,586,772 | 109,000 | 1,225,575 | 2,008,017 | 169,330 | 127,291 | 36,747,617 |
| Property and equipment, net | - | 18,254,858 | - | 5,742,999 | - | - | 23,997,857 |
| Equity investments in companies | 40,553 | - | 883,273 | 286,203 | 558,271 | - | 1,042,379 |
| Advances and loans, net of current portion and allowance for uncollectible advances and loans of \$93,880 | 6,092 | - | 1,358,857 | 535,983 | 993,541 | - | 859,407 |
| Other assets | 35,040 | 31,051 | - | 137,037 | 314,267 | - | 517,395 |
| Total assets | \$ 34,668,457 | \$ 18,394,909 | \$ 3,467,705 | \$ 8,710,239 | \$ 2,035,409 | \$ 127,291 | \$ 63,164,655 |

See selected notes to supplemental information.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION (CONTINUED)

JUNE 30, 2010

| | Resources for Human Development, Inc. | | | Other Entities | | | Total | |
|--|---------------------------------------|----------------------|---------------------|----------------------|---------------------|-------------------------|-------------------|-----------------------|
| | Operating | Equipment | Social Investment | Total | Murex Corporation | Murex Investments, Inc. | | SQ Foundation & NPHO |
| LIABILITIES AND NET ASSETS | | | | | | | | |
| Current liabilities: | | | | | | | | |
| Lines of credit and short-term borrowings | \$ 2,610,000 | \$ - | \$ - | \$ 2,610,000 | \$ 511,000 | \$ - | \$ - | \$ - |
| Current portion of long-term debt | - | 715,886 | - | 715,886 | 83,667 | - | - | - |
| Accounts payable and accrued expenses | 22,152,319 | - | 157,350 | 22,309,669 | 578,455 | 473,405 | 12,477 | (154,110) |
| Deferred revenue | 3,286,863 | - | - | 3,286,863 | 6,000 | - | - | - |
| Contract advances, current | 145,954 | - | - | 145,954 | - | - | - | - |
| Due to custodial clients | 1,015,617 | - | - | 1,015,617 | - | - | - | - |
| Interfund | 343,093 | 592,482 | - | 935,575 | - | - | - | (935,575) |
| Total current liabilities | 29,553,846 | 1,308,368 | 157,350 | 31,019,564 | 1,179,122 | 473,405 | 12,477 | (1,089,685) |
| Long-term liabilities: | | | | | | | | |
| Long-term debt, net of current portion | - | 10,273,959 | 459,010 | 10,732,969 | 4,642,501 | 996,286 | - | (409,010) |
| Contract advances, long-term | 226,628 | - | - | 226,628 | - | - | - | - |
| Deferred credits | - | 119,333 | - | 119,333 | - | - | - | - |
| Retirement liabilities | 887,331 | - | - | 887,331 | - | - | - | - |
| Other | 654,526 | - | - | 654,526 | 2,186,988 | 118,352 | 548,728 | (2,854,068) |
| Total liabilities | 31,322,331 | 11,701,660 | 616,360 | 43,640,351 | 8,008,611 | 1,588,043 | 561,205 | (4,352,763) |
| Stockholders' equity: | | | | | | | | |
| Common stock | - | - | - | - | 100 | - | - | (100) |
| Additional paid in capital | - | - | - | - | 415,000 | 4,106,010 | - | (4,521,010) |
| Accumulated deficit | - | - | - | - | (189,652) | (3,658,644) | - | 3,848,296 |
| Member's equity | - | - | - | - | 34,940 | - | - | (34,940) |
| Net assets: | | | | | | | | |
| Unrestricted | 1,889,894 | 6,066,136 | 2,052,520 | 10,008,550 | - | - | (433,914) | 821,162 |
| Temporarily restricted | 1,456,232 | 627,113 | 798,825 | 2,882,170 | - | - | - | - |
| Total net assets before noncontrolling interest | 3,346,126 | 6,693,249 | 2,851,345 | 12,890,720 | 260,388 | 447,366 | (433,914) | 113,408 |
| Noncontrolling interests | | | | | | | | |
| | - | - | - | - | 441,240 | - | - | - |
| Total net assets | 3,346,126 | 6,693,249 | 2,851,345 | 12,890,720 | 701,628 | 447,366 | (433,914) | 113,408 |
| Total liabilities and net assets | \$ 34,668,457 | \$ 18,394,909 | \$ 3,467,705 | \$ 56,531,071 | \$ 8,710,239 | \$ 2,035,409 | \$ 127,291 | \$ (4,239,355) |

See selected notes to supplemental information.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENTS OF CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2010

| | Resources for Human Development, Inc. | | | Other Entities | | | Total |
|---|---------------------------------------|--------------|-------------------|-------------------|-------------------------|----------------------|----------------|
| | Operating | Equipment | Social Investment | Murex Corporation | Murex Investments, Inc. | SQ Foundation & NPHO | |
| Unrestricted net assets: | | | | | | | |
| Total unrestricted support and revenue | \$ 184,613,489 | \$ 2,101,437 | \$ 75,000 | \$ 186,789,926 | \$ 7,031,580 | \$ 516,382 | \$ 192,961,110 |
| Net assets released from temporary restrictions | 434,400 | 480,253 | 250,646 | 1,165,299 | - | - | 1,165,299 |
| Fund transfer | (2,498,609) | 2,290,609 | 208,000 | - | - | - | - |
| Total expenditures | (182,106,262) | (4,409,944) | (168,646) | (186,684,852) | (7,059,988) | (212,868) | (192,581,740) |
| Equity in net (losses) income of investments | - | - | (81,490) | (81,490) | (107,073) | - | (109,087) |
| Change in fair value of interest rate swap | (125,969) | - | - | (125,969) | - | - | (125,969) |
| Noncontrolling interests in net losses of investments | - | - | - | - | 163,244 | - | 163,244 |
| Changes in unrestricted net assets | 317,049 | 462,355 | 283,510 | 1,062,914 | 27,763 | 303,514 | 1,476,857 |
| Temporarily restricted net assets: | | | | | | | |
| Contributions | 155,464 | 275,000 | 5,000 | 435,464 | - | - | 435,464 |
| Net assets released from temporary restrictions | (434,400) | (480,253) | (250,646) | (1,165,299) | - | - | (1,165,299) |
| Changes in temporarily restricted net assets | (278,936) | (205,253) | (245,646) | (729,835) | - | - | (729,835) |
| Changes in total net assets before noncontrolling interests | 38,113 | 257,102 | 37,864 | 333,079 | 27,763 | 303,514 | 747,022 |
| Noncontrolling interests: | | | | | | | |
| Net losses of investments | - | - | - | - | (163,244) | - | (163,244) |
| Distributions | - | - | - | - | (16,665) | - | (16,665) |
| Changes in noncontrolling interests | - | - | - | - | (179,909) | - | (179,909) |
| Capital contributions | - | - | - | - | 120,000 | - | 120,000 |
| Change in total net assets | 38,113 | 257,102 | 37,864 | 333,079 | (32,146) | 303,514 | 567,113 |
| Total net assets at beginning of year | 3,308,013 | 6,436,147 | 2,813,481 | 12,557,641 | 733,774 | (737,428) | 13,152,095 |
| Total net assets at end of year | \$ 3,346,126 | \$ 6,693,249 | \$ 2,851,345 | \$ 12,890,720 | \$ 701,628 | \$ (433,914) | \$ 13,719,208 |

See selected notes to supplemental information.

RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
SELECTED NOTES TO SUPPLEMENTAL INFORMATION
YEAR ENDED JUNE 30, 2010

1. Consolidating financial statements, basis of presentation

Resources For Human Development, Inc.

Operating

The Operating column reflects the operating activities of RHD, excluding activities associated with the acquisition and depreciation of property and equipment (equipment column) and activities associated with certain restricted or designated grants and donations (social investment column).

Equipment

The acquisition cost and related depreciation of the property and equipment utilized within RHD programs is reflected in the Equipment column. The cost of property and equipment is included in program budgets and is typically funded directly or indirectly by governmental contracts or restricted grants and donations. Revenue generated to fund the acquisition of property and equipment is reflected as such on the consolidating financial statements. The cost of administrative property and equipment acquired is funded by operations or restricted grants and donations. Payment of principal on debt incurred to purchase property and equipment is also funded by annual transfers from operations. Expenditures reflected in the Equipment column represent the depreciation on property and equipment.

During the fiscal year, RHD transferred \$450,000 to the Equipment column from the Operating column. These funds will be utilized to fund future implementation of technology. The remaining net assets reflected on the consolidating statements of financial position will be utilized to offset depreciation in future years.

Social Investment

RHD receives grants and donations that are restricted or designated to be utilized for investment in companies and ventures, both for-profit and not-for-profit, which have a social impact. RHD historically has utilized this funding through investments made in its for-profit subsidiaries, Murex and Murex Investments, Inc., or loans and advances to these entities. The assets, liabilities and net assets associated with this activity are reflected on the consolidating statements of financial position. The revenue and expenditures, as well as the loss on investments made are reflected on the consolidating statements of unrestricted revenues, expenditures and other changes in net assets and the consolidating statements of changes in net assets.

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES
SELECTED NOTES TO SUPPLEMENTAL INFORMATION (CONTINUED)
YEAR ENDED JUNE 30, 2010**

1. Consolidating financial statements, basis of presentation (continued)

Other Entities

As discussed in footnote 1 in the Notes to consolidated financial statements, 100% of Murex Corporation and 93% of Murex Investments, Inc. is owned by RHD. In addition, RHD has control in two related not-for-profit organizations, The Non-Profit Housing Corporation of Pennsylvania and The SQ Foundation. The activity for these entities is reflected in the consolidating financial statements. In addition, the loss from RHD's investment in these entities is reflected in the Social Investment column within RHD. All activity between these entities has been eliminated and the eliminated activity is reflected in the Eliminations column on the consolidating financial statements.

The following entities have been consolidated with Murex Corporation and are reflected in the consolidating financial statements: Murex Motors Inc., SQA Pharmacy, LLC, High Street Manor Associates, and TRS, LLP (Taunton Run).

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH
OFFICE OF BEHAVIORAL HEALTH & MENTAL RETARDATION
SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY
CONTRACT NO. 09-20078
YEAR ENDED JUNE 30, 2010**

Code nos. 0202-0942 0200-1637

There were no adjustments to the Program Activity Invoice Summary for the above code nos.

| EARLY INTERVENTION COST SETTLEMENT REPORT | | City Of Philadelphia DEPT. OF BEHAVIORAL HEALTH & MENTAL RETARDATION | | AGENCY: Resources for Human Development, Inc. | | PERIOD COVERED : 07/01/2009 -06/30/2010 | | | | | | | | | | | | | | | | | | | | | | | |
|--|--------|--|------|--|------|--|------|----------------|------|--------------|------|--------------|------|---------------|------|--------------|------|---------------|------|----------------|------|------------------|------|---------------|------|-------|---------|---------|---------|
| AMENDED 7/2010 | | SERVICES | | PROGRAM ACTIVITY: EIP - HOME/FAMILY SRVS | | DATE SUBMITTED: 8/27/2010 | | | | | | | | | | | | | | | | | | | | | | | |
| ACTUAL COST | | SOCIAL WORK | | AUDIO | | HEARING SENS | | HEALTH SERV | | NURS SERV | | NUTR SERV | | OCCUP THER | | PHYS THER | | PSYCH SERV | | SPEECH PATH | | SERVICE COORD | | SPEC INSTR | | TOTAL | | | |
| CLASSIFICATION | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. PERSONNEL | 1,023 | | | | | | | | | | | | | | | | | | | | | | | | | | 613,357 | | |
| 2. OPERATING | 335 | | | | | | | | | | | | | | | | | | | | | | | | | | 69,134 | | |
| 3. ADMINISTRATION | 204 | | | | | | | | | | | | | | | | | | | | | | | | | | 102,374 | | |
| 4. TOTAL ELIGIBLE | 1,562 | | | | | | | | | | | | | | | | | | | | | | | | | | 784,865 | | |
| 5. OTHER REVENUE | | | | | | | | | | | | | | | | | | | | | | | | | | | 35 | | |
| 6. NET COST | 1,562 | | | | | | | | | | | | | | | | | | | | | | | | | | 784,830 | | |
| 7. TOTAL DIRECT SERV UNITS | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 27,002 | | |
| 8. ACTUAL RATE (COST PER UNIT) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 26.42 | | | |
| UNITS OF SERVICE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9. TOTAL DIRECT SERV UNITS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 16,927 | 27,002 | |
| 10. ITF WAIVER UNITS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,120 | 9,721 | |
| 11. MA UNITS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 628 | 3,214 | |
| 12. STATE/COUNTY - MAINTENANCE UNITS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 130 | 14,067 | |
| FEE REVENUE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 13. AUTHORIZED RATE | 28.30 | | | | | | | | | | | | | | | | | | | | | | | | | | | 27.71 | |
| 14. TOTAL FEES | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | 469,047 | 785,023 |
| 15. ITF WAIVER FEES | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | 141,875 | 286,515 |
| 16. MA FEES | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 101,084 |
| 17. STATE/COUNTY - MAINTENANCE FEES | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | 327,172 | 397,424 |
| ACTUAL COST BY FUNDING CATEGORY | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 18. ITF WAIVER COSTS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 135,270 | 288,265 |
| 19. MA COSTS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 107,643 |
| 20. STATE/COUNTY - MAINTENANCE COSTS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 311,941 | 387,449 |
| FEES vs. COST COMPARISON | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 21. TOTAL FEES (line 14) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 469,047 | 785,023 |
| 22. NET COST (line 6) | 1,562 | | | | | | | | | | | | | | | | | | | | | | | | | | | 447,151 | 794,830 |
| 23. SURPLUS/(DEFICIT) | -1,562 | | | | | | | | | | | | | | | | | | | | | | | | | | | -4,487 | 193 |
| DIRECT RATE COMPARISON | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 24. ACTUAL RATE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 26.42 | |
| 25. AUTHORIZED RATE | 28.30 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 27.71 | |
| 26. DIFFERENCE | 28.30 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.29 | |

| AGENCY NAME: RESOURCES FOR HUMAN DEVELOPMENT, INC. | | PERIOD COVERED 07/01/2009 - 6/30/2010 | | | | | | | |
|---|------------------|--|-----------------------|-----------|-----------|------------|-----------|------------------|-----------------|
| PROGRAM ACTIVITY SUMMARY | | APPROVED | | | | | | | |
| OFFICE OF BEHAVIORAL HEALTH & MENTAL RETARDATION SERVICES | | BUDGET DIRECTOR: <i>[Signature]</i> | | | | | | | |
| (X) BH | | MR. TODD SILVERSTEIN | | | | | | | |
| | | EXECUTIVE DIRECTOR: <i>[Signature]</i> | | | | | | | |
| | | MR. ROBERT FISHMAN | | | | | | | |
| | | DATE SUBMITTED 8/27/2010 | | | | | | | |
| | | FY-2010 | | | | | | | |
| PROGRAM ACTIVITY | PAC CODE | CONTRACT NUMBER | ELIGIBLE EXPENDITURES | PERSONNEL | OPERATING | TOTAL | REVENUE | NET TO BE FUNDED | INELIGIBLE COST |
| SR-General | 0100-1400 | 05-20048-02 | 319,922 | 207,739 | 79,150 | 606,811 | (18) | 606,829 | 0 |
| SR Special-Coord | 0100-1493 | 05-20048-02 | 5,694 | 34,826 | 6,078 | 46,598 | 16,168 | 30,430 | 0 |
| RA-Specialized Placements | 0100-1612 | 05-20048-02 | 30,793 | 2,107 | 4,935 | 37,835 | 0 | 37,835 | 0 |
| RA-Behavior Shaping | 0100-1613 | 05-20048-02 | 3,268,288 | 1,089,625 | 653,687 | 5,011,600 | 377,725 | 4,633,875 | 0 |
| RES-CLA | 0100-1615 | 05-20048-02 | 1,413,129 | 299,886 | 256,952 | 1,969,967 | 97,415 | 1,872,552 | 0 |
| RES-Progressive Demand | 0100-1616 | 05-20048-02 | 723,045 | 236,517 | 143,935 | 1,103,497 | 131,158 | 972,339 | 0 |
| RES-SIL Scattered | 0100-1618 | 05-20048-02 | 112,509 | 135,653 | 37,224 | 285,386 | 256,504 | 28,882 | 0 |
| RA-Senior/Elderly | 0100-1621 | 05-20048-02 | 696,944 | 337,724 | 155,200 | 1,189,868 | 150,905 | 1,038,963 | 0 |
| RES-Support | 0100-1634 | 05-20048-02 | 4,483 | 58 | 681 | 5,222 | 0 | 5,222 | 0 |
| RES-SIL Clustered | 0100-1653 | 05-20048-02 | 452,741 | 187,189 | 95,991 | 735,931 | 382,984 | 342,947 | 0 |
| RES-Miscellaneous | 0100-1690 | 05-20048-02 | 25,197 | 10,891 | 5,413 | 41,501 | 0 | 41,501 | 0 |
| RES-Program Enhancement | 0100-1685 | 05-20048-02 | 196,151 | 63,307 | 38,918 | 288,376 | 10,243 | 288,133 | 0 |
| HS-SIL | 0100-2218 | 05-20048-02 | 18,661 | (71) | 2,789 | 21,379 | 0 | 21,379 | 0 |
| RA-Progressive Demand | 0102-1616 | 05-20048-02 | 789,010 | 603,665 | 208,901 | 1,601,576 | 211,485 | 1,390,091 | 0 |
| RA-Program Enhancement | 0102-1622 | 05-20048-02 | 117,909 | 81,022 | 29,840 | 228,771 | 12,553 | 216,218 | 0 |
| RES-General | 0104-1600 | 05-20048-02 | 203,372 | 89,849 | 43,983 | 337,204 | 18,327 | 318,877 | 0 |
| RA-Behavior Shaping | 0104-1613 | 05-20048-02 | 390,947 | 113,004 | 75,593 | 579,544 | 17,232 | 562,312 | 0 |
| RES-CLA | 0104-1615 | 05-20048-02 | 267,350 | 62,680 | 49,505 | 379,535 | 21,901 | 357,634 | 0 |
| RES-Elderly | 0104-1621 | 05-20048-02 | 296,715 | 44,003 | 51,108 | 391,826 | 18,038 | 373,788 | 0 |
| RES-Medical Chipps | 0104-1622 | 05-20048-02 | 76,062 | 34,297 | 16,554 | 126,913 | 15,333 | 111,580 | 0 |
| RES-Community Chipps | 0104-1643 | 05-20048-02 | 133,558 | 28,445 | 24,300 | 186,303 | 6,284 | 180,019 | 0 |
| RES-Clustered Sites | 0104-1653 | 05-20048-02 | 84,930 | 52,466 | 20,609 | 158,005 | 0 | 158,005 | 0 |
| RES-Program Enhancement | 0104-1695 | 05-20048-02 | 138,300 | 0 | 20,745 | 159,045 | 13,888 | 145,147 | 0 |
| RES-Start Up Chipps | 0104-1696 | 05-20048-02 | 568,921 | 204,413 | 116,000 | 889,334 | 8,626 | 880,708 | 0 |
| RES-Program Enhancement | 0108-1695 | 05-20048-02 | 45,715 | 0 | 0 | 45,715 | 0 | 45,715 | 0 |
| RES-Forensics | 0107-1620 | 05-20048-02 | 588,895 | 214,287 | 120,627 | 924,809 | 94,479 | 830,330 | 0 |
| Medical-Chipps | 0108-1622 | 05-20048-02 | 503,087 | 226,833 | 109,488 | 839,408 | 98,790 | 740,618 | 0 |
| RES-Medical-Chipps | 0109-1622 | 05-20048-02 | 984,234 | 288,030 | 190,840 | 1,463,104 | 125,080 | 1,338,024 | 0 |
| RES-Behavior Shaping | 0124-1613 | 05-20048-02 | 419,198 | 154,420 | 96,043 | 659,661 | 507,670 | 151,991 | 0 |
| RES-Homeless | 0140-1626 | 05-20048-02 | 876,913 | 323,514 | 180,064 | 1,380,491 | 30,117 | 1,350,374 | 0 |
| Safe Haven CM | 0184-0495 | 05-20048-02 | 45,908 | 11,425 | 8,600 | 65,931 | 0 | 65,931 | 0 |
| RES-Behavior Shaping | 0184-1613 | 05-20048-02 | 101,635 | 41,170 | 21,421 | 164,226 | 12,279 | 151,947 | 0 |
| RES-Homeless | 0184-1626 | 05-20048-02 | 465,470 | 206,831 | 100,845 | 773,146 | 11,584 | 761,562 | 0 |
| RES-SIL Clustered | 0184-1653 | 05-20048-02 | 48,136 | 37,863 | 12,900 | 98,899 | 842 | 98,057 | 0 |
| RES-Startup | 0184-1696 | 05-20048-02 | 24,368 | 78,454 | 0 | 102,822 | 0 | 102,822 | 0 |
| RES-Homeless-CBH | 0184-1926 | 05-20048-02 | 0 | 2,347,554 | 0 | 2,347,554 | 1,997,233 | 350,321 | 0 |
| To Be Determined | To Be Determined | 05-20048-02 | 506,924 | 204,772 | 106,754 | 818,450 | 791,150 | 27,300 | 0 |
| TOTAL | | | 14,946,112 | 8,054,458 | 3,075,673 | 26,076,243 | 5,445,985 | 20,630,258 | 0 |

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH
OFFICE OF BEHAVIORAL HEALTH & MENTAL RETARDATION
SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY
CONTRACT NO. 05-20048-02
YEAR ENDED JUNE 30, 2010

| | | | | |
|-----------|------------|------------|------------|------------|
| Code nos. | 01-00-1493 | 01-00-1612 | 01-00-1634 | 01-04-1643 |
| | 01-06-1695 | | | |

There were no adjustments to the Program Activity Invoice Summary for the above code nos.

| | | | | |
|-----------|------------|------------|------------|------------------|
| Code nos. | 01-00-1400 | 01-00-1613 | 01-00-1615 | 01-00-1616 |
| | 01-00-1618 | 01-00-1621 | 01-00-1653 | 01-00-1690 |
| | 01-00-1695 | 01-00-2218 | 01-02-1616 | 01-02-1622 |
| | 01-04-1600 | 01-04-1613 | 01-04-1615 | 01-04-1621 |
| | 01-04-1622 | 01-04-1653 | 01-04-1695 | 01-04-1696 |
| | 01-07-1620 | 01-08-1622 | 01-09-1622 | 01-24-1613 |
| | 01-40-1626 | 01-84-0495 | 01-84-1613 | 01-84-1626 |
| | 01-84-1653 | 01-84-1696 | 01-84-1926 | To be determined |

There were adjustments made to the Program Activity Invoice Summary for the above code nos., which are explained on pages 51 through 65.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
 CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH
 OFFICE OF BEHAVIORAL HEALTH & MENTAL RETARDATION
 SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY
 YEAR ENDED JUNE 30, 2010**

Contract Number: 05-20048-02
 Code no: 01-00-1400

| | Revised Final Program Activity Invoice Summary | Audited Program Activity Invoice Summary | Adjustment/ Difference |
|------------------|--|--|---------------------------|
| Personnel | \$ 319,922 | \$ 320,172 | \$ 250 (A) |
| Operating | 207,739 | 211,075 | 3,336 (A) |
| Administration | <u>79,150</u> | <u>79,749</u> | <u>599 (A)</u> |
| Total | 606,811 | 610,996 | 4,185 |
| Revenue | <u>(18)</u> | <u>-</u> | <u>18 (B)</u> |
| Net to be Funded | <u>\$ 606,829</u> | <u>\$ 610,996</u> | <u>\$ 4,167 (C)</u> |

Explanation of Adjustment/Difference:

(A) Expenses recorded after invoice submitted.

(B) Revenue reported incorrectly on invoice.

(C) Sum of resultant effects.

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH
OFFICE OF BEHAVIORAL HEALTH & MENTAL RETARDATION
SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY
YEAR ENDED JUNE 30, 2010

Contract Number: 05-20048-02
Code no: 01-00-1613

| | <u>Revised Final Program Activity Invoice Summary</u> | <u>Audited Program Activity Invoice Summary</u> | <u>Adjustment/ Difference</u> |
|------------------|---|---|-----------------------------------|
| Personnel | \$ 3,268,288 | \$ 3,239,731 | \$ (28,557) (A) |
| Operating | 1,089,625 | 1,109,030 | 19,405 (A) |
| Administration | <u>653,687</u> | <u>652,304</u> | <u>(1,383) (A)</u> |
| Total | 5,011,600 | 5,001,065 | (10,535) |
| Revenue | <u>377,725</u> | <u>420,869</u> | <u>43,144 (B)</u> |
| Net to be Funded | <u><u>\$ 4,633,875</u></u> | <u><u>\$ 4,580,196</u></u> | <u><u>\$ (53,679) (C)</u></u> |

Explanation of Adjustment/Difference:

- (A) Expenses reported incorrectly on invoice.
- (B) Revenue reported incorrectly on invoice and revenue adjustments booked after invoice submitted.
- (C) Sum of resultant effects.

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH
OFFICE OF BEHAVIORAL HEALTH & MENTAL RETARDATION
SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY
YEAR ENDED JUNE 30, 2010

Contract Number: 05-20048-02
Code no: 01-00-1616

| | Revised Final Program Activity Invoice Summary | Audited Program Activity Invoice Summary | Adjustment/ Difference |
|------------------|--|--|-------------------------------|
| Personnel | \$ 723,045 | \$ 723,045 | \$ - |
| Operating | 236,517 | 238,957 | 2,440 (A) |
| Administration | <u>143,935</u> | <u>144,300</u> | <u>365 (A)</u> |
| Total | 1,103,497 | 1,106,302 | 2,805 |
| Revenue | <u>131,158</u> | <u>145,450</u> | <u>14,292 (B)</u> |
| Net to be Funded | <u><u>\$ 972,339</u></u> | <u><u>\$ 960,852</u></u> | <u><u>\$ (11,487) (C)</u></u> |

Explanation of Adjustment/Difference:

- (A) Expenses recorded after invoice submitted.
- (B) Revenue reported incorrectly on invoice and revenue adjustments booked after invoice submitted.
- (C) Sum of resultant effects.

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH
OFFICE OF BEHAVIORAL HEALTH & MENTAL RETARDATION
SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY
YEAR ENDED JUNE 30, 2010

Contract Number: 05-20048-02
Code no: 01-00-1621

| | <u>Revised Final Program Activity Invoice Summary</u> | <u>Audited Program Activity Invoice Summary</u> | <u>Adjustment/ Difference</u> |
|------------------|---|---|-----------------------------------|
| Personnel | \$ 696,944 | \$ 698,496 | \$ 1,552 (A) |
| Operating | 337,724 | 341,722 | 3,998 (A) |
| Administration | <u>155,200</u> | <u>156,033</u> | <u>833 (A)</u> |
| Total | 1,189,868 | 1,196,251 | 6,383 |
| Revenue | <u>150,905</u> | <u>139,261</u> | <u>(11,644) (B)</u> |
| Net to be Funded | <u><u>\$ 1,038,963</u></u> | <u><u>\$ 1,056,990</u></u> | <u><u>\$ 18,027 (C)</u></u> |

Explanation of Adjustment/Difference:

- (A) Expenses recorded after invoice submitted.
- (B) Revenue reported incorrectly on invoice and revenue adjustments booked after invoice submitted.
- (C) Sum of resultant effects.

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH
OFFICE OF BEHAVIORAL HEALTH & MENTAL RETARDATION
SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY
YEAR ENDED JUNE 30, 2010

Contract Number: 05-20048-02
Code no: 01-00-1653

| | <u>Revised Final Program Activity Invoice Summary</u> | <u>Audited Program Activity Invoice Summary</u> | <u>Adjustment/ Difference</u> |
|------------------|---|---|-----------------------------------|
| Personnel | \$ 452,741 | \$ 429,944 | \$ (22,797) (A) |
| Operating | 187,199 | 212,143 | 24,944 (A) |
| Administration | <u>95,991</u> | <u>96,313</u> | <u>322 (A)</u> |
| Total | 735,931 | 738,400 | 2,469 |
| Revenue | <u>392,984</u> | <u>389,282</u> | <u>(3,702) (B)</u> |
| Net to be Funded | <u>\$ 342,947</u> | <u>\$ 349,118</u> | <u>\$ 6,171 (C)</u> |

Explanation of Adjustment/Difference:

- (A) Expenses invoiced to incorrect classification and expenses recorded after invoice submitted.
- (B) Revenue estimated incorrectly on invoice and finalized after invoice submitted.
- (C) Sum of resultant effects.

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH
OFFICE OF BEHAVIORAL HEALTH & MENTAL RETARDATION
SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY
YEAR ENDED JUNE 30, 2010**

Contract Number: 05-20048-02
Code no: 01-02-1616

| | Revised Final Program Activity Invoice Summary | Audited Program Activity Invoice Summary | Adjustment/ Difference |
|------------------|--|--|-------------------------------|
| Personnel | \$ 789,010 | \$ 789,010 | \$ - |
| Operating | 603,665 | 604,398 | 733 (A) |
| Administration | <u>208,901</u> | <u>209,011</u> | <u>110 (A)</u> |
| Total | 1,601,576 | 1,602,419 | 843 |
| Revenue | <u>211,485</u> | <u>243,998</u> | <u>32,513 (B)</u> |
| Net to be Funded | <u><u>\$ 1,390,091</u></u> | <u><u>\$ 1,358,421</u></u> | <u><u>\$ (31,670) (C)</u></u> |

Explanation of Adjustment/Difference:

- (A) Expenses incorrectly omitted from invoice.
- (B) Revenue incorrectly omitted from invoice and adjustments posted after invoice submitted.
- (C) Sum of resultant effects.

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH
OFFICE OF BEHAVIORAL HEALTH & MENTAL RETARDATION
SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY
YEAR ENDED JUNE 30, 2010

Contract Number: 05-20048-02
Code no: 01-04-1600

| | <u>Revised Final Program Activity Invoice Summary</u> | <u>Audited Program Activity Invoice Summary</u> | <u>Adjustment/ Difference</u> |
|------------------|---|---|-----------------------------------|
| Personnel | \$ 203,372 | \$ 203,373 | \$ 1 (A) |
| Operating | 89,849 | 89,850 | 1 (A) |
| Administration | <u>43,983</u> | <u>43,983</u> | <u>-</u> |
| Total | 337,204 | 337,206 | 2 |
| Revenue | <u>18,327</u> | <u>17,793</u> | <u>(534) (B)</u> |
| Net to be Funded | <u>\$ 318,877</u> | <u>\$ 319,413</u> | <u>\$ 536 (C)</u> |

Explanation of Adjustment/Difference:

- (A) Rounding difference.
- (B) Revenue adjustments recorded after invoice submitted.
- (C) Sum of resultant effects.

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
 CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH
 OFFICE OF BEHAVIORAL HEALTH & MENTAL RETARDATION
 SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY
 YEAR ENDED JUNE 30, 2010**

Contract Number: 05-20048-02
 Code no: 01-04-1622

| | <u>Revised Final Program Activity Invoice Summary</u> | <u>Audited Program Activity Invoice Summary</u> | <u>Adjustment/ Difference</u> |
|------------------|---|---|-----------------------------------|
| Personnel | \$ 76,062 | \$ 76,062 | \$ - |
| Operating | 34,297 | 34,414 | 117 (A) |
| Administration | <u>16,554</u> | <u>16,571</u> | <u>17 (A)</u> |
| Total | 126,913 | 127,047 | 134 |
| Revenue | <u>15,333</u> | <u>14,024</u> | <u>(1,309) (B)</u> |
| Net to be Funded | <u><u>\$ 111,580</u></u> | <u><u>\$ 113,023</u></u> | <u><u>\$ 1,443 (C)</u></u> |

Explanation of Adjustment/Difference:

- (A) Expenses recorded after invoice submitted.
- (B) Revenue adjustments recorded after invoice submitted.
- (C) Sum of resultant effects.

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
 CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH
 OFFICE OF BEHAVIORAL HEALTH & MENTAL RETARDATION
 SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY
 YEAR ENDED JUNE 30, 2010**

Contract Number: 05-20048-02
 Code no: 01-04-1653

| | <u>Revised Final Program Activity Invoice Summary</u> | <u>Audited Program Activity Invoice Summary</u> | <u>Adjustment/ Difference</u> |
|------------------|---|---|-----------------------------------|
| Personnel | \$ 84,930 | \$ 72,155 | \$ (12,775) (A) |
| Operating | 52,466 | 65,239 | 12,773 (A) |
| Administration | <u>20,609</u> | <u>20,609</u> | <u>-</u> |
| Total | 158,005 | 158,003 | (2) |
| Revenue | <u>-</u> | <u>-</u> | <u>-</u> |
| Net to be Funded | <u>\$ 158,005</u> | <u>\$ 158,003</u> | <u>\$ (2) (B)</u> |

Explanation of Adjustment/Difference:

(A) Expenses classified incorrectly on invoice and rounding difference.

(B) Sum of resultant effects.

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH
OFFICE OF BEHAVIORAL HEALTH & MENTAL RETARDATION
SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY
YEAR ENDED JUNE 30, 2010

Contract Number: 05-20048-02
Code no: 01-08-1622

| | <u>Revised Final Program Activity Invoice Summary</u> | <u>Audited Program Activity Invoice Summary</u> | <u>Adjustment/ Difference</u> |
|------------------|---|---|-----------------------------------|
| Personnel | \$ 503,087 | \$ 503,087 | \$ - |
| Operating | 226,833 | 227,613 | 780 (A) |
| Administration | <u>109,488</u> | <u>109,605</u> | <u>117 (A)</u> |
| Total | 839,408 | 840,305 | 897 |
| Revenue | <u>98,790</u> | <u>92,758</u> | <u>(6,032) (B)</u> |
| Net to be Funded | <u>\$ 740,618</u> | <u>\$ 747,547</u> | <u>\$ 6,929 (C)</u> |

Explanation of Adjustment/Difference:

- (A) Expenses recorded after invoice submitted.
- (B) Revenue adjustments recorded after invoice submitted.
- (C) Sum of resultant effects.

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH
OFFICE OF BEHAVIORAL HEALTH & MENTAL RETARDATION
SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY
YEAR ENDED JUNE 30, 2010

Contract Number: 05-20048-02
Code no: 01-09-1622

| | <u>Revised Final Program Activity Invoice Summary</u> | <u>Audited Program Activity Invoice Summary</u> | <u>Adjustment/ Difference</u> |
|------------------|---|---|-----------------------------------|
| Personnel | \$ 984,234 | \$ 984,234 | \$ - |
| Operating | 288,030 | 288,030 | - |
| Administration | <u>190,840</u> | <u>190,839</u> | <u>(1) (A)</u> |
| Total | 1,463,104 | 1,463,103 | (1) |
| Revenue | <u>125,080</u> | <u>129,793</u> | <u>4,713 (B)</u> |
| Net to be Funded | <u>\$ 1,338,024</u> | <u>\$ 1,333,310</u> | <u>\$ (4,714) (C)</u> |

Explanation of Adjustment/Difference:

- (A) Rounding difference.
- (B) Revenue adjustments recorded after invoice submitted.
- (C) Sum of resultant effects.

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH
OFFICE OF BEHAVIORAL HEALTH & MENTAL RETARDATION
SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY
YEAR ENDED JUNE 30, 2010

Contract Number: 05-20048-02
Code no: 01-40-1626

| | Revised Final Program Activity Invoice Summary | Audited Program Activity Invoice Summary | Adjustment/ Difference |
|------------------|--|--|---------------------------|
| Personnel | \$ 876,913 | \$ 884,787 | \$ 7,874 (A) |
| Operating | 323,514 | 323,587 | 73 (A) |
| Administration | <u>180,064</u> | <u>181,256</u> | <u>1,192 (A)</u> |
| Total | 1,380,491 | 1,389,630 | 9,139 |
| Revenue | <u>30,117</u> | <u>35,936</u> | <u>5,819 (B)</u> |
| Net to be Funded | <u>\$ 1,350,374</u> | <u>\$ 1,353,694</u> | <u>\$ 3,320 (C)</u> |

Explanation of Adjustment/Difference:

- (A) Expenses recorded after invoice submitted.
- (B) Revenue recorded after invoice submitted.
- (C) Sum of resultant effects.

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH
OFFICE OF BEHAVIORAL HEALTH & MENTAL RETARDATION
SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY
YEAR ENDED JUNE 30, 2010**

Contract Number: 05-20048-02
Code no: 01-84-1613

| | <u>Revised Final Program Activity Invoice Summary</u> | <u>Audited Program Activity Invoice Summary</u> | <u>Adjustment/ Difference</u> |
|------------------|---|---|-----------------------------------|
| Personnel | \$ 101,635 | \$ 87,006 | \$ (14,629) (A) |
| Operating | 41,170 | 55,803 | 14,633 (A) |
| Administration | <u>21,421</u> | <u>21,421</u> | <u>-</u> |
| Total | 164,226 | 164,230 | 4 |
| Revenue | <u>12,279</u> | <u>14,156</u> | <u>1,877 (B)</u> |
| Net to be Funded | <u>\$ 151,947</u> | <u>\$ 150,074</u> | <u>\$ (1,873) (C)</u> |

Explanation of Adjustment/Difference:

- (A) Expenses classified incorrectly on invoice and rounding difference.
- (B) Revenue recorded after invoice submitted.
- (C) Sum of resultant effects.

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH
OFFICE OF BEHAVIORAL HEALTH & MENTAL RETARDATION
SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY
YEAR ENDED JUNE 30, 2010

Contract Number: 05-20048-02
Code no: 01-84-1926

| | <u>Revised Final Program Activity Invoice Summary</u> | <u>Audited Program Activity Invoice Summary</u> | <u>Adjustment/ Difference</u> |
|------------------|---|---|-----------------------------------|
| Personnel | \$ - | \$ 1,531,970 | \$ 1,531,970 (A) |
| Operating | 2,347,554 | 273,753 | (2,073,801) (A) |
| Administration | <u>-</u> | <u>270,888</u> | <u>270,888 (A)</u> |
| Total | 2,347,554 | 2,076,611 | (270,943) |
| Revenue | <u>1,997,233</u> | <u>1,822,701</u> | <u>(174,532) (B)</u> |
| Net to be Funded | <u>\$ 350,321</u> | <u>\$ 253,910</u> | <u>\$ (96,411) (C)</u> |

Explanation of Adjustment/Difference:

- (A) Reclassification and overstatement of estimated expenses.
- (B) Revenue estimate overstated.
- (C) Sum of resultant effects.

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
 CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH
 OFFICE OF BEHAVIORAL HEALTH & MENTAL RETARDATION
 SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY
 YEAR ENDED JUNE 30, 2010**

Contract Number: 05-20048-02
 Code nos: 01-00-1615, 01-00-1618, 01-00-1690, 01-00-1695, 01-00-2218,
 01-02-1622, 01-04-1613, 01-04-1615, 01-04-1621, 01-04-1695,
 01-04-1696, 01-07-1620, 01-24-1613, 01-84-0495, 01-84-1626,
 01-84-1653, 01-84-1696, To be determined

| | <u>Revised Final Program Activity Invoice Summary</u> | <u>Audited Program Activity Invoice Summary</u> | <u>Adjustment/ Difference</u> |
|------------------|---|---|-----------------------------------|
| Personnel | \$ 5,645,686 | \$ 5,635,114 | \$ (10,572) (A) |
| Operating | 1,922,840 | 1,931,758 | 8,918 (A) |
| Administration | <u>1,119,856</u> | <u>1,115,543</u> | <u>(4,313) (A)</u> |
| Total | 8,688,382 | 8,682,415 | (5,967) |
| Revenue | <u>1,862,135</u> | <u>1,868,154</u> | <u>6,019 (A)</u> |
| Net to be Funded | <u>\$ 6,826,247</u> | <u>\$ 6,814,261</u> | <u>\$ (11,986)</u> |

Explanation of Adjustment/Difference:

(A) Various minor adjustments to revenue and expenses across multiple PACs.

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

REPORT OF FUNCTIONAL EXPENDITURES

AGENCY NAME AND ADDRESS

SUBMIT TO

YEAR ENDED JUNE 30, 2010

RESOURCES FOR HUMAN DEVELOPMENT, INC.
4700 WISSAHICKON AVENUE
PHILADELPHIA, PA 19144

CITY OF PHILADELPHIA
DEPARTMENT OF HUMAN SERVICES
CHILDREN AND YOUTH AGENCY
PURCHASE OF SERVICES

| OBJECTS OF EXPENSE | TOTAL CORPORATION | COMMUNITY REINTEGRATION |
|--|-----------------------|-------------------------|
| 1 SALARIES & WAGES | \$ 105,118,361 | \$ 99,334 |
| Administration | - | - |
| Professional | - | - |
| Clerical | - | - |
| Maintenance & Services | - | - |
| Child Care & Activities | - | - |
| Overtime | - | - |
| 6 F.I.C.A. | 7,881,676 | 7,550 |
| 7 Unemployment Comp | 3,211,872 | 49 |
| 8 Worker's Compensation | 3,993,856 | 829 |
| 9 Employee Health & Welfare Benefits | 13,028,917 | 12,560 |
| 30 TOTAL SALARIES & WAGES | 133,234,682 | 120,322 |
| OPERATING EXP & ADMIN | | |
| 31 Professional Fees & Contract Payment | 10,570,891 | - |
| 32 Supplies | 7,812,462 | 2,156 |
| 33 Telephone & Telegraph | 2,106,775 | 3,802 |
| 34 Postage & Shipping | 302,766 | 71 |
| 35 Local Transportation | 3,866 | 3,866 |
| 36 Outside Printing, Art Work, Etc. | 242,370 | - |
| 37 Conferences, Conventions, Meetings | 1,846 | 1,846 |
| 38 Subscriptions, Reference Publications | - | - |
| 39 Membership Dues | - | - |
| 40 Awards and Grants | - | - |
| 41 Equip., Furn. & Mtr. Veh. | 10,899,228 | 97 |
| 43 Fund Raising | 334,705 | - |
| 44 Other - Miscellaneous | 9,564,058 | 2,150 |
| Administrative Overhead Allocation | - | 21,976 |
| TOTAL OPERATING EXPENSE | 41,838,967 | 35,964 |
| OCCUPANCY | | |
| 50 Office Rent | 11,304,320 | 8,998 |
| 51 Bldg & Bldg Equipment Ins | 1,375,991 | 750 |
| 52 Building & Ground Upkeep | 978,900 | - |
| 53 Utilities | 2,603,723 | 2,076 |
| 57 Other | - | - |
| Janitorial & Maint. Serv Cont | 692,883 | 208 |
| Mortgage Interest/Taxes | 552,273 | - |
| 62 TOTAL OCCUPANCY EXPENSE | 17,508,091 | 12,032 |
| CHILDREN'S DIRECT EXPENSE | | |
| 63 Food or Board Payment | - | - |
| 65 Clothing, cleaning & repairing | - | - |
| 66 Activities: recreation, camp | - | - |
| 67 Personal Expenses | - | - |
| 68 Transportation | - | - |
| 69 Medical & Dental Fees & Supplies | - | - |
| 70 Other | - | - |
| 75 TOTAL CHILDREN'S DIRECT EXP. | - | - |
| 81 GRAND TOTAL ALL EXPENSES | \$ 192,581,740 | \$ 168,318 |
| TOTAL DAYS OF CARE - ALL CHILDREN | N/A | N/A |
| TOTAL DAYS OF CARE - DHS CHILDREN | N/A | N/A |
| CAPACITY OF ALL FACILITIES | N/A | N/A |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

REPORT OF FUNCTIONAL EXPENDITURES

AGENCY NAME AND ADDRESS

SUBMIT TO

YEAR ENDED JUNE 30, 2010

RESOURCES FOR HUMAN DEVELOPMENT, INC.
4700 WISSAHICKON AVENUE
PHILADELPHIA, PA 19144

CITY OF PHILADELPHIA
DEPARTMENT OF HUMAN SERVICES
CHILDREN AND YOUTH AGENCY
PURCHASE OF SERVICES

| REPORT OF REVENUE BY FUNCTIONAL PROGRAM | | TOTAL CORPORATION | COMMUNITY REINTEGRATION |
|---|---------------------------------------|-------------------|-------------------------|
| 60 | FEDERAL GOVERNMENT | \$ 4,598,135 | \$ - |
| 61 | TITLE I | - | - |
| 62 | TITLE II | - | - |
| 63 | TITLE XIX | - | - |
| 64 | TITLE XX | - | - |
| 65 | FEDERAL - OTHER | - | - |
| 71 | PA STATE GOVT STATES - OTHER | 43,898,526 | - |
| | | 51,291,096 | - |
| 74 | PHILA., DHS | 149,233 | 149,233 |
| 76 | OTHER PA COUNTIES | | |
| | MONTGOMERY COUNTY | 8,147,632 | - |
| | OTHERS | 4,450,318 | - |
| 81 | OAS - PHILA | 63,753 | - |
| 82 | MR/MH-PHILADELPHIA | 21,160,106 | - |
| 83 | OTHER PHILA | 7,448,122 | - |
| 78 | MEDICAL ASSISTANCE /CBH/MAG | 20,889,239 | - |
| 88 | RENTAL INCOME | 8,559 | 8,559 |
| 90 | FOUNDATIONS/CORPORATIONS | - | - |
| 91 | ORGANIZATIONS | - | - |
| 92 | PROGRAM INCOME | - | - |
| 93 | CLIENTS FEES | 19,593,767 | - |
| | OTHER INCOME | | |
| | GRANTS/DONATIONS | 1,958,300 | - |
| | SALES/FEES | 8,258,487 | - |
| | INTEREST/MISCELLANEOUS | 1,045,837 | - |
| | NET ASSETS RELEASED FROM RESTRICTIONS | 1,165,299 | - |
| 95 | GRAND TOTAL | \$ 194,126,409 | \$ 157,792 |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT
SCHEDULE OF SOURCE AND STATUS OF FUNDS
CONTRACT NO. 10-20133
YEAR ENDED JUNE 30, 2010

| | HOPWA Funds | Program Income | Other City Funds | Total |
|---------------------------------------|----------------|-------------------|---------------------|-------------|
| Total contract: | \$ 77,184 | \$ - | \$ - | \$ 77,184 |
| Less: | | | | |
| Funds drawn down - prior fiscal year | - | - | - | - |
| Funds drawn down - current year | 77,184 | - | - | 77,184 |
| Total funds drawn down | 77,184 | - | - | 77,184 |
| Funds still available for draw down | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Total funds drawn down | \$ 77,184 | \$ - | \$ - | \$ 77,184 |
| Add: | | | | |
| Program income | - | - | - | - |
| Total funds received | 77,184 | - | - | 77,184 |
| Less: | | | | |
| Program income expended | - | - | - | - |
| Funds applied - prior fiscal year | - | - | - | - |
| Funds applied - current fiscal year | 77,184 | - | - | 77,184 |
| Total funds applied | 77,184 | - | - | 77,184 |
| Total funds due from funding source | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Total funds available for disposition | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT
SCHEDULE OF PROGRAM INCOME
CONTRACT NO. 10-20133
YEAR ENDED JUNE 30, 2010

| | Sale proceeds | Rent collected | Total |
|---|------------------|-------------------|-------------|
| Program income (cumulative through June 30, 2009) | \$ - | \$ - | \$ - |
| Less program income expended in prior fiscal years | - | - | - |
| Beginning balance, July 1, 2009 | - | - | - |
| Add program income received in current fiscal year | - | - | - |
| Less program income expended in current fiscal year | - | - | - |
| Ending balance, June 30, 2010 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
 CITY OF PHILADELPHIA OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT
 SCHEDULE OF PROGRAM EXPENDITURES

CONTRACT NO. 10-20133
 YEAR ENDED JUNE 30, 2010

| Contract categories | Project Budget | | | | Accrued Expenditures Prior to July 1, 2009 | | | Total Funds |
|------------------------|----------------|-------------------|---------------------|----------------|---|-------------------|---------------------|----------------|
| | HOPWA Funds | Program Income | Other City Funds | Total Funds | HOPWA Funds | Program Income | Other City Funds | |
| Direct personnel | \$ 52,172 | \$ - | \$ - | \$ 52,172 | \$ - | \$ - | \$ - | \$ - |
| Direct fringe benefits | 15,499 | - | - | 15,499 | - | - | - | - |
| Travel | 1,742 | - | - | 1,742 | - | - | - | - |
| Rental payments | - | - | - | - | - | - | - | - |
| Occupancy | 2,420 | - | - | 2,420 | - | - | - | - |
| Consumable supplies | 3,611 | - | - | 3,611 | - | - | - | - |
| Equipment rental/lease | 1,740 | - | - | 1,740 | - | - | - | - |
| Professional services | - | - | - | - | - | - | - | - |
| Insurance | - | - | - | - | - | - | - | - |
| Rent subsidy | - | - | - | - | - | - | - | - |
| Operating subtotal | 77,184 | - | - | 77,184 | - | - | - | - |
| Audit costs | - | - | - | - | - | - | - | - |
| Contract total | \$ 77,184 | \$ - | \$ - | \$ 77,184 | \$ - | \$ - | \$ - | \$ - |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
 CITY OF PHILADELPHIA OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT
 SCHEDULE OF PROGRAM EXPENDITURES (CONTINUED)
 CONTRACT NO. 10-20133
 YEAR ENDED JUNE 30, 2010

| Contract categories | Accrued Expenditures July 1, 2009 to June 30, 2010 | | | | Accrued Expenditures Cumulative to June 30, 2010 | | | |
|------------------------|---|-------------------|---------------------|----------------|---|-------------------|---------------------|----------------|
| | HOPWA Funds | Program Income | Other City Funds | Total Funds | HOPWA Funds | Program Income | Other City Funds | Total Funds |
| Direct personnel | \$ 52,172 | \$ - | \$ - | \$ 52,172 | \$ 52,172 | \$ - | \$ - | \$ 52,172 |
| Direct fringe benefits | 15,499 | - | - | 15,499 | 15,499 | - | - | 15,499 |
| Travel | 1,742 | - | - | 1,742 | 1,742 | - | - | 1,742 |
| Rental payments | - | - | - | - | - | - | - | - |
| Occupancy | 2,420 | - | - | 2,420 | 2,420 | - | - | 2,420 |
| Consumable supplies | 3,611 | - | - | 3,611 | 3,611 | - | - | 3,611 |
| Equipment rental/lease | 1,740 | - | - | 1,740 | 1,740 | - | - | 1,740 |
| Professional services | - | - | - | - | - | - | - | - |
| Insurance | - | - | - | - | - | - | - | - |
| Rent subsidy | - | - | - | - | - | - | - | - |
| Operating subtotal | 77,184 | - | - | 77,184 | 77,184 | - | - | 77,184 |
| Audit costs | - | - | - | - | - | - | - | - |
| Contract total | \$ 77,184 | \$ - | \$ - | \$ 77,184 | \$ 77,184 | \$ - | \$ - | \$ 77,184 |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT
RECONCILIATION SCHEDULE
CONTRACT NO. 10-20133
YEAR ENDED JUNE 30, 2010

| | Amount Per Audit Report | Amount Per June 30, 2010 Subrecipient Invoices | Differences |
|--------------------|----------------------------|---|-------------|
| Contract amount | \$ 77,184 | \$ 77,184 | \$ - |
| Program cost | | | |
| Current year | 77,184 | 77,184 | - |
| Cumulative | 77,184 | 77,184 | - |
| Funds drawn down | | | |
| Current year | 77,184 | 77,184 | - |
| Cumulative | 77,184 | 77,184 | - |
| Balance of advance | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT
SCHEDULE OF SOURCE AND STATUS OF FUNDS
CONTRACT NO. 10-20191
YEAR ENDED JUNE 30, 2010

| | <u>CDBG Funds</u> | <u>HOME Income</u> | <u>Other City Funds</u> | <u>Total</u> |
|---------------------------------------|-----------------------|------------------------|-----------------------------|------------------|
| Total contract: | \$ 90,733 | \$ 251,212 | \$ - | \$ 341,945 |
| Less: | | | | |
| Funds drawn down - prior fiscal year | - | - | - | - |
| Funds drawn down - current year | <u>80,302</u> | <u>240,562</u> | - | <u>320,864</u> |
| Total funds drawn down | <u>80,302</u> | <u>240,562</u> | - | <u>320,864</u> |
| Funds still available for draw down | <u>\$ 10,431</u> | <u>\$ 10,650</u> | <u>\$ -</u> | <u>\$ 21,081</u> |
| | | | | |
| Total funds drawn down | \$ 80,302 | \$ 240,562 | \$ - | \$ 320,864 |
| Add: | | | | |
| Program income | - | - | - | - |
| Total funds received | <u>80,302</u> | <u>240,562</u> | - | <u>320,864</u> |
| Less: | | | | |
| Program income expended | - | - | - | - |
| Funds applied - prior fiscal year | - | - | - | - |
| Funds applied - current fiscal year | <u>80,302</u> | <u>240,562</u> | - | <u>320,864</u> |
| Total funds applied | <u>80,302</u> | <u>240,562</u> | - | <u>320,864</u> |
| Total funds due from funding source | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Total funds available for disposition | <u>\$ 10,431</u> | <u>\$ 10,650</u> | <u>\$ -</u> | <u>\$ 21,081</u> |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT
SCHEDULE OF PROGRAM INCOME
CONTRACT NO. 10-20191
YEAR ENDED JUNE 30, 2010

| | Sale proceeds | Rent collected | Total |
|---|------------------|-------------------|-------------|
| Program income (cumulative through June 30, 2009) | \$ - | \$ - | \$ - |
| Less program income expended in prior fiscal years | - | - | - |
| Beginning balance, July 1, 2009 | - | - | - |
| Add program income received in current fiscal year | - | - | - |
| Less program income expended in current fiscal year | - | - | - |
| Ending balance, June 30, 2010 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

Amounts on this schedule do not include the accrual for vacation as
 discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT
SCHEDULE OF PROGRAM EXPENDITURES
CONTRACT NO. 10-20191
YEAR ENDED JUNE 30, 2010

| Contract categories | Project Budget | | | | | Accrued Expenditures Prior to July 1, 2009 | | | |
|------------------------|----------------|---------------|---------------------|----------------|---------------|---|---------------------|----------------|--|
| | CDBG Funds | Home Funds | Other City Funds | Total Funds | CDBG Funds | Home Funds | Other City Funds | Total Funds | |
| Direct personnel | \$ 32,636 | - | \$ - | \$ 32,636 | \$ - | - | - | \$ - | |
| Direct fringe benefits | 13,792 | - | - | 13,792 | - | - | - | - | |
| Travel | 4,000 | - | - | 4,000 | - | - | - | - | |
| Rental payments | - | 251,212 | - | 251,212 | - | - | - | - | |
| Occupancy | 11,620 | - | - | 11,620 | - | - | - | - | |
| Consumable supplies | 5,150 | - | - | 5,150 | - | - | - | - | |
| Equipment rental/lease | 1,500 | - | - | 1,500 | - | - | - | - | |
| Professional services | 11,835 | - | - | 11,835 | - | - | - | - | |
| Insurance | 3,200 | - | - | 3,200 | - | - | - | - | |
| Program expenses | 7,000 | - | - | 7,000 | - | - | - | - | |
| Operating subtotal | 90,733 | 251,212 | - | 341,945 | - | - | - | - | |
| Audit costs | - | - | - | - | - | - | - | - | |
| Contract total | \$ 90,733 | \$ 251,212 | \$ - | \$ 341,945 | \$ - | \$ - | \$ - | \$ - | |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT
SCHEDULE OF PROGRAM EXPENDITURES (CONTINUED)

CONTRACT NO. 10-20191
YEAR ENDED JUNE 30, 2010

| Contract categories | Accrued Expenditures July 1, 2009 to June 30, 2010 | | | | Accrued Expenditures Cumulative to June 30, 2010 | | | | Total Funds |
|------------------------|---|---------------|---------------------|----------------|---|---------------|---------------------|----------------|----------------|
| | CDBG Funds | Home Funds | Other City Funds | Total Funds | CDBG Funds | Home Funds | Other City Funds | Total Funds | |
| Direct personnel | \$ 32,536 | \$ - | \$ - | \$ 32,536 | \$ 32,536 | \$ - | \$ - | \$ 32,536 | 32,536 |
| Direct fringe benefits | 10,258 | - | - | 10,258 | 10,258 | - | - | 10,258 | 10,258 |
| Travel | 3,182 | - | - | 3,182 | 3,182 | - | - | 3,182 | 3,182 |
| Rental payments | - | 245,459 | - | 245,459 | - | 245,459 | - | 245,459 | 245,459 |
| Occupancy | 11,472 | - | - | 11,472 | 11,472 | - | - | 11,472 | 11,472 |
| Consumable supplies | 3,454 | - | - | 3,454 | 3,454 | - | - | 3,454 | 3,454 |
| Equipment rental/lease | - | - | - | - | - | - | - | - | - |
| Professional services | 10,562 | - | - | 10,562 | 10,562 | - | - | 10,562 | 10,562 |
| Insurance | 4,120 | - | - | 4,120 | 4,120 | - | - | 4,120 | 4,120 |
| Program expenses | 6,240 | - | - | 6,240 | 6,240 | - | - | 6,240 | 6,240 |
| Operating subtotal | 81,824 | 245,459 | - | 327,283 | 81,824 | 245,459 | - | 327,283 | 327,283 |
| Audit costs | - | - | - | - | - | - | - | - | - |
| Contract total | \$ 81,824 | \$ 245,459 | \$ - | \$ 327,283 | \$ 81,824 | \$ 245,459 | \$ - | \$ 327,283 | \$ 327,283 |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT
RECONCILIATION SCHEDULE
CONTRACT NO. 10-20191
YEAR ENDED JUNE 30, 2010

| | Amount Per Audit Report | Amount Per June 30, 2010 Subrecipient Invoices | Differences |
|--------------------|----------------------------|---|-------------|
| Contract amount | \$ 341,945 | \$ 341,945 | \$ - |
| Program cost | | | |
| Current year | 327,283 | 327,283 | - |
| Cumulative | 327,283 | 327,283 | - |
| Funds drawn down | | | |
| Current year | 320,864 | 320,864 | - |
| Cumulative | 320,864 | 320,864 | - |
| Balance of advance | <u>\$ 21,081</u> | <u>\$ 21,081</u> | <u>\$ -</u> |

Amounts on this schedule do not include the accrual for vacation as
 discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA OFFICE OF SUPPORTIVE HOUSING
RECONCILIATION OF AGENCY REPORTED EXPENDITURES/REVENUES
TO AUDITED EXPENDITURES/REVENUES
CONTRACT NO. 10-20017
YEAR ENDED JUNE 30, 2010

| | Amount Reported on Fiscal Report | (A) Other Adjustments | (B) Amount per Audit |
|---|---|-----------------------------|----------------------------|
| Expenditures by cost center: | | | |
| Total personnel services | \$ 2,380,927 | \$ 78 | \$ 2,381,005 |
| Total operating expenses | 659,652 | (14,068) | 645,584 |
| Total fixed assets | 36,175 | - | 36,175 |
| Total client expenses | <u>153,377</u> | <u>14,701</u> | <u>168,078</u> |
| Total expenditures by cost center | <u>3,230,131</u> | <u>711</u> | <u>3,230,842</u> |
| Funding sources: | | | |
| Client fees | - | 26,268 | 26,268 |
| City of Philadelphia, OSH | <u>3,230,131</u> | <u>(25,822)</u> | <u>3,204,309</u> |
| Total funding | <u>3,230,131</u> | <u>446</u> | <u>3,230,577</u> |
| Excess of expenditures over funding sources | <u>\$ -</u> | <u>\$ (265)</u> | <u>\$ (265)</u> |

(A) Amounts for expenditures reflects additional expenses recorded after submission of fiscal report. Client fees includes \$1,580 of miscellaneous income.

(B) Amount funded under contract in accordance with OSH guidelines.

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA OFFICE OF SUPPORTIVE HOUSING
RECONCILIATION OF AGENCY REPORTED EXPENDITURES/REVENUES
TO AUDITED EXPENDITURES/REVENUES
CONTRACT NO. 10-20117
YEAR ENDED JUNE 30, 2010

| | Amount Reported on Fiscal Report | (A) Other Adjustments | (B) Amount per Audit |
|---|---|-----------------------------|----------------------------|
| Expenditures by cost center: | | | |
| Total personnel services | \$ 1,165,863 | \$ - | \$ 1,165,863 |
| Total operating expenses | 238,212 | - | 238,212 |
| Total fixed assets | 1,633 | - | 1,633 |
| Total client expenses | <u>33,028</u> | - | <u>33,028</u> |
| Total expenditures by cost center | <u>1,438,736</u> | - | <u>1,438,736</u> |
| Funding sources: | | | |
| Client fees | - | 16,055 | 16,055 |
| City of Philadelphia, OSH | <u>1,438,736</u> | <u>(17,416)</u> | <u>1,421,320</u> |
| Total funding | <u>1,438,736</u> | <u>(1,361)</u> | <u>1,437,375</u> |
| Excess of expenditures over funding sources | <u>\$ -</u> | <u>\$ (1,361)</u> | <u>\$ (1,361)</u> |

(A) Client fees includes \$1,020 of miscellaneous income.

(B) Amount funded under contract in accordance with OSH guidelines.

Amounts on this schedule do not include the accrual for vacation as
discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA OFFICE OF SUPPORTIVE HOUSING
RECONCILIATION OF AGENCY REPORTED EXPENDITURES/REVENUES
TO AUDITED EXPENDITURES/REVENUES
CONTRACT NO. 10-20095
YEAR ENDED JUNE 30, 2010

| | Amount Reported on Fiscal Report | Other Adjustments | Amount per Audit |
|---|---|----------------------|------------------------|
| Expenditures by cost center: | | | |
| Total personnel services | \$ 152,748 | \$ - | \$ 152,748 |
| Total operating expenses | 46,463 | - | 46,463 |
| Total fixed assets | - | - | - |
| Total client expenses | <u>7,290</u> | - | <u>7,290</u> |
| Total expenditures by cost center | <u>206,501</u> | - | <u>206,501</u> |
| Funding sources: | | | |
| Client fees | - | - | - |
| City of Philadelphia, OSH | <u>205,044</u> | - | <u>205,044</u> |
| Total funding | <u>205,044</u> | - | <u>205,044</u> |
| Excess of expenditures over funding sources | <u>\$ (1,457)</u> | <u>\$ -</u> | <u>\$ (1,457)</u> |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA OFFICE OF SUPPORTIVE HOUSING
RECONCILIATION OF AGENCY REPORTED EXPENDITURES/REVENUES
TO AUDITED EXPENDITURES/REVENUES
CONTRACT NO. 10-20357
YEAR ENDED JUNE 30, 2010

| | Amount Reported on Fiscal Report | (A) Other Adjustments | (B) Amount per Audit |
|---|---|-----------------------------|-------------------------------|
| Expenditures by cost center: | | | |
| Total personnel services | \$ 109,063 | \$ 518 | \$ 109,581 |
| Total operating expenses | 12,491 | 343 | 12,834 |
| Total fixed assets | - | - | - |
| Total client expenses | - | - | - |
| Total expenditures by cost center | <u>121,554</u> | <u>861</u> | <u>122,415</u> |
| Funding sources: | | | |
| Client fees | - | - | - |
| City of Philadelphia, OSH | <u>121,554</u> | <u>-</u> | <u>121,554</u> |
| Total funding | <u>121,554</u> | <u>-</u> | <u>121,554</u> |
| Excess of expenditures over funding sources | <u>\$ -</u> | <u>\$ (861)</u> | <u>\$ (861)</u> |

(A) Amounts for expenditures reflects additional expenses recorded after submission of fiscal report.

(B) Amount funded under contract in accordance with OSH guidelines.

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA OFFICE OF ADDICTION SERVICES
SCHEDULE OF FUNCTIONAL EXPENDITURES
BY CONTRACT/PROGRAM AND REVENUES BY FUNDING SOURCE
CONTRACT NO. 09-20077-01
YEAR ENDED JUNE 30, 2010

| | <u>Endow-a-Home Outpatient Services</u> |
|--|---|
| Expenditures by cost center: | |
| Total personnel services | \$ 209,849 |
| Total operating expenses | 41,380 |
| Total fixed assets | - |
| | - |
| Total expenditures by cost center | 251,229 |
| Funding sources: | |
| Client fees | - |
| City of Philadelphia, Office of Addiction Services | 63,753 |
| Other | 128,423 |
| | 128,423 |
| Total funding sources | 192,176 |
| Excess of expenditures over funding sources | \$ (59,053) |

Amounts on this schedule do not include the accrual for vacation as
 discussed in footnote 1 to the consolidated financial statements.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA
AIDS ACTIVITIES COORDINATING OFFICE
SCHEDULE OF EXPENDITURES AND REVENUES
YEAR ENDED JUNE 30, 2010**

| | |
|----------------------------------|--|
| Provider Name: | Resources for Human Development, Inc. |
| | D/B/A Family Practice and Counseling Network |
| Funding Source: | AACO |
| Award Number: | EI9012 |
| Award Amount: | \$ 67,500 |
| Activity Description: | Clinical HIV Testing |
| Effective Dates (Contract Term): | 9/30/2008 - 9/29/2009 |

| | |
|---|-------------------------|
| Personnel expenditures: | |
| Personnel services | \$ 13,932 |
| Fringe benefits | <u>2,943</u> |
| Total personnel expenditures | <u>16,875</u> |
| Operating expenditures: | |
| Travel | - |
| Equipment | - |
| Supplies | - |
| Sub-Contract expenditures | - |
| Rent | - |
| Utilities | - |
| Communication | - |
| Leased equipment | - |
| Insurance | - |
| Printing | - |
| Repairs/maintenance | - |
| Other | <u>-</u> |
| Subtotal operating expenditures | <u>-</u> |
| Total direct (Personnel + Operating) expenditures | 16,875 |
| Indirect expenditures | <u>-</u> |
| Total budget expenditures | 16,875 |
| Program revenues | <u>-</u> |
| Net AACO funded expenditures | <u><u>\$ 16,875</u></u> |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
CITY OF PHILADELPHIA
AIDS ACTIVITIES COORDINATING OFFICE
SCHEDULE OF EXPENDITURES AND REVENUES
YEAR ENDED JUNE 30, 2010**

Provider Name: Resources for Human Development, Inc.
 Funding Source: D/B/A Family Practice and Counseling Network
 Award Number: AACO
 Award Amount: EI0012
 Contract Number: \$ 67,500
 Activity Description: 0820453-02
 Effective Dates (Contract Term): Clinical HIV Testing
 9/30/2009 - 9/29/2010

| | |
|---|-------------------------|
| Personnel expenditures: | |
| Personnel services | \$ 41,797 |
| Fringe benefits | <u>8,828</u> |
| Total personnel expenditures | <u>50,625</u> |
| Operating expenditures: | |
| Travel | - |
| Equipment | - |
| Supplies | - |
| Sub-Contract expenditures | - |
| Rent | - |
| Utilities | - |
| Communication | - |
| Leased equipment | - |
| Insurance | - |
| Printing | - |
| Repairs/maintenance | - |
| Other | <u>-</u> |
| Subtotal operating expenditures | <u>-</u> |
| Total direct (Personnel + Operating) expenditures | 50,625 |
| Indirect expenditures | <u>-</u> |
| Total budget expenditures | 50,625 |
| Program revenues | <u>-</u> |
| Net AACO funded expenditures | <u><u>\$ 50,625</u></u> |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
PENNSYLVANIA INTELLECTUAL DEVELOPMENTAL DISABILITY SERVICES
SCHEDULE OF REVENUE AND EXPENSES - TOTAL PROVIDER
YEAR ENDED JUNE 30, 2010

| | |
|--|-------------------|
| Revenue | |
| Commonwealth of Pennsylvania: | |
| Waiver Revenue for Waiver Eligible Services | \$ 35,607,292 |
| Waiver Revenue for Waiver Ineligible Services | 2,172,225 |
| Waiver Revenue for Fee Schedule and Outcome-based Services | 240,634 |
| Other Revenue | - |
| County | 385,703 |
| Private Clients | 65,413 |
| Participant Contribution to Residential Occupancy | 1,040,660 |
| Other | 151,638 |
| Contributions | 8,430 |
| Total Revenue | <u>39,671,995</u> |
| Expenses | |
| Program Direct Care Staff Salary/Wages | 15,091,672 |
| Program Direct Care Staff ERE | 4,650,819 |
| Other Program Staff Salary/Wages | 5,292,886 |
| Other Program Staff ERE | 1,408,551 |
| Contracted Staff | 397,052 |
| Administrative Staff Salary/Wages | 2,812,046 |
| Administrative Staff ERE | 620,268 |
| Program Supplies | 391,097 |
| Other Vehicle Expense | 2,360 |
| Other Program Expense | 3,394,413 |
| Transportation - Participant Motor Vehicle | 70,693 |
| Transportation - Participant | 1,138,071 |
| Other Occupancy Expense | 578,450 |
| Depreciation - Buildings | 5,122 |
| Depreciation - Fixed Assets/Equipment | - |
| Residential Occupancy | 3,692,190 |
| Total Expenses | <u>39,545,690</u> |
| Excess of revenue over expenses | <u>\$ 126,305</u> |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CARBON-MONROE-PIKE COUNTY DEPARTMENT OF MENTAL HEALTH AND RETARDATION
SCHEDULE OF REVENUE AND EXPENSES - MENTAL HEALTH
YEAR ENDED JUNE 30, 2010

| | Residential Crisis | Telephone Crisis | Mobile Crisis | POWER | Crossroads Community Services | HUD Supportive Housing | Mainstay North |
|---|-----------------------|---------------------|------------------|----------------|-------------------------------------|------------------------------|-------------------|
| Revenue: | | | | | | | |
| Fee for service - State match, non FFP, and Behavioral Health | \$ 208,044 | \$ 21,638 | \$ 209,280 | \$ - | \$ 7,520 | \$ 19,052 | \$ - |
| Fee for service - CCBH | 541,435 | 38,279 | 216,261 | 374,662 | 363,957 | 19,775 | - |
| Fee for service - Magellan | 948 | 20 | 595 | - | - | - | - |
| Food pantry grant | 9,500 | - | - | - | - | - | - |
| Federal FFP | 10,165 | 428 | 4,807 | - | 423 | 183 | - |
| County support (HUD Program) | - | - | - | - | - | 7,213 | - |
| HUD funds | - | - | - | - | - | 200,241 | - |
| Program funding | - | 339,761 | - | 98,325 | 43,468 | - | 25,000 |
| Other income (donation/vehicle sale/client rents) | 627 | 54 | 67 | 71 | 31,781 | 4,601 | - |
| Total revenue | 770,719 | 400,180 | 431,010 | 473,058 | 447,149 | 251,065 | 25,000 |
| Expenses: | | | | | | | |
| Salaries and wages | 436,208 | 252,008 | 207,744 | 272,977 | 214,411 | 149,992 | 5,353 |
| Taxes and benefits | 128,931 | 70,311 | 52,301 | 72,483 | 57,714 | 45,964 | 1,548 |
| Staff development | 2,788 | 1,118 | 1,171 | 2,311 | 1,044 | - | - |
| Purchased personnel and services | 68,593 | 6,045 | 23,229 | 291 | 15 | 155 | - |
| Rent | 22,719 | 3,964 | 4,075 | 21,019 | 40,477 | 3,401 | 3,190 |
| Utilities | 6,475 | 2,389 | 2,427 | 6,116 | 2,798 | 2,155 | 241 |
| Insurance-contents | 281 | 193 | 87 | 197 | 413 | 1,015 | - |
| Insurance-service | 4,655 | 1,962 | 2,501 | 2,451 | 3,091 | 1,532 | - |
| Housekeeping | 6,019 | 1,332 | 1,350 | 302 | 3,136 | 2,254 | 3,368 |
| Communications | 11,667 | 7,104 | 3,466 | 11,322 | 10,514 | 7,948 | 116 |
| Office/computer supplies | 3,530 | 2,527 | 874 | 3,719 | 1,664 | 1,087 | 93 |
| Medical supplies | 521 | 4 | 50 | - | 102 | 9 | - |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
CARBON-MONROE-PIKE COUNTY DEPARTMENT OF MENTAL HEALTH AND RETARDATION
SCHEDULE OF REVENUE AND EXPENSES - MENTAL HEALTH (CONTINUED)
YEAR ENDED JUNE 30, 2010

| | Residential | Telephone | Mobile | POWER | Crossroads | HUD | Mainstay |
|--|-------------|-----------|-----------|-------------|--------------------|--------------------|------------|
| | Crisis | Crisis | Crisis | | Community Services | Supportive Housing | North |
| Expenses (continued): | | | | | | | |
| Food | 25,660 | 15 | 18 | 541 | 288 | 537 | 610 |
| Rehabilitation supplies | 1,224 | 251 | 256 | 14,123 | 239 | - | 33 |
| Childcare | - | - | - | - | - | - | - |
| Household goods | 4,735 | 1,320 | 1,439 | 857 | 15 | 5,436 | 596 |
| Staff travel | 3,368 | 1,521 | 1,687 | 11,876 | 4,237 | - | 409 |
| Client transportation | - | - | - | - | 9,139 | 2,433 | - |
| Library | 156 | 4 | 52 | 8 | (2) | - | 58 |
| Miscellaneous operating | 1,279 | 400 | 503 | 827 | 872 | 2,377 | 230 |
| Equipment and furnishings-large | - | - | - | - | 2,326 | 1,279 | 1,829 |
| Equipment and furnishings-small | 1,849 | 477 | 142 | 14 | 13 | 2,651 | 9,547 |
| Building repair and maintenance | 46 | 23 | 23 | 1,135 | 525 | 350 | 2,230 |
| Equipment repair and maintenance contracts | 4,142 | 1,820 | 1,731 | 1,322 | 673 | 321 | 11 |
| Motor vehicle lease/purchase | 7,171 | 104 | 120 | 142 | 3,579 | 145 | - |
| Motor vehicle expense | 3,586 | 35 | 15,087 | 5,614 | 13,268 | 11,416 | 12 |
| Motor vehicle insurance | 4,476 | 21 | 4,928 | 2,874 | 5,302 | 7,771 | - |
| Total direct expenses | 750,079 | 354,948 | 325,261 | 432,521 | 375,853 | 250,228 | 29,474 |
| Administrative overhead | 90,009 | 42,594 | 39,031 | 58,390 | 70,597 | - | 4,421 |
| Total expenses | 840,088 | 397,542 | 364,292 | 490,911 | 446,450 | 250,228 | 33,895 |
| Support and revenue over/(under) expenses | \$ (69,369) | \$ 2,638 | \$ 66,718 | \$ (17,853) | \$ 699 | \$ 837 | \$ (8,895) |
| Request for retained revenue | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | |
|-----------------|--------|-------|--------|--------|-----|-------|-----|
| UOS provided | 7,095 | 6,064 | 13,316 | 59,378 | N/A | 2,183 | N/A |
| Net Unit Rate | 107.00 | 66.00 | 32.00 | 8.00 | N/A | 12.00 | N/A |
| Gross Unit Rate | 118.41 | 65.56 | 27.36 | 8.00 | N/A | N/A | N/A |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
 CARBON-MONROE-PIKE COUNTY DEPARTMENT OF MENTAL HEALTH AND RETARDATION
 SCHEDULE OF UNITS OF SERVICE (UOS) - MENTAL HEALTH
 PROVIDER NO. RES 110
 YEAR ENDED JUNE 30, 2010

| Type of Service | MA UOS | FFP \$ | MA Dollars Match \$ | Total \$ | Non-MA UOS | Non-MA Dollars | Total UOS | Total Dollars |
|---|--------|----------|---------------------|-----------|------------|----------------|-----------|---------------|
| Residential Crisis Established rate: | 205 | \$ 9,609 | \$ 7,957 | \$ 17,566 | 2,335 | \$ 200,086 | 2,540 | \$ 217,652 |
| Telephone Crisis Established rate: | 78 | \$ 428 | \$ 354 | \$ 782 | 2,122 | \$ 21,284 | 2,200 | \$ 22,066 |
| Team Mobile Crisis Established rate: | 129 | \$ 2,119 | \$ 1,752 | \$ 3,871 | 3,819 | \$ 114,608 | 3,948 | \$ 118,479 |
| Individual Mobile Crisis Established rate: | 18 | \$ 394 | \$ 326 | \$ 720 | 1,950 | \$ 39,000 | 1,968 | \$ 39,720 |
| Medical Mobile Crisis Established rate: | 62 | \$ 2,244 | \$ 1,856 | \$ 4,100 | 959 | \$ 51,738 | 1,021 | \$ 55,838 |
| Intensive Case Management Established rate: | 90 | \$ 606 | \$ 514 | \$ 1,120 | 2,093 | \$ 26,058 | 2,183 | \$ 27,178 |
| POWER Psych Rehab On-site Established rate: | - | \$ - | \$ - | \$ - | 8030 | \$ 36,135 | 8030 | \$ 36,135 |
| Psych Rehab Mobile Established rate: | - | \$ - | \$ - | \$ - | 4146 | \$ 62,190 | 4146 | \$ 62,190 |

(1) Established rate set by the State.

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
 CHESTER COUNTY DEPARTMENT OF DRUG AND ALCOHOL
 SCHEDULE OF REVENUE AND EXPENSES
 YEAR ENDED JUNE 30, 2010**

| | Womanspace Ardmore |
|---|-----------------------|
| Revenue | |
| Fee-for-service | \$ 1,954 |
| Expenses | |
| Salaries | 1,354 |
| Taxes/benefits | 360 |
| Total direct expenses | 1,714 |
| Administrative overhead | 240 |
| Total expenses | 1,954 |
| Support and revenue over (under) expenses | \$ - |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
DELAWARE COUNTY DEPARTMENT OF DRUG AND ALCOHOL
SCHEDULE OF REVENUE AND EXPENSES
YEAR ENDED JUNE 30, 2010

| | <u>Womanspace Ardmore</u> | <u>Family House Norristown</u> | <u>Totals</u> |
|---|-------------------------------|------------------------------------|---------------|
| Revenue | | | |
| Fee-for-service | \$ 4,039 | \$ 7,150 | \$ 11,189 |
| Expenses | | | |
| Salaries | 2,799 | 4,955 | 7,754 |
| Taxes/benefits | 744 | 1,317 | 2,061 |
| Total direct expenses | <u>3,543</u> | <u>6,272</u> | <u>9,815</u> |
| Administrative overhead | 496 | 878 | 1,374 |
| Total expenses | <u>4,039</u> | <u>7,150</u> | <u>11,189</u> |
| Support and revenue over (under) expenses | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
 DELAWARE COUNTY DEPARTMENT OF HUMAN SERVICES
 SCHEDULE OF REVENUE AND EXPENSES - MENTAL HEALTH
 YEAR ENDED JUNE 30, 2010**

| | Compeer |
|----------------------------------|-----------|
| Revenue | |
| Program funded | \$ 60,000 |
| Donation | 387 |
| Total revenue | 60,387 |
| Expenses | |
| Salaries | 26,555 |
| Taxes/benefits | 8,909 |
| Purchased personnel | 1,480 |
| Rent, utilities and housekeeping | 7,287 |
| Insurance | 344 |
| Communications | 4,836 |
| Office and program supplies | 2,746 |
| Staff travel | 1,029 |
| Total direct expenses | 53,186 |
| Administrative overhead | 7,446 |
| Total expenses | 60,632 |
| Excess of expenses over revenue | \$ (246) |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
LEHIGH COUNTY
SCHEDULE OF REVENUE AND EXPENSES - MENTAL HEALTH
YEAR ENDED JUNE 30, 2010

| | Hope Springs Friedens Rd. | LVACT CTT | LVACT ICM & Assessments |
|-------------------------------------|------------------------------|---------------|----------------------------|
| Revenue: | | | |
| FFS revenue | \$ - | \$ 37,987 | \$ 39,659 |
| Program funded | 488,318 | - | - |
| Recruitment and retention | 14,180 | - | - |
| Room and board | 42,251 | - | - |
| Other income, donation/vehicle sale | 3,829 | - | - |
| FFS program transfer | - | (2,287) | - |
| Total revenue | <u>548,578</u> | <u>35,700</u> | <u>39,659</u> |
| Expenses: | | | |
| Salaries and wages | 302,519 | 18,059 | 22,797 |
| Payroll taxes | 22,574 | 1,391 | 1,741 |
| Other benefits | 69,513 | 3,141 | 4,541 |
| Staff development | 386 | 64 | 26 |
| Purchased personnel and services | 5,609 | 11 | 9 |
| Rent | 11,589 | 2,181 | 958 |
| Utilities | 8,530 | 35 | 18 |
| Insurance, contents | 171 | 10 | 1 |
| Insurance, service | 2,924 | 240 | 254 |
| Housekeeping | 7,643 | 116 | 16 |
| Communications | 5,235 | 671 | 663 |
| Office and computer supplies | 2,937 | 222 | 187 |
| Copy machine lease | 34 | 93 | 53 |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
LEHIGH COUNTY
SCHEDULE OF REVENUE AND EXPENSES - MENTAL HEALTH (CONTINUED)
YEAR ENDED JUNE 30, 2010

| | Hope Springs Friedens Rd. | LVACT CTT | LVACT ICM & Assessments |
|--|------------------------------|------------|----------------------------|
| Medical supplies | 264 | 18 | 1 |
| Medications | 16 | 262 | 248 |
| Food | 14,026 | 3 | 5 |
| Rehabilitation supplies | 3,631 | 53 | 30 |
| Recreation | 551 | - | - |
| Special projects | 60 | 44 | - |
| Household goods | 4,382 | 2 | 3 |
| Staff travel | 2,599 | 1,390 | 2,328 |
| Library | 8 | 1 | - |
| Miscellaneous operating | 1,043 | 210 | 122 |
| Purchased physician | - | 3,413 | - |
| Equipment and furnishings, large | - | 64 | - |
| Equipment and furnishings, small | 2,919 | 20 | 6 |
| Building repair and maintenance | 1,305 | 7 | 7 |
| Land and building | 4,162 | - | - |
| Equipment repair and maintenance contracts | 455 | 71 | 54 |
| Motor vehicle lease and purchase | 5,366 | 279 | 11 |
| Motor vehicle expense | 5,764 | 226 | 204 |
| Motor vehicle repairs and supplies | 3,085 | 99 | 57 |
| Motor vehicle insurance | 1,611 | 160 | 2 |
| Total direct expenses | 490,911 | 32,556 | 34,342 |
| Administrative overhead | 57,208 | 5,083 | 5,152 |
| Total expenses | 548,119 | 37,639 | 39,494 |
| Revenue over/(under) expenses | \$ 459 | \$ (1,939) | \$ 165 |
| Request for retained revenue | \$ - | \$ - | \$ - |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
MONTGOMERY COUNTY FUNDED PROGRAMS
SCHEDULE OF REVENUE AND EXPENSES - MENTAL HEALTH
YEAR ENDED JUNE 30, 2010**

| | LMCS - MH Outpatient | LMCS - Student Assistance | LMCS - Recovery Support Team | LMCS - Admin Case Mgmt. | Consultants in Context | Consultants in Context Training | PCCD | Renaissance | CHOC |
|--------------------------------------|-------------------------|---------------------------------|------------------------------------|-------------------------------|---------------------------|---------------------------------------|-----------------|-----------------|------------------|
| Revenue: | | | | | | | | | |
| Montico program funded | \$ 231,796 | \$ 20,469 | \$ - | \$ - | \$ 289,323 | \$ 136,747 | \$ 4,378 | \$ - | \$ 995,663 |
| Montico - fee-for-service | 36,129 | - | - | - | - | - | - | 815,577 | - |
| Montico program funded-other BH/OHCD | - | (1,528) | - | - | (1,812) | (717) | (677) | - | 38,867 |
| Prior year revenue write-off | - | - | - | - | 3,122 | - | - | - | 4,737 |
| Other general | 3,383 | - | - | - | - | - | - | - | - |
| Magellan Behavioral | 369,562 | - | 332,962 | - | - | - | - | - | - |
| Private insurance | 147,263 | - | - | - | - | - | - | - | - |
| Program and client fees | 57,279 | - | - | - | - | - | - | 135,532 | - |
| Grants and donations | 11,437 | - | - | 150 | - | - | - | 825 | 5,520 |
| Miscellaneous income | - | - | - | - | - | - | 120 | - | 458 |
| Total revenue | 856,849 | 18,941 | 332,962 | 150 | 290,633 | 136,030 | 3,821 | 951,934 | 1,045,245 |
| Expenses: | | | | | | | | | |
| Salaries | 352,631 | 6,752 | 166,037 | 32,644 | 175,452 | 53,117 | - | 428,792 | 557,169 |
| Taxes and benefits | 87,664 | 1,982 | 40,433 | 10,261 | 31,781 | 9,574 | - | 129,235 | 163,259 |
| Purchased personnel | 369,606 | - | 680 | - | 17,164 | 42,355 | 3,840 | 8,806 | 157 |
| Rent, utilities and housekeeping | 152,989 | 8,848 | - | - | 12,000 | - | - | 163,027 | 51,836 |
| Insurance | 8,735 | - | - | - | 1,680 | 826 | - | 5,725 | 5,756 |
| Communications | 14,320 | - | 6,117 | - | 5,273 | 703 | - | 5,238 | 13,564 |
| Office and program supplies | 19,669 | - | 588 | - | 485 | 6,548 | - | 8,176 | 37,571 |
| Food | 319 | - | 187 | - | 591 | 159 | - | 35,308 | 1,914 |
| Staff travel | 606 | 18 | 1,874 | 62 | 7,898 | 2,620 | - | 1,285 | 1,350 |
| Purchased equipment | 10,682 | - | 3,980 | - | 2,731 | 4,015 | - | 12,524 | 10,416 |
| Property and building maintenance | 1,954 | - | 834 | - | - | - | - | 27,078 | 20,011 |
| Transportation, vehicle | - | - | 16,310 | - | - | - | - | 3,286 | 39,357 |
| Total direct expenses | 1,019,175 | 17,600 | 237,040 | 42,967 | 255,055 | 119,917 | 3,840 | 828,480 | 902,360 |
| Administrative overhead | 142,573 | 2,464 | 33,186 | 6,015 | 35,708 | 16,788 | 538 | 115,989 | 126,330 |
| Total expenses | 1,161,748 | 20,064 | 270,226 | 48,982 | 290,763 | 136,705 | 4,378 | 944,469 | 1,028,690 |
| Revenue over/(under) expenses | \$ (304,899) | \$ (1,123) | \$ 62,736 | \$ (48,832) | \$ (130) | \$ (675) | \$ (557) | \$ 7,465 | \$ 16,555 |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
MONTGOMERY COUNTY FUNDED PROGRAMS
SCHEDULE OF REVENUE AND EXPENSES - MENTAL HEALTH (CONTINUED)
YEAR ENDED JUNE 30, 2010**

| | CHOC D&A Outreach | CTI-Critical Time Intervention | New Foundations | Wellspring | New Options | Positive Resolutions | Compeer | MH Community Services | Total |
|--------------------------------------|----------------------|--------------------------------------|--------------------|-----------------|--------------------|-------------------------|-----------------|-----------------------------|---------------------|
| Revenue: | | | | | | | | | |
| Montico program funded | \$ 42,910 | \$ 4,000 | \$ - | \$ - | \$ 20,000 | \$ 16,000 | \$ 115,758 | \$ 20,915 | \$ 1,897,959 |
| Montico - fee-for-service | - | 19,766 | 731,106 | 359,702 | 1,078,422 | 1,680,639 | - | - | 4,721,341 |
| Montico program funded-other BH/OHCD | 30,375 | 1,227 | - | - | - | - | - | - | 70,469 |
| Prior year revenue write off | - | - | - | - | - | - | - | - | (4,734) |
| Other general | - | - | - | - | - | - | - | - | 11,242 |
| Magellan Behavioral | - | 295,191 | 123,859 | - | - | - | - | - | 1,121,574 |
| Private insurance | - | 1,743 | - | - | - | - | - | - | 149,006 |
| Program and client fees | - | - | 64,446 | 145,600 | 124,871 | 125,460 | - | - | 653,188 |
| Grants and donations | - | - | 3,110 | 1,275 | - | 100 | 18,740 | - | 41,157 |
| Miscellaneous income | - | - | 131 | 542 | 500 | 235 | 319 | - | 2,305 |
| Total revenue | 73,285 | 321,927 | 922,652 | 507,119 | 1,223,793 | 1,822,434 | 134,817 | 20,915 | 8,663,507 |
| Expenses: | | | | | | | | | |
| Salaries | 38,639 | 147,470 | 455,226 | 172,066 | 612,376 | 843,043 | 69,119 | - | 4,110,533 |
| Taxes and benefits | 11,864 | 47,438 | 140,962 | 48,242 | 179,595 | 244,964 | 16,713 | - | 1,163,967 |
| Purchased personnel | - | 32,069 | 2,077 | 2,584 | 7,833 | 26,309 | 3,471 | 20,915 | 537,866 |
| Rent, utilities and housekeeping | - | 3,149 | 79,644 | 195,531 | 125,580 | 203,024 | 9,796 | - | 1,005,424 |
| Insurance | 168 | 2,199 | 5,332 | 4,358 | 7,234 | 11,179 | 957 | - | 54,149 |
| Communications | 1,838 | 7,705 | 17,035 | 956 | 12,708 | 39,942 | 2,217 | - | 127,616 |
| Office and program supplies | 318 | 9,249 | 20,215 | 3,210 | 31,326 | 56,125 | 13,628 | - | 207,108 |
| Food | - | 585 | 30,321 | 734 | 40,372 | 63,810 | 289 | - | 174,589 |
| Staff travel | - | 5,400 | 3,478 | 637 | - | 7,629 | 2,299 | - | 35,156 |
| Purchased equipment | - | 1,271 | 3,872 | 3,300 | 6,508 | 3,997 | - | - | 63,296 |
| Property and building maintenance | - | 1,200 | 20,684 | 9,277 | 40,817 | 42,927 | - | - | 164,782 |
| Transportation, vehicle | 1,519 | 11,672 | 27,459 | 2,594 | 22,340 | 37,419 | - | - | 161,956 |
| Total direct expenses | 54,346 | 269,407 | 806,305 | 443,489 | 1,086,689 | 1,580,368 | 118,489 | 20,915 | 7,806,442 |
| Administrative overhead | 7,608 | 37,717 | 112,886 | 62,068 | 151,181 | 221,231 | 16,552 | - | 1,088,834 |
| Total expenses | 61,954 | 307,124 | 919,191 | 505,557 | 1,237,870 | 1,801,599 | 135,041 | 20,915 | 8,895,276 |
| Revenue over/(under) expenses | \$ 11,331 | \$ 14,803 | \$ 3,461 | \$ 1,562 | \$ (14,077) | \$ 20,835 | \$ (224) | \$ - | \$ (231,769) |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
MONTGOMERY COUNTY FUNDED PROGRAMS
SCHEDULE OF REVENUE AND EXPENSES - INTELLECTUAL DEVELOPMENTAL DISABILITIES
YEAR ENDED JUNE 30, 2010

| | RSS | LMVTC | Family Support Services | Total |
|-----------------------------------|--------------------|---------------|----------------------------|--------------------|
| Revenue: | | | | |
| Montco program funded | \$ - | \$ - | \$ 3,188 | \$ 3,188 |
| Montco fee-for-service | 227,480 | 49,296 | - | 276,776 |
| Program and client fees | 15,700 | - | - | 15,700 |
| Miscellaneous income | 2,030 | 4,424 | - | 6,454 |
| Total revenue | <u>245,210</u> | <u>53,720</u> | <u>3,188</u> | <u>302,118</u> |
| Expenses: | | | | |
| Salaries | 113,448 | 26,402 | - | 139,850 |
| Taxes and benefits | 31,806 | 7,982 | - | 39,788 |
| Purchased personnel | 3,781 | 143 | - | 3,924 |
| Rent, utilities and housekeeping | 38,266 | 5,379 | - | 43,645 |
| Insurance | 1,943 | - | - | 1,943 |
| Communications | 669 | - | - | 669 |
| Office and program supplies | 7,165 | 7,340 | 3,188 | 17,693 |
| Food | 3,205 | - | - | 3,205 |
| Staff travel | 3,009 | - | - | 3,009 |
| Purchased equipment | 2,397 | - | - | 2,397 |
| Property and building maintenance | 10,277 | - | - | 10,277 |
| Transportation, vehicle | 18,005 | 1,098 | - | 19,103 |
| Total direct expenses | <u>233,971</u> | <u>48,344</u> | <u>3,188</u> | <u>285,503</u> |
| Administrative overhead | <u>32,756</u> | <u>4,683</u> | <u>-</u> | <u>37,439</u> |
| Total expenses | <u>266,727</u> | <u>53,027</u> | <u>3,188</u> | <u>322,942</u> |
| Revenue over/(under) expenses | <u>\$ (21,517)</u> | <u>\$ 693</u> | <u>\$ -</u> | <u>\$ (20,824)</u> |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
MONTGOMERY COUNTY FUNDED PROGRAMS
SCHEDULE OF REVENUE AND EXPENSES - DRUG AND ALCOHOL
YEAR ENDED JUNE 30, 2010**

| | MC Methadone Center | Womanspace | Family House | Total |
|-----------------------------------|---------------------------|----------------|--------------------|------------------|
| Revenue: | | | | |
| Montco - fee-for-service | \$ 553,826 | \$ 2,736 | \$ - | \$ 556,562 |
| Medical assistance | 3,818 | 180,773 | 458,045 | 642,636 |
| Other county/state | - | 8,983 | 8,485 | 17,468 |
| Magellan Behavioral | 699,245 | 158,898 | 185,066 | 1,043,209 |
| Private insurance | 42,665 | 63,785 | - | 106,450 |
| Program and client fees | 219,314 | 3,517 | 18,932 | 241,763 |
| Miscellaneous income | 259 | 214 | 911 | 1,384 |
| Total revenue | <u>1,519,127</u> | <u>418,906</u> | <u>671,439</u> | <u>2,609,472</u> |
| Expenses: | | | | |
| Salaries | 711,201 | 215,626 | 381,355 | 1,308,182 |
| Taxes and benefits | 172,358 | 64,465 | 113,472 | 350,295 |
| Purchased personnel | 102,843 | 1,731 | 3,163 | 107,737 |
| Rent, utilities and housekeeping | 91,479 | 39,681 | 34,535 | 165,695 |
| Insurance | 9,138 | 2,583 | 4,664 | 16,385 |
| Communications | 9,172 | 6,796 | 7,097 | 23,065 |
| Office and program supplies | 91,766 | 9,932 | 46,944 | 148,642 |
| Food | - | 12,554 | 34,437 | 46,991 |
| Staff travel | 2,280 | 3,544 | 2,610 | 8,434 |
| Purchased equipment | 31,658 | 918 | - | 32,576 |
| Property and building maintenance | 16,916 | 8,289 | 24,965 | 50,170 |
| Transportation, vehicle | - | 642 | 2,701 | 3,343 |
| Total direct expenses | <u>1,238,811</u> | <u>366,761</u> | <u>655,943</u> | <u>2,261,515</u> |
| Administrative overhead | 173,433 | 51,346 | 91,832 | 316,611 |
| Total expenses | <u>1,412,244</u> | <u>418,107</u> | <u>747,775</u> | <u>2,578,126</u> |
| Revenue over/(under) expenses | <u>\$ 106,883</u> | <u>\$ 799</u> | <u>\$ (76,336)</u> | <u>\$ 31,346</u> |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
MONTGOMERY COUNTY FUNDED PROGRAMS
SCHEDULE OF REVENUE AND EXPENSES - OTHER
YEAR ENDED JUNE 30, 2010**

| | United Way Grant 2009 | ESG Grant 2007 | ESG Grant 2009 | United Way Grant 2010 | CHOC HPRP | Total |
|--------------------------------------|--------------------------|-------------------|-------------------|--------------------------|-------------------|-------------------|
| Revenue: | | | | | | |
| Program funded - Montgomery County | \$ - | \$ 160,577 | \$ 42,618 | \$ - | \$ 87,820 | \$ 291,015 |
| Federal funds - general | 34,354 | - | - | 5,000 | - | 39,354 |
| Other county/state | - | - | - | - | - | - |
| Magellan Behavioral | - | - | - | - | - | - |
| Private insurance | - | - | - | - | - | - |
| Program and client fees | - | - | - | - | - | - |
| Miscellaneous income | - | - | - | - | - | - |
| Total revenue | 34,354 | 160,577 | 42,618 | 5,000 | 87,820 | 330,369 |
| Expenses: | | | | | | |
| Salaries | - | 74,061 | 11,123 | - | 73,630 | 158,814 |
| Taxes and benefits | - | 28,607 | 4,944 | - | 20,221 | 53,772 |
| Staff development - in house | - | 15 | - | - | - | 15 |
| Telephone | - | - | - | - | - | - |
| Advertising | - | - | 119 | - | - | 119 |
| Office and program supplies | - | - | - | - | - | - |
| Food | 34,354 | 54,122 | 29,305 | 5,000 | - | 122,781 |
| Special projects - general | - | - | - | - | - | - |
| Background checks | - | - | - | - | - | - |
| Computer equipment - small | - | - | - | - | - | - |
| Building maint. and repair - small | - | - | - | - | - | - |
| Total direct expenses | 34,354 | 156,805 | 45,491 | 5,000 | 93,851 | 335,501 |
| Administrative overhead | - | - | - | - | - | - |
| Total expenses | 34,354 | 156,805 | 45,491 | 5,000 | 93,851 | 335,501 |
| Revenue over/(under) expenses | \$ - | \$ 3,772 | \$ (2,873) | \$ - | \$ (6,031) | \$ (5,132) |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
MONTGOMERY COUNTY FUNDED PROGRAMS
FAMILY HOUSE AND WOMANSPACE
SCHEDULE OF PROGRAM UNITS OF SERVICE
YEAR ENDED JUNE 30, 2010

| Program | Units of service reported | Rate per Unit (1) | Reported total-fee-for-service | Total audited fee-for service | Total billed fee-for services | Difference |
|---------------------------|---------------------------|-------------------|--------------------------------|-------------------------------|-------------------------------|------------|
| Family House - Norristown | 1,670 | \$ 280 | \$ 467,716 | \$ 467,716 | \$ 467,716 | \$ - |
| | 26 | \$ 275 | 7,150 | 7,150 | 7,150 | - |
| | 5 | \$ 267 | 1,335 | 1,335 | 1,335 | - |
| | 1,063 | \$ 165 | 175,395 | 175,395 | 175,395 | - |
| Total | 2,764 | | \$ 651,596 | \$ 651,596 | \$ 651,596 | \$ - |
| Womanspace | 1,266 | \$ 143 | \$ 180,773 | \$ 180,773 | \$ 180,773 | \$ - |
| | 66 | \$ 130 | 8,557 | 8,557 | 8,557 | - |
| | 36 | \$ 112 | 4,032 | 4,032 | 4,032 | - |
| | 1,273 | \$ 125 | 159,070 | 159,070 | 159,070 | - |
| | 546 | \$ 115 | 62,743 | 62,743 | 62,743 | - |
| Total | 3,187 | | \$ 415,175 | \$ 415,175 | \$ 415,175 | \$ - |

(1) Rate per unit is amount as approved in the contract agreement.

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
NORTHAMPTON COUNTY
SCHEDULE OF REVENUE AND EXPENSES - MENTAL HEALTH
YEAR ENDED JUNE 30, 2010

| | Hope House | Hope Springs Almond Road | Fair Weather Lodge | LVACT CTT | LVACT ICM & Assessments |
|-------------------------------------|---------------|--------------------------|--------------------|----------------|-------------------------|
| Revenue: | | | | | |
| Fee-for-service revenue | \$ 91,824 | \$ - | \$ - | \$ 213,115 | \$ 61,471 |
| Program funded | - | 585,062 | 11,135 | - | - |
| Recruitment and retention | - | 13,182 | - | - | - |
| Room, board | - | 43,139 | - | - | - |
| Other income: donation/vehicle sale | 1,891 | 963 | - | - | - |
| FFS program transfer | (3,699) | 3,699 | - | - | - |
| Total revenue | <u>90,016</u> | <u>646,045</u> | <u>11,135</u> | <u>213,115</u> | <u>61,471</u> |
| Expenses: | | | | | |
| Salaries and wages | 51,867 | 344,422 | 4,429 | 101,317 | 35,335 |
| Payroll taxes | 3,910 | 24,945 | 353 | 7,801 | 2,698 |
| Other benefits | 9,760 | 86,220 | 754 | 17,620 | 7,039 |
| Staff development | 350 | 303 | - | 359 | 41 |
| Purchased personnel and services | 433 | 40 | 2,500 | 62 | 14 |
| On-site psychiatric | 4,874 | 5,404 | - | - | - |
| Rent | 1,367 | 13,584 | - | 12,235 | 1,486 |
| Utilities | 1,374 | 9,649 | - | 197 | 27 |
| Insurance-contents | 55 | 171 | - | 57 | 2 |
| Insurance-service | 474 | 3,133 | - | 1,347 | 394 |
| Housekeeping | 640 | 5,553 | - | 652 | 25 |
| Communications | 819 | 5,850 | 109 | 3,764 | 1,028 |
| Office supplies | 567 | 2,584 | - | 1,248 | 290 |
| Copy machine lease | 6 | 34 | - | 523 | 82 |
| Medical supplies | 132 | 565 | - | 1,572 | 387 |
| Clothing | 10 | - | - | - | - |
| Food | 2,194 | 13,503 | 26 | 14 | 8 |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
 NORTHAMPTON COUNTY
 SCHEDULE OF REVENUE AND EXPENSES - MENTAL HEALTH (CONTINUED)
 YEAR ENDED JUNE 30, 2010

| | Hope House | Hope Springs Almond Road | Fair Weather Lodge | LVACT CTT | LVACT ICM & Assessments |
|--|------------|--------------------------|--------------------|-----------|-------------------------|
| Rehabilitation supplies | 211 | 3,559 | 18 | 297 | 47 |
| Recreation | 106 | 3,138 | - | 3 | 1 |
| Special projects | - | - | - | 247 | - |
| Household goods | 716 | 4,749 | - | 12 | 5 |
| Staff travel | 143 | 3,286 | 141 | 7,797 | 3,608 |
| Client transportation | - | - | - | 1 | - |
| Library | 1 | 8 | - | 5 | 1 |
| Miscellaneous operating | 215 | 3,127 | 605 | 1,176 | 189 |
| Purchased physician | - | - | - | 19,149 | - |
| Equipment and furnishings-large | 288 | - | 606 | 361 | - |
| Equipment and furnishings-small | 710 | 7,518 | - | 115 | 9 |
| Building repair and maintenance | 850 | 1,214 | - | 41 | 10 |
| Land, building and leasehold improvements | - | 5,034 | - | - | - |
| Equipment repair and maintenance contracts | 226 | 542 | - | 399 | 83 |
| Motor vehicle lease and purchase | 794 | 15,898 | - | 1,564 | 17 |
| Motor vehicle expense | 196 | 5,284 | - | 1,268 | 315 |
| Motor vehicle repairs and supplies | 417 | 1,800 | 63 | 554 | 89 |
| Motor vehicle insurance | 159 | 2,323 | 79 | 899 | 3 |
| Total direct expenses | 83,864 | 573,440 | 9,683 | 182,656 | 53,233 |
| Administrative overhead | 10,066 | 72,279 | 1,452 | 28,518 | 7,985 |
| Total expenses | 93,930 | 645,719 | 11,135 | 211,174 | 61,218 |
| Revenue over/(under) expenses | \$ (3,914) | \$ 326 | \$ - | \$ 1,941 | \$ 253 |
| Request for retained revenue | \$ - | \$ - | \$ - | \$ - | \$ - |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
NORTHAMPTON COUNTY
SCHEDULE OF REVENUE AND EXPENSES -
INTELLECTUAL DEVELOPMENTAL DISABILITIES
YEAR ENDED JUNE 30, 2010**

| | On Our Way - Wagner | |
|--|---------------------|--------------------|
| | Total | Children and Youth |
| Revenue: | | |
| Commonwealth of Pennsylvania DPW | \$ 363,990 | \$ - |
| Northampton county | 83,508 | 83,508 |
| Client room and board | 7,787 | - |
| Other | 99 | 11 |
| Total revenue | <u>455,384</u> | <u>83,519</u> |
| Expenses: | | |
| Salaries and wages | 395,260 | 44,122 |
| Employee benefits | 116,274 | 12,980 |
| Miscellaneous personnel | 1,551 | 173 |
| Occupancy | 66,720 | 7,448 |
| Communications | 7,450 | 832 |
| Supportive services | 20,795 | 2,321 |
| Transportation | 23,295 | 2,600 |
| Miscellaneous expense | 5,720 | 639 |
| Equipment and fixed assets | 7,400 | 826 |
| Repair and improvements | 1,553 | 173 |
| Other administrative supplies | 4,581 | 511 |
| Administrative overhead expenses | 97,590 | 10,894 |
| | <u>748,189</u> | <u>83,519</u> |
| Less: client room and board | 7,787 | - |
| Private pay | 99 | - |
| Other | - | 11 |
| Unallowable expenses per 4300 regs | <u>7,886</u> | <u>11</u> |
| Total net allowable expenses per 4300 regs | <u>740,303</u> | <u>83,508</u> |
| Revenue over/(under) expenses | <u>\$ (292,805)</u> | <u>\$ -</u> |
| Request for retained revenue | <u>\$ -</u> | <u>\$ -</u> |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
NORTHAMPTON COUNTY
SCHEDULE OF REVENUE AND EXPENSES -
INTELLECTUAL DEVELOPMENTAL DISABILITIES (CONTINUED)
YEAR ENDED JUNE 30, 2010**

| | On Our Way - Wagner | |
|--|---------------------|--------------------|
| | Total | Children and Youth |
| Unit costs/funding breakout: | | |
| Total number of units provided | 940 | 175 |
| Total Northampton County units waiver | 940 | 175 |
| Total Northampton County units non-waiver | - | - |
| Total net allowable waiver eligible costs - Northampton County | \$ 633,381 | \$ 74,044 |
| Total net allowable waiver ineligible costs - Northampton County | 114,808 | 9,475 |
| Total net allowable non-waiver costs - Northampton County | - | - |
| Total net allowable Northampton County expense | \$ 748,189 | \$ 83,519 |
| Net total net allowable unit rate - Northampton County | \$ 795.95 | \$ 477.25 |
| Net allowable waiver eligible rate - Northampton County | \$ 673.81 | \$ 423.11 |
| Net allowable waiver ineligible rate - Northampton County | \$ 122.14 | \$ 54.14 |
| Net allowable non-waiver rate - Northampton County | \$ - | \$ - |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
STATE OF RHODE ISLAND
SCHEDULE OF REVENUE AND EXPENSES FOR ALL AGENCY PROGRAMS
YEAR ENDED JUNE 30, 2010

| | Total | Administrative | DAY PROGRAM | | In Home Support | Other Programs |
|---------------------------------------|------------------|----------------|-------------------------------|--------------------|------------------|-----------------|
| | | | Less than 24-hour Residential | Day Program | | |
| Revenue: | | | | | | |
| State of Rhode Island, | | | | | | |
| Department of MHRH | \$ 1,702,260 | \$ - | \$ 23,593 | \$ 1,288,882 | \$ 389,785 | \$ - |
| Outside contracts | 72,772 | - | - | 72,772 | - | - |
| Contributions and grants | 1,060 | - | - | - | - | 1,060 |
| Special events, fundraising | 6,270 | - | - | - | - | 6,270 |
| Total revenue | 1,782,362 | - | 23,593 | 1,361,654 | 389,785 | 7,330 |
| Expenses: | | | | | | |
| Salaries and wages | 988,219 | 275,125 | 9,983 | 545,518 | 157,593 | - |
| Benefits | 307,563 | 85,504 | 3,296 | 169,553 | 49,210 | - |
| Consultants | 2,409 | - | - | 2,409 | - | - |
| Supplies | 11,686 | 3,000 | - | 7,719 | 967 | - |
| Vehicles and travel | 46,225 | 6,934 | 4,622 | 16,179 | 18,490 | - |
| Insurance | 14,344 | 1,434 | 2,869 | 7,172 | 2,869 | - |
| Leases and rentals | 88,019 | 4,401 | - | 74,816 | 8,802 | - |
| Utilities | 12,820 | 2,155 | - | 8,465 | 2,200 | - |
| Repairs and maintenance | 36,623 | 6,221 | - | 30,201 | 201 | - |
| Other | 38,821 | 6,170 | 2,040 | 29,427 | 1,184 | - |
| Overhead fees | 231,627 | 32,320 | 4,352 | 159,088 | 35,867 | - |
| | 1,778,356 | 423,264 | 27,162 | 1,050,547 | 277,383 | - |
| Allocation of administrative expenses | - | (423,264) | 5,502 | 323,374 | 92,695 | 1,693 |
| Total expenses | 1,778,356 | - | 32,664 | 1,373,921 | 370,078 | 1,693 |
| Net surplus/(deficit) | \$ 4,006 | \$ - | \$ (9,071) | \$ (12,267) | \$ 19,707 | \$ 5,637 |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
STATE OF RHODE ISLAND
SCHEDULE OF ADMINISTRATIVE WAGES
YEAR ENDED JUNE 30, 2010**

| <u>Employee</u> | <u>Job Title</u> | <u>Number of Hours a Week</u> | <u>Rate of Pay</u> | <u>Total Wages</u> |
|----------------------------|----------------------|-----------------------------------|------------------------|------------------------|
| Raymond Memery | Director | 40 | \$ 35.34 | \$ 73,510 |
| Jessica Planchon | Clerical | 1.5 | 8.00 | 626 |
| Paul Everett | Supervisor | 40 | 21.13 | 43,948 |
| Erin Velino | Administrative Asst. | 40 | 22.77 | 47,356 |
| Melissa Petrarca | Administrative Asst. | 40 | 15.87 | 33,005 |
| Joshua Kretzmann | Supervisor | 40 | 19.39 | 40,332 |
| Brenda Noel | Administrator | 40 | 17.48 | 36,348 |
| Total administrative wages | | | | <u>\$ 275,125</u> |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
STATE OF RHODE ISLAND
SCHEDULE OF PROFESSIONAL SERVICES
YEAR ENDED JUNE 30, 2010

| Name | Credentials | Program or Residence | Hourly Rate of Pay | Total Hours Worked | Total Paid for the Year | Total Consultants for the Year |
|------------------|-------------|-------------------------|--------------------------|--------------------------|-------------------------------|--------------------------------------|
| Nursing Services | | | | | | |
| Employees: | | | | | | |
| Leah Gauvin | | | \$ 25.94 | 156.60 | <u>4,061</u> | |
| Sub-total | | | | | <u>4,061</u> | |
| Total | | | | | <u>\$ 4,061</u> | |

Amounts on this schedule do not include the accrual for vacation as
 discussed in footnote 1 to the consolidated financial statements.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
STATE OF RHODE ISLAND
DETERMINATION OF EXCESS (DEFICIT) FUNDING
YEAR ENDED JUNE 30, 2010**

| | <u>Less than 24- hour Residential</u> | <u>Day Program</u> | <u>In Home Support</u> | <u>Total</u> |
|--|---|--------------------|----------------------------|--------------------|
| Revenue from DDD | \$ 23,593 | \$ 1,288,882 | \$ 389,785 | \$ 1,702,260 |
| Expenses related to DDD programs | <u>32,664</u> | <u>1,373,921</u> | <u>370,078</u> | <u>1,776,663</u> |
| Excess/(deficit) | <u>\$ (9,071)</u> | <u>\$ (85,039)</u> | <u>\$ 19,707</u> | <u>\$ (74,403)</u> |
| 5% of revenue | | | | \$ 85,113 |
| Monies due to the division | | | | \$ - |
| Excess/total DDD revenue (must be 5% or less) | | | | (4.37) % |

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors and Officers
Resources for Human Development, Inc. and Subsidiaries

We have audited the consolidated financial statements of Resources for Human Development, Inc. and Subsidiaries (the Organization) as of and for the year ended June 30, 2010, and have issued our report thereon dated January 3, 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 the Organization'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 the Organization'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.

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 financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization'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*.

We noted certain other matters that we reported to management of the Organization in a separate letter dated January 3, 2011.

This report is intended solely for the information and use of management, the Board of Directors, various Federal and state funding agencies, pass-through entities, and the City of Philadelphia and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Shechtman Markos Devor PC

Philadelphia, Pennsylvania
January 3, 2011

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON
COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND
MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Directors and Officers
Resources for Human Development, Inc. and Subsidiaries

Compliance

We have audited Resources for Human Development, Inc. and Subsidiaries's (the Organization) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2010. The Organization's major federal programs are identified in the summary of auditor's 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 is the responsibility of the Organization's management. Our responsibility is to express an opinion on the Organization'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 the City of Philadelphia Subrecipient Audit Guide. Those standards, OMB Circular A-133 and the City of Philadelphia Subrecipient Audit Guide 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 occurred. An audit includes examining, on a test basis, evidence about the Organization'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 the Organization's compliance with those requirements.

In our opinion, the Organization 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 for the year ended June 30, 2010.

Internal Control Over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Organization's internal control over compliance with the requirements that could have a direct and material effect on a major federal program 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, 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 of the Organization'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 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 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 material weaknesses, as defined above.

Schedule of Expenditures of Federal, State and City Awards

We have audited the consolidated financial statements of Resources for Human Development, Inc. and Subsidiaries as of and for the year ended June 30, 2010, and have issued our report thereon dated January 3, 2011, which contained an unqualified opinion on those consolidated financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The schedule of expenditures of federal, state and city awards is presented for the 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 the City of Philadelphia Subrecipient Audit Guide, and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

This report is intended solely for the information and use of management, the Board of Directors, various Federal and state funding agencies, pass-through entities, and the City of Philadelphia and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Philadelphia, Pennsylvania
January 3, 2011

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS
YEAR ENDED JUNE 30, 2010**

| <u>Federal grantor/pass-through grantor/program title</u> | <u>Federal CFDA Number</u> | <u>Passthrough Grantor's Number</u> | <u>Grant Period</u> | <u>2010 Expenditures</u> | <u>Questioned Costs</u> |
|--|----------------------------|-------------------------------------|---------------------|--------------------------|-------------------------|
| Federal Financial Assistance | | | | | |
| <u>U.S. Department of Health and Human Services</u> | | | | | |
| Health Center Cluster | 93.224 | H80 CS 00718 | 04/01/09 - 03/31/10 | \$ 1,533,782 | - |
| Health Center Cluster | 93.224 | H80 CS 00718 | 04/01/10 - 03/31/11 | 458,886 | - |
| ARRA - Increased Services to Health Centers | 93.703 | H8B CS 12237 | 03/27/09 - 03/26/11 | 113,711 | - |
| ARRA - Capital Improvement Program | 93.703 | C81 CS 13616 | 06/29/09 - 06/28/11 | 673,407 | - |
| <u>Pass-through Jefferson Parish Human Services Authority</u> | | | | | |
| MCS Hospital Transition | 93.779 | DHH-044451 | 08/01/08 - 07/31/09 | 10,921 | - |
| Intensive Service Coordination | 93.779 | DHH-044451 | 08/01/08 - 07/31/09 | 20,680 | - |
| LA Safe | 93.779 | DHH-044451 | 08/01/08 - 07/31/09 | 4,844 | - |
| <u>Pass-through State of Louisiana Department of Social Services</u> | | | | | |
| LA Safe Expansion | 93.667 | 683214 | 07/01/09 - 06/30/10 | 99,197 | - |
| <u>Pass-through Unity of Greater New Orleans</u> | | | | | |
| New Orleans Womanspace | 93.243 | 1H79SM059082 | 09/30/09 - 09/30/10 | 31,589 | - |
| <u>Pass-through Pennsylvania Department of Health/</u> | | | | | |
| Family Planning Council | | | | | |
| Family Practice and Counseling Network | 93.994 | 103901 | 07/01/09 - 06/30/10 | 12,042 | - |
| Family Practice and Counseling Network | 93.977 | 103901 | 07/01/09 - 06/30/10 | 4,231 | - |
| National Nursing Centers Consortium | | | | | |
| Family Practice and Counseling Network | 93.991 | N/A | 07/01/09 - 06/30/10 | 10,400 | - |
| <u>Pass-through Pennsylvania Department of Public Welfare</u> | | | | | |
| Family Practice and Counseling Network | 93.778 | N/A | 07/01/09 - 06/30/10 | 3,765,805 | - |
| Family Practice and Counseling Network - ARRA funded | 93.778 | N/A | 07/01/09 - 06/30/10 | 758,520 | - |
| Various Outpatient Programs | 93.778 | N/A | 07/01/09 - 06/30/10 | 63,521 | - |
| Various Outpatient Programs - ARRA funded | 93.778 | N/A | 07/01/09 - 06/30/10 | 12,794 | - |
| Intellectual Developmental Disabilities | 93.778 | N/A | 07/01/09 - 06/30/10 | 20,756,214 | - |
| Intellectual Developmental Disabilities - ARRA funded | 93.778 | N/A | 07/01/09 - 06/30/10 | 4,180,781 | - |

See notes to schedule of expenditures of Federal, state and city awards.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS
YEAR ENDED JUNE 30, 2010

| <u>Federal grantor/pass-through grantor/program title</u> | <u>Federal CFDA Number</u> | <u>Passthrough Grantor's Number</u> | <u>Grant Period</u> | <u>2010 Expenditures</u> | <u>Questioned Costs</u> |
|--|--------------------------------------|--|--|--|-------------------------|
| Pass-through Pennsylvania Department of Public Welfare/ Family Planning Council Family Practice and Counseling Network | 93.667 | 103901 | 07/01/09 - 06/30/10 | 9,698 | - |
| Pass-through Pennsylvania Department of Public Welfare/ Philadelphia Department of Public Health Office of Addiction Services - Endow-A-Home Office of Supportive Housing - Families in Transition Office of Behavioral Health/Mental Retardation -MH Base Unitary Office of Behavioral Health/Mental Retardation -Early Intervention | 93.959 93.667 93.150 93.778 | 09-20077-01 1020095 09-20080 09-20081 | 07/01/09 - 06/30/10 07/01/09 - 06/30/10 07/01/09 - 06/30/10 07/01/09 - 06/30/10 | 63,753 205,044 20,459 252,986 | - - - - |
| Pass-through Pennsylvania Department of Public Welfare/ Various Counties Lehigh County - MH Montgomery County - MH and D&A (Various) Northampton County | 93.958 93.959 93.778 | 09-MH/MR-261 N/A 2008-1047WI | 07/01/09 - 06/30/10 07/01/09 - 06/30/10 07/01/08 - 09/30/09 | 580 534,300 - | - - - |
| Pass-through Philadelphia Department of Human Services Community Reintegration | 93.658 | 09-20303 | 07/01/09 - 06/30/10 | 29,847 | - |
| Pass-through Philadelphia Department of Human Services/ Family Planning Council Family Practice and Counseling Network | 93.217 | 103901 | 07/01/09 - 06/30/10 | 27,012 | - |
| Pass-through Philadelphia Youth Network North E3 Center Aces Aces | 93.558 93.558 93.558 | 12160 88016 / D182 AR09-506 | 07/01/09 - 06/30/10 07/01/09 - 06/30/10 05/01/09 - 09/30/09 | 462,528 1,208 912 | - - - |
| Pass-through Center for Disease Control and Prevention City of Philadelphia - Department of Public Health AACO - Family Practice and Counseling Network AACO - Family Practice and Counseling Network | 93.940 93.940 | 0820453-02 E19012 | 9/30/09 - 09/29/10 10/01/08 - 09/30/09 | 50,625 16,875 | - - |

See notes to schedule of expenditures of Federal, state and city awards.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS
YEAR ENDED JUNE 30, 2010**

| <u>Federal grantor/pass-through grantor/program title</u> | <u>Federal CFDA Number</u> | <u>Passthrough Grantor's Number</u> | <u>Grant Period</u> | <u>2010 Expenditures</u> | <u>Questioned Costs</u> |
|--|----------------------------|-------------------------------------|---------------------|--------------------------|-------------------------|
| Pass-through National Nursing Centers Consortium Family Practice and Counseling Network | 93.197 | N/A | 07/01/09 - 06/30/10 | 38,500 | - |
| Family Practice and Counseling Network | 93.069 | N/A | 10/19/09 - 03/31/10 | 120,000 | - |
| Pass-through Health Federation of Philadelphia Family Practice and Counseling Network | 93.914 | N/A | 03/01/10 - 02/28/11 | 59,787 | - |
| Pass-through State of Rhode Island Division of Developmental Disabilities | 93.778 | RF54556 | 01/01/09 - 12/31/09 | 851,130 | - |
| Division of Developmental Disabilities | 93.778 | RH54940 | 01/01/10- 12/31/10 | 851,130 | - |
| Pass-through State of Missouri Department of Mental Health | 93.778 | MRER019908076 | 09/01/08 - 08/31/10 | 2,470,073 | - |
| Total U.S. Department of Health and Human Services | | | | <u>38,577,772</u> | - |
| <u>U.S. Department of Housing and Urban Development</u> | | | | | |
| Project Advantage | 14.235 | PA0068B3T000801 | 07/01/09 - 06/30/10 | 486,335 | - |
| Crossroads | 14.235 | PA0206B3T090801 | 01/01/10 - 12/31/10 | 165,729 | - |
| Crossroads | 14.235 | PA01B70-9008 | 10/01/08 - 09/30/09 | 49,297 | - |
| Crossroads | 14.235 | PA01B70-9004 | 01/01/09 - 12/31/09 | 168,635 | - |
| Crossroads | 14.235 | PA0205B3T090801 | 10/01/09 - 09/30/10 | 151,128 | - |
| LVACT | 14.235 | PA0211B3T090801 | 07/01/09 - 06/30/10 | 159,116 | - |
| SALT | 14.235 | PA0010B3T000801 | 07/01/09 - 06/30/10 | 225,435 | - |
| Pass-through 1260 Housing Development Corporation Salt - Phila | 14.238 | PA001B700026 | 10/01/08 - 09/30/09 | 92,678 | - |
| Salt - Phila | 14.238 | PA0015B3T000801 | 10/01/09 - 09/30/10 | 281,366 | - |
| Pass-through Chester Economic Development Authority CDBG -Chester Youthbuild | 14.218 | N/A | 07/01/09 - 06/30/10 | 24,000 | - |

See notes to schedule of expenditures of Federal, state and city awards.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS
YEAR ENDED JUNE 30, 2010

| <u>Federal grantor/pass-through grantor/program title</u> | <u>Federal CFDA Number</u> | <u>Passthrough Grantor's Number</u> | <u>Grant Period</u> | <u>2010 Expenditures</u> | <u>Questioned Costs</u> |
|--|----------------------------|-------------------------------------|---------------------|--------------------------|-------------------------|
| Pass-through Jefferson Parish Human Services Authority Pathways Phase I | 14.235 | LA007086H030801 | 04/01/09 - 03/31/10 | 373,475 | - |
| CDBG - LA Housing Support - ARRA funded | 14.218 | DHH-052261 | 07/01/09 - 06/30/10 | 835,984 | - |
| Pass-through Louisiana - Jefferson Parish Project Reach | 14.235 | 849231915 | 01/01/09 - 12/31/09 | 10,093 | - |
| Project Reach | 14.235 | 849231915 | 01/01/10 - 12/31/10 | 9,857 | - |
| Project Reach | 14.235 | 849231915 | 08/01/08 - 07/31/09 | 2,057 | - |
| Project Reach | 14.235 | 849231915 | 08/01/09 - 07/31/10 | 16,634 | - |
| New Orleans Womanspace | 14.235 | 849231915 | 10/01/10 - 12/31/10 | 48,087 | - |
| LA HPRP - ARRA funded | 14.257 | 849231915 | 11/01/09 - 02/28/12 | 965 | - |
| Pass-through Unity of Greater New Orleans LA Shelter Plus Care | 14.238 | LA0086C6H030801 | 07/01/09 - 06/30/10 | 67,868 | - |
| Project Reach | 14.235 | LA48B-70-3017 | 10/01/08 - 09/30/09 | 20,014 | - |
| Project Reach | 14.235 | LA0063B6H030801 | 10/01/09 - 09/30/10 | 54,174 | - |
| New Orleans Womanspace | 14.235 | LA0083B6H030801 | 02/01/09 - 01/31/10 | 335,753 | - |
| New Orleans Womanspace | 14.235 | LA0083B6H030802 | 02/01/10 - 01/31/11 | 249,000 | - |
| New Orleans Womanspace | 14.235 | LA0066B6H030801 | 07/01/09 - 06/30/10 | 10,300 | - |
| Pass-through Montgomery County Department of Housing and Community Development CDBG CHOC | 14.218 | B-09-05-214 | 10/01/09 - 09/30/10 | - | - |
| CDBG RSS - North Main Street | 14.218 | B-08-03-214 | 10/01/08 - 12/31/09 | 80,269 | - |
| CDBG RSS - Schultz Road | 14.218 | A-09-14-219 | 10/01/09 - 09/30/11 | 47,630 | - |
| Emergency Shelter CHOC | 14.231 | S-09-05-201 | 10/01/09 - 09/30/10 | 42,618 | - |
| Emergency Shelter CHOC | 14.231 | S-07-05-202 | 04/01/09 - 03/31/10 | 149,353 | - |
| HPRP CHOC - ARRA funded | 14.257 | Y-09-05-210 | 09/30/09 - 09/30/12 | 87,820 | - |
| Pass-through Philadelphia Office of Supportive Housing Ridge Center | 14.231 | 10-20017 | 07/01/09 - 06/30/10 | 608,819 | - |
| HPRP Case Management - Ridge - ARRA funded | 14.257 | 10-20357 | 10/01/09 - 09/30/10 | 121,554 | - |

See notes to schedule of expenditures of Federal, state and city awards.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS
YEAR ENDED JUNE 30, 2010**

| <u>Federal grantor/pass-through grantor/program title</u> | <u>Federal CFDA Number</u> | <u>Passthrough Grantor's Number</u> | <u>Grant Period</u> | <u>2010 Expenditures</u> | <u>Questioned Costs</u> |
|---|----------------------------|-------------------------------------|---------------------|--------------------------|-------------------------|
| Pass-through Philadelphia Office of Housing and Community Development | | | | | |
| CDBG - Families in Transition | 14.218 | B09MC42-0012 | 07/01/09 - 06/30/10 | 80,302 | - |
| Families in Transition | 14.239 | M09MC42-0203 | 07/01/09 - 06/30/10 | 240,562 | - |
| Pass-through Nonprofit Housing Development Corporation High Street | 14.241 | PA26409F001 | 07/01/09 - 06/30/10 | 74,693 | - |
| Pass-through Township of Lower Merion | | | | | |
| CDBG - Womenspace | 14.218 | 0025-0035 | 08/22/09 - 06/30/10 | 20,400 | - |
| CDBG - LMCS | 14.218 | B09MY42-0011 | 07/01/09 - 06/30/10 | 1,650 | - |
| Total U.S. Department of Housing and Urban Development | | | | 5,393,650 | - |
| <u>U.S. Department of Veterans Affairs</u> | | | | | |
| New Orleans Womenspace | 64.024 | 04-121-LA | 05/15/07 - 03/31/10 | 45,253 | - |
| New Orleans Womenspace | 64.024 | 629-C00200 | 03/01/10 - 05/31/10 | 31,300 | - |
| Total U.S. Department of Veterans Affairs | | | | 76,553 | - |
| <u>U.S. Department of Labor</u> | | | | | |
| Chester Youth Build | 17.274 | YB-16853-08-60-A-42 | 10/15/07 - 01/30/11 | 292,621 | - |
| Pass-through Philadelphia Youth Network, Inc. | | | | | |
| E3 Center | 17.259 | 12160 | 07/01/09 - 06/30/10 | 60,192 | - |
| Aces - ARRA funded | 17.259 | AR09-506 | 04/06/09 - 09/30/09 | 11,632 | - |
| Aces | 17.259 | 94980 | 11/01/08 - 11/30/09 | 175,961 | - |
| Aces - Stimulus Work Ready - ARRA funded | 17.259 | AR09-506 | 05/01/09 - 09/30/09 | 16,954 | - |
| Aces - Stimulus Work Ready - ARRA funded | 17.259 | 85009/S144 | 04/05/10 - 09/30/10 | 7,802 | - |
| Total U.S. Department of Labor | | | | 565,162 | - |

See notes to schedule of expenditures of Federal, state and city awards.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS
YEAR ENDED JUNE 30, 2010

| <u>Federal grantor/pass-through grantor/program title</u> | <u>Federal CFDA Number</u> | <u>Passthrough Grantor's Number</u> | <u>Grant Period</u> | <u>2010 Expenditures</u> | <u>Questioned Costs</u> |
|---|------------------------------------|---|-------------------------|------------------------------|-----------------------------|
| <u>U.S. Department of Homeland Security</u> | | | | | |
| Emergency Food and Shelter Program | 97.024 | 7294-00 030 | 01/01/10 - 12/31/10 | 5,000 | - |
| CHOC | 97.024 | 7294-00 030 | 01/01/09 - 12/31/09 | 34,354 | - |
| | | | | <u>39,354</u> | <u>-</u> |
| <u>Total U.S. Department of Homeland Security</u> | | | | | |
| <u>U.S. Department of Justice</u> | | | | | |
| Pass-through City of Philadelphia Prison System | 16.804 | 1020318 | 01/01/10 - 12/31/10 | 198,412 | - |
| Partnership for Employment - ARRA funded | | | | | |
| <u>U.S. Environmental Protection Agency</u> | | | | | |
| New Beginnings Wissahickon Restore | 66.951 | NE-97378401-0 | 08/02/09 - 08/02/11 | 1,832 | - |
| | | | | <u>1,832</u> | <u>-</u> |
| <u>Total Federal Financial Assistance</u> | | | | <u>\$ 44,852,735</u> | <u>-</u> |

See notes to schedule of expenditures of Federal, state and city awards.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS
YEAR ENDED JUNE 30, 2010**

| <u>Summary of Federal Financial Assistance by CFDA</u> | \$ |
|---|-------------------|
| 14.218 - Community Development Block Grants/Entitlement Grants | 1,090,235 |
| 14.231 - Emergency Shelter Grants Program | 800,790 |
| 14.235 - Supportive Housing Program | 2,535,119 |
| 14.238 - Shelter Plus Care | 441,912 |
| 14.239 - HOME Investment Partnerships Program | 240,562 |
| 14.241 - Housing Opportunities for Persons with AIDS | 74,693 |
| 14.257 - Homelessness Prevention and Rapid Re-Housing Program (Recovery Act Funded) | 210,339 |
| 16.804 - Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program / Grants To Units Of Local Government | 198,412 |
| 17.259 - WIA Youth Activities | 272,541 |
| 17.274 - Youthbuild | 292,621 |
| 64.024 - VA Homeless Providers Grant and Per Diem Program | 76,553 |
| 66.951 - Environmental Education Grants | 1,832 |
| 93.069 - Public Health Emergency Preparedness | 120,000 |
| 93.150 - Projects for Assistance in Transition from Homelessness (PATH) | 20,459 |
| 93.197 - Childhood Lead Poisoning Prevention Projects_State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children | 38,500 |
| 93.217 - Family Planning - Services | 27,012 |
| 93.224 - Consolidated Health Centers | 1,992,668 |
| 93.243 - Substance Abuse and Mental Health Services_Projects of Regional and National Significance | 31,589 |
| 93.558 - Temporary Assistance for Needy Families | 464,648 |
| 93.658 - Foster Care Title IV-E | 29,847 |
| 93.667 - Social Services Block Grant | 313,939 |
| 93.703 - ARRA - Grants to Health Center Programs | 787,118 |
| 93.778 - Medical Assistance Program | 33,962,954 |
| 93.779 - Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations | 36,445 |
| 93.914 - HIV Emergency Relief Project Grants | 59,787 |
| 93.940 - HIV Prevention Activities_Health Department Based | 67,500 |
| 93.958 - Block Grants for Community Mental Health Services | 580 |
| 93.959 - Block Grants for Prevention and Treatment of Substance Abuse | 598,053 |
| 93.991 - Preventive Health and Health Services Block Grant | 10,400 |
| 93.994 - Maternal and Child Health Services Block Grant to the States | 12,042 |
| 93.977 - Preventive Health Services_Sexually Transmitted Diseases Control Grants | 4,231 |
| 97.024 - Emergency Food and Shelter National Board Program | 39,354 |
| | <u>44,852,735</u> |

See notes to schedule of expenditures of Federal, state and city awards.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS
YEAR ENDED JUNE 30, 2010**

| <u>Federal grantor/pass-through grantor/program title</u> | <u>Federal CFDA Number</u> | <u>Passthrough Grantor's Number</u> | <u>Grant Period</u> | <u>2010 Expenditures</u> | <u>Questioned Costs</u> |
|---|------------------------------------|---|-------------------------|------------------------------|-----------------------------|
| State/County Financial Assistance | | | | | |
| Connecticut | | | | | |
| Department of Mental Retardation | N/A | 08DDS1065DS | 07/01/08 - 06/30/10 | \$ 295,986 | - |
| CT West Region -Day Program | N/A | 08DDS3567DS | 07/01/08 - 06/30/10 | 288,602 | - |
| CT South Region -Day Program | N/A | 08DDS2983RS | 07/01/08 - 06/30/11 | 654,105 | - |
| CT North Region -Residential | N/A | 08DDS3567RS | 07/01/08 - 06/30/11 | 1,218,168 | - |
| CT South Region -Residential | N/A | 08DDS1065RS | 07/01/08 - 06/30/11 | 3,895,187 | - |
| CT West Region -Residential | N/A | N/A | 07/01/08 - 06/30/10 | 533,982 | - |
| CT Waiver Program | | | | | |
| Total Connecticut | | | | 6,886,030 | - |
| Delaware | | | | | |
| Department of Health and Social Services | N/A | 10965-03-01 | 07/01/09 - 06/30/10 | 1,900,190 | - |
| Choices, Mainstay | N/A | 11162-03 | 07/01/09 - 06/30/10 | 304,322 | - |
| Mainstay | N/A | 010981 | 07/01/08 - 06/30/10 | 2,941,395 | - |
| Brandywine Hills, Wilmington Now, & Passages | N/A | 11207-04 | 07/01/09 - 06/30/10 | 173,337 | - |
| Vocational Services | | | | | |
| Total Delaware | | | | 5,319,244 | - |
| Florida | | | | | |
| Agency for Persons with Disabilities | N/A | N/A | 07/01/07 - 06/30/10 | 5,246,302 | - |
| Walton County Board of County Commissioners | N/A | N/A | 10/01/08 - 09/30/09 | 13,000 | - |
| Total Florida | | | | 5,259,302 | - |
| Louisiana | | | | | |
| State of Louisiana | N/A | N/A | 07/01/09 - 06/30/10 | 348,586 | - |
| MST | | | | | |
| Pass-through Jefferson Parish Human Services Authority | N/A | 329 | 07/01/09 - 06/30/10 | 420,869 | - |
| Family House LA -Residential | N/A | 331 | 07/01/09 - 06/30/10 | 372,972 | - |
| Family House LA -TANF | | | | | |

See notes to schedule of expenditures of Federal, state and city awards.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS
YEAR ENDED JUNE 30, 2010

| <u>Federal grantor/pass-through grantor/program title</u> | <u>Federal CFDA Number</u> | <u>Passthrough Grantor's Number</u> | <u>Grant Period</u> | <u>2010 Expenditures</u> | <u>Questioned Costs</u> |
|---|----------------------------|-------------------------------------|---------------------|--------------------------|-------------------------|
| Access Housing Program | N/A | 313 | 07/01/09 - 06/30/10 | 90,102 | - |
| ACT Team | N/A | 333 | 07/01/09 - 06/30/10 | 997,336 | - |
| ACT Team 2 | N/A | 334 | 07/01/09 - 06/30/10 | 1,099,772 | - |
| Mobile Crisis Services (MCS) | N/A | 335 | 07/01/09 - 06/30/10 | 372,583 | - |
| Project SAFE | N/A | 314 | 07/01/09 - 06/30/10 | 113,428 | - |
| Pathways Phase II | N/A | 330 | 07/01/09 - 06/30/10 | 361,893 | - |
| Pass-through Jefferson Parish LA HPRP | N/A | 113610 | 11/01/09 - 10/31/10 | 14,485 | - |
| Jefferson Parish - Local LA Coroner | N/A | C09-7-020 | 10/01/09 - 09/30/10 | 4,500 | - |
| LA Coroner | N/A | C08-7-025 | 10/01/08 - 09/30/09 | 1,500 | - |
| Jefferson Parish Human Services Authority - Local Mobile Crisis Services (MCS) | N/A | 335 | 07/01/09 - 06/30/10 | 455,380 | - |
| Pathways Phase I | N/A | LA007086H030801 | 04/01/09 - 03/31/10 | 105,339 | - |
| Family House | N/A | 329 | 07/01/09 - 06/30/10 | 62,889 | - |
| Total Louisiana | | | | 4,821,634 | - |
| <u>Maryland</u> | | | | | |
| Department of Health and Mental Hygiene | N/A | DHMH OPASS 10-10081 | 07/01/09 - 06/30/12 | 247,062 | - |
| Montgomery County Department of Health and Human Services | N/A | 6648025021AA | 07/01/09 - 06/30/10 | 956,940 | - |
| Department of Health and Mental Hygiene/Mental Hygiene Administration Value Options and Health Choices | N/A | N/A | 07/01/09 - 06/30/10 | 68,246 | - |
| Total Maryland | | | | 1,272,248 | - |
| <u>Massachusetts</u> | | | | | |
| Department of Mental Retardation | N/A | 023800380950DDS00000 | 07/01/09 - 06/30/10 | 7,305 | - |
| Axis - Individual Support | N/A | 023800380951DDS00000 | 07/01/09 - 06/30/10 | 20,860 | - |
| Axis - Individual Support | N/A | 026700670356DDS00000 | 07/01/09 - 06/30/10 | 5,801 | - |
| Axis - Individual Support | N/A | 026100611335DDS00000 | 07/01/09 - 06/30/10 | 7,875 | - |
| Axis - Individual Support | N/A | 026700672356DDS00000 | 07/01/09 - 06/30/10 | 1,275 | - |
| Axis - Individual Support | N/A | 026000600367DDS00000 | 07/01/09 - 06/30/10 | 130,392 | - |

See notes to schedule of expenditures of Federal, state and city awards.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS
YEAR ENDED JUNE 30, 2010**

| <u>Federal grantor/pass-through grantor/program title</u> | <u>Federal CFDA Number</u> | <u>Passthrough Grantor's Number</u> | <u>Grant Period</u> | <u>2010 Expenditures</u> | <u>Questioned Costs</u> |
|--|----------------------------|-------------------------------------|---------------------|--------------------------|-------------------------|
| Axis - Outside the Lines | N/A | 023400340975DDSDS00000 | 07/01/09 - 06/30/10 | 4,000 | - |
| Axis - Outside the Lines | N/A | 026000600368DDSDS00000 | 07/01/09 - 06/30/10 | 353,700 | - |
| Axis - Outside the Lines | N/A | 023800380335DDSDS00000 | 07/01/09 - 06/30/10 | 36,081 | - |
| Axis - Residential Services | N/A | 026000600345DDSDS00000 | 07/01/09 - 06/30/10 | 5,066,515 | - |
| Axis - Urban Youth Collaborative | N/A | 026000600364DDSDS00000 | 07/01/09 - 06/30/10 | 25,030 | - |
| University of Massachusetts | | | | | |
| Axis - Outside the Lines | N/A | WW05-017-15-5 | 07/01/09 - 06/30/10 | 15,253 | - |
| Metro Region Department of Developmental Services | | | | | |
| Pass through Public Partnerships, LLC | | | | | |
| Axis - Outside the lines | N/A | 67621 | 07/01/09 - 06/30/10 | 7,384 | - |
| Total Massachusetts | | | | 5,681,471 | - |
| <u>New Jersey</u> | | | | | |
| Department of Human Services | | | | | |
| Division of Mental Health Services - SALT | N/A | 30415 | 07/01/09 - 06/30/10 | 3,848,434 | - |
| Division of Addiction Services - Supportive Housing | N/A | 10-623-ADA-0 | 07/01/09 - 06/30/10 | 811,122 | - |
| Total New Jersey | | | | 4,659,556 | - |
| <u>North Carolina</u> | | | | | |
| Wake County Human Services | | | | | |
| Wake County - Medicaid | N/A | N/A | 07/01/09 - 06/30/10 | 1,155,796 | - |
| Wake County - Non Medicaid | N/A | N/A | 07/01/09 - 06/30/10 | 1,133,101 | - |
| Durham County Mental Health, Development Disabilities, and Substance Abuse Authority | | | | | |
| Durham County - Program Funded | N/A | N/A | 07/01/09 - 06/30/10 | 15,991 | - |
| Durham County - Medicaid | N/A | N/A | 07/01/09 - 06/30/10 | 664,680 | - |
| Durham County - Non Medicaid | N/A | N/A | 07/01/09 - 06/30/10 | 137,058 | - |
| Total North Carolina | | | | 3,106,626 | - |
| <u>Pennsylvania</u> | | | | | |
| Pennsylvania Department of Aging | N/A | N/A | 07/01/09 - 06/30/10 | 21,944 | - |

See notes to schedule of expenditures of Federal, state and city awards.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS
YEAR ENDED JUNE 30, 2010

| <u>Federal grantor/pass-through grantor/program title</u> | <u>Federal CFDA Number</u> | <u>Passthrough Grantor's Number</u> | <u>Grant Period</u> | <u>2010 Expenditures</u> | <u>Questioned Costs</u> |
|---|----------------------------|-------------------------------------|---------------------|--------------------------|-------------------------|
| Pennsylvania Department of Health Family Practice and Counseling Network | N/A | 4100046880 | 02/01/09 - 06/30/10 | 59,990 | - |
| Pennsylvania Community and Economic Development Lower Merion Counseling Service | N/A | C000031324 | 07/01/07 - 06/30/10 | 205 | - |
| New Beginnings - Heritage Community | N/A | C000023985 | 07/01/06 - 06/30/10 | - | - |
| Total Pennsylvania Community and Economic Development | | | | 205 | - |
| Pennsylvania Department of Education Pass-through The School District of Philadelphia Stepping Stones | N/A | 591/F10 | 09/01/09 - 06/30/10 | 215,959 | - |
| Pennsylvania Department of Public Welfare <i>Intellectual Developmental Disabilities</i> Family Practice Counseling Network | N/A | N/A | 07/01/09 - 06/30/10 | 12,932,398 | - |
| Various Outpatient Programs | N/A | N/A | 07/01/09 - 06/30/10 | 2,346,328 | - |
| | | | | 39,577 | - |
| Pass-through Family Planning Council Family Practice Counseling Network | N/A | 103901 | 07/01/09 - 06/30/10 | 11,261 | - |
| Pass-through PMHCC Consultants in Context - SE Region | N/A | N/A | 07/01/09 - 06/30/10 | 440 | - |
| Pass-through Philadelphia Department of Human Services Community Reintegration | N/A | 09-20303 | 07/01/09 - 06/30/10 | 95,509 | - |
| Pass-through Philadelphia Department of Public Health Office of Mental Health/Mental Retardation - MH Base Unitary | N/A | 09-20080 | 07/01/09 - 06/30/10 | 19,640,668 | - |
| Office of Mental Health/Mental Retardation - MR Wavert Unitary | N/A | 09-20078 | 07/01/09 - 06/30/10 | 26,417 | - |
| Office of Mental Health/Mental Retardation - MR Early Intervention | N/A | 09-20081 | 07/01/09 - 06/30/10 | 382,898 | - |
| | | | | 20,049,983 | - |

See notes to schedule of expenditures of Federal, state and city awards.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS
YEAR ENDED JUNE 30, 2010

| <u>Federal grantor/pass-through grantor/program title</u> | <u>Federal CFDA Number</u> | <u>Passthrough Grantor's Number</u> | <u>Grant Period</u> | <u>2010 Expenditures</u> | <u>Questioned Costs</u> |
|---|----------------------------|-------------------------------------|--|--------------------------|-------------------------|
| Pass-through Philadelphia Office of Supportive Housing Woodstock Family Center Ridge Avenue Shelter | N/A N/A | 10-20117 10-20017 | 07/01/09 - 06/30/10 07/01/09 - 06/30/10 | 71,066 704,948 | - - |
| Pass-through Council on Chemical Abuse | N/A | N/A | 07/01/09 - 06/30/12 | 776,014 | - |
| Pass-through various counties | | | | | |
| Allegheny County - MH | N/A | 103392 | 07/01/09 - 06/30/10 | 1,129,951 | - |
| Carbon Monroe Pike - MH/MR | N/A | N/A | 07/01/09 - 06/30/10 | 979,300 | - |
| Chester County D&A - Womanspace | N/A | 11412 | 07/01/09 - 06/30/11 | 1,954 | - |
| Delaware County - DHS (Compeer) | N/A | A18-09 | 07/01/09 - 06/30/10 | 55,200 | - |
| Delaware County - DHS (Family House and Womanspace) | N/A | A 69-09 | 07/01/09 - 06/30/10 | 11,189 | - |
| Lehigh County - MH | N/A | 09-MHMR-261 | 07/01/09 - 06/30/10 | 579,565 | - |
| Monroe County - New Perspectives | N/A | N/A | 07/01/09 - 06/30/10 | 9,500 | - |
| Montgomery County - MH/MR (Compeer) | N/A | N/A | 07/01/09 - 06/30/10 | 115,757 | - |
| Montgomery County - MH/MR (RSS/LMVTC) | N/A | N/A | 07/01/09 - 06/30/10 | 271,565 | - |
| Montgomery County - (CHOC) | N/A | N/A | 12/01/07 - 12/31/10 | 70,469 | - |
| Montgomery County - MH/MR and D&A (Various) | N/A | N/A | 07/01/09 - 06/30/10 | 11,131 | - |
| Montgomery County - MH/MR and D&A (Various) | N/A | N/A | 07/01/09 - 06/30/10 | 6,382,974 | - |
| Northampton County - MH | N/A | 2009-614 | 07/01/09 - 06/30/10 | 980,058 | - |
| Northampton County | N/A | 2008-1047WI | 07/01/08 - 09/30/09 | - | - |
| Northampton County | N/A | 09-464 | 07/01/09 - 06/30/10 | 66,807 | - |
| Total Pennsylvania Department of Public Welfare | | | | 10,665,420 | - |
| Total Pennsylvania Department of Public Welfare | | | | 46,916,930 | - |
| Pennsylvania counties | | | | | |
| Bucks County | N/A | 582 | 07/01/08 - 06/30/10 | - | - |
| Chester Upland School District - Chester Youthbuild | N/A | N/A | 09/01/08 - 08/31/09 | 47,986 | - |
| Chester Upland School District - Chester Youthbuild | N/A | N/A | 09/01/09 - 06/30/10 | 319,733 | - |
| Chester Upland School District - Chester Youthbuild | N/A | N/A | 11/30/09 - 06/30/10 | 187,289 | - |

See notes to schedule of expenditures of Federal, state and city awards.

RESOURCES FOR HUMAN DEVELOPMENT, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS
YEAR ENDED JUNE 30, 2010

| <u>Federal grantor/pass-through grantor/program title</u> | <u>Federal CFDA Number</u> | <u>Passthrough Grantor's Number</u> | <u>Grant Period</u> | <u>2010 Expenditures</u> | <u>Questioned Costs</u> |
|---|----------------------------|-------------------------------------|---------------------|--------------------------|-------------------------|
| Montgomery County - MH/MR and D&A (Various) | N/A | N/A | 07/01/09 - 06/30/10 | 130,265 | - |
| Montgomery County - MH/MR (RSS/LMVTIC) | N/A | N/A | 07/01/09 - 06/30/10 | 8,399 | - |
| Montgomery County - MH/MR and D&A (Various) | N/A | N/A | 07/01/09 - 06/30/10 | 11,131 | - |
| Delaware County - Compeer | N/A | N/A | 07/01/09 - 06/30/10 | 4,800 | - |
| Northampton County | N/A | 09-464 | 07/01/09 - 06/30/10 | 16,702 | - |
| Total Pennsylvania Counties | | | | 726,305 | - |
| Total Pennsylvania | | | | 47,941,333 | - |
| Tennessee | | | | | |
| Division of Intellectual Disabilities Services | | | | | |
| Nashville/Respite | N/A | 05-300 | 01/01/05 - 12/31/10 | 1,905,361 | - |
| Memphis/Mainstay | N/A | 05-299 | 01/01/05 - 12/31/10 | 1,844,214 | - |
| Memphis/Mainstay | N/A | 10-277W | 01/01/10 - 12/31/14 | 1,809,409 | - |
| Nashville/Respite | N/A | 10-279M | 01/01/10 - 12/31/14 | 2,039,695 | - |
| Nashville - Clinical Home Care | N/A | 34401-11199 | 01/05/10 - 01/04/11 | 157,987 | - |
| Nashville - State Subsidy | N/A | N/A | 01/01/10 - 06/30/10 | 44,424 | - |
| Total Tennessee | | | | 7,801,090 | - |
| Virginia | | | | | |
| Department of Corrections | | | | | |
| | N/A | DOC-08-014-RHD | 10/01/07 - 09/30/10 | 127,385 | - |
| Total Virginia | | | | 127,385 | - |
| Total State / County Financial Assistance | | | | \$ 92,875,919 | - |

See notes to schedule of expenditures of Federal, state and city awards.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS
YEAR ENDED JUNE 30, 2010**

| <u>Federal grantor/pass-through grantor/program title</u> | <u>Federal CFDA Number</u> | <u>Passthrough Grantor's Number</u> | <u>Grant Period</u> | <u>2010 Expenditures</u> | <u>Questioned Costs</u> |
|--|----------------------------|-------------------------------------|---------------------|--------------------------|-------------------------|
| City Financial Assistance | | | | | |
| Philadelphia Department of Human Services Community Reintegration | N/A | 09-20303 | 07/01/09 - 06/30/10 | 23,877 | - |
| Pass-through Philadelphia Youth Network, Inc. E3 Center | N/A | 12160 | 07/15/09 - 06/30/10 | 269,280 | - |
| Aces - ARRA funded | N/A | AR09-506 | 05/01/09 - 09/30/09 | 365 | - |
| <hr/> | | | | | |
| Philadelphia Office of Supportive Housing Woodstock Family Center Ridge Avenue Shelter | N/A | 10-20117 | 07/01/09 - 06/30/10 | 1,350,254 | - |
| | N/A | 10-20017 | 07/01/09 - 06/30/10 | 1,890,543 | - |
| <hr/> | | | | | |
| | | | | 3,240,797 | - |
| <hr/> | | | | | |
| Philadelphia Department of Public Health Office of Behavioral Health/Mental Retardation - MH Base Unitary Office of Behavioral Health/Mental Retardation - MR Early Intervention | N/A | 09-20080 | 07/01/09 - 06/30/10 | 797,902 | - |
| | N/A | 09-20081 | 07/01/09 - 06/30/10 | 47,862 | - |
| <hr/> | | | | | |
| | | | | 845,764 | - |
| <hr/> | | | | | |
| Total City Financial Assistance | | | | \$ 4,380,083 | - |
| <hr/> | | | | | |
| Total Federal, State And City Financial Assistance | | | | \$ 142,108,737 | - |

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF
FEDERAL, STATE AND CITY AWARDS
YEAR ENDED JUNE 30, 2010**

1. General information

The accompanying schedule of expenditures of federal, state and city awards presents activities in all federal, state and city award programs of Resources for Human Development, Inc. All financial assistance received directly from federal agencies, as well as financial assistance passed through other governmental agencies or not-for-profit organizations, is included on the schedule.

2. Basis of accounting

The accompanying schedule of expenditures of federal, state and city awards is presented using the accrual basis of accounting. The amounts reported in this schedule as expenditures may differ from certain financial reports submitted to funding agencies because those reports may be submitted on either a cash or modified cash basis of accounting.

3. Relationship to basic consolidated financial statements

Federal, state and city award expenditures are reported on the statement of functional expenditures as program costs. However, expenditures in the schedule of expenditures of federal, state and city awards for certain programs which have incurred deficits have been limited to the related contracted amount. In addition, for certain programs, the expenditures reported in the basic consolidated financial statements may differ from the expenditures reported in the schedule of expenditures of federal, state and city awards due to program expenditures exceeding grant or contract budget limitations which are not included as federal, state and city financial assistance.

As further discussed in footnote 1, the Organization has a policy which allows the carryover of unused vacation time for program employees. This schedule does not reflect the accrual for these expenditures.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2010**

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

| | | | | |
|--|-------|-----|---------------|------|
| Material weakness(es) identified? | _____ | yes | _____ X _____ | no |
| Significant deficiency(ies) identified not considered to be material weakness(es) reported | _____ | yes | _____ X _____ | none |
| Noncompliance material to financial statements noted? | _____ | yes | _____ X _____ | no |

Federal Awards

Internal control over major programs:

| | | | | |
|--|-------|-----|---------------|------|
| Material weakness(es) identified? | _____ | yes | _____ X _____ | no |
| Significant deficiency(ies) identified not considered to be material weakness(es) reported | _____ | yes | _____ X _____ | none |

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?

| | | | |
|-------|-----|---------------|----|
| _____ | yes | _____ X _____ | no |
|-------|-----|---------------|----|

Qualification of major programs:

| CFDA Number(s) | Name of Federal Program or Cluster |
|----------------|--|
| 14.218 | Community Development Block Grants/Entitlement Grants |
| 14.257 | Homelessness Prevention and Rapid Re-Housing Program (Recovery Act Funded) |
| 16.804 | Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to Units of Local Government |
| 17.259 | WIA Youth Activities |
| 93.224 | Consolidated Health Centers |
| 93.703 | ARRA - Grants to Health Center Programs |
| 93.778 | Medical Assistance Program |

Dollar threshold used to distinguish

between Type A and Type B programs: \$ 1,345,582

| | | | | |
|---------------------------------------|---------------|-----|-------|----|
| Auditee qualified as low-risk auditee | _____ X _____ | yes | _____ | no |
|---------------------------------------|---------------|-----|-------|----|

**RESOURCES FOR HUMAN DEVELOPMENT, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2010**

Section II - Financial Statement Findings

No financial statement findings noted.

Section III – Federal Awards Findings and Questioned Costs

No federal award findings and questioned costs noted.

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON COMPLIANCE WITH SPECIFIED INDIRECT COST ALLOCATION
REQUIREMENTS**

Board of Directors and Officers
Resources for Human Development, Inc. and Subsidiaries

We have examined Resources for Human Development, Inc. and Subsidiaries compliance with allocating indirect costs reflected in the City of Philadelphia Department of Public Health, Office of Behavioral Health and Mental Retardation program activity invoice summary as required by the Commonwealth of Pennsylvania, Department of Public Welfare, Section 4300.94 of the Title 4300 Regulations for the year ended June 30, 2010. Management is responsible for the Organization's compliance with those requirements. Our responsibility is to express an opinion on the Organization's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, including examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Organization's compliance with specified requirements.

The method of allocating costs for the year ended June 30, 2010 was based on various formulas which allocate costs depending on the nature of the individual costs.

In our opinion, the Organization complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2010.

This report is intended solely for the information and use of the Board of Directors, management and the City of Philadelphia Department of Public Health and is not intended to be and should not be used by anyone other than these specified parties.

Shechtman Marks Devor PC

Philadelphia, PA
January 3, 2011

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON COST
ALLOCATION (FOR THE UPCOMING BUDGET YEAR)**

Board of Directors and Officers
Resources for Human Development, Inc. and Subsidiaries

At your request, we have performed the procedures enumerated below with respect to the administrative costs distribution included in the Line Item Budget for the year ending June 30, 2011 submitted by Resources for Human Development, Inc. and Subsidiaries ("the Organization") to the City of Philadelphia, Department of Public Health. Our review was made solely to assist you in your filing requirements with the City of Philadelphia, Department of Public Health.

The procedures we performed are summarized as follows:

- a. We reviewed a schedule contained within the 2011 Line Item Budget which reflected the allocation factors utilized in distributing administrative costs.
- b. We confirmed our understanding of the method of allocating administrative costs through a review of supporting work papers and by discussions with management responsible for allocation factors.
- c. We compared the Organization's method of allocating costs to those requirements as specified in Section 4300.94 of the Title 4300 Regulations Related Methods for Allocating Indirect Costs in order to determine whether the cost allocation is in compliance with those regulations.
- d. We compared the allocation methods used between the current fiscal year and prior fiscal year to determine consistency between years. The cost allocation method is based on various formulas which allocate costs depending on the nature of the individual costs.

The Commonwealth of Pennsylvania, Department of Public Welfare, Section 4300.94 of Title 4300 Regulations state "The overall objective of the allocation process is to distribute the indirect costs of the Agency to its various services or cost categories in reasonable proportion with the benefits provided to these services or cost categories." The Regulations require that the method used result in a fair and equitable distribution of costs which shall be in direct relation to actual benefits accruing to the services to which costs are charged.

Because the above procedures do not constitute an audit made in accordance with generally accepted auditing standards, we do not express an opinion on the amount of administrative costs distributed to the Center nor on any other amounts contained within the June 30, 2011 budget submitted to the City of Philadelphia, Department of Public Health. Had we performed additional procedures or had we conducted an audit in accordance with generally accepted auditing standards, other matters might have come to our attention that would have been reported to you. This report relates only to the items specified above and does not extend to any financial statements of the Organization, taken as a whole.

This report is intended for the information of the Board of Directors, management, and the City of Philadelphia, Department of Public Health. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Shechtman Marks Dewar PC

Philadelphia, PA
January 3, 2011

**MEMORANDUM OF ADVISORY COMMENTS
RESOURCES FOR HUMAN DEVELOPMENT, INC.**

June 30, 2010

January 3, 2011

Board of Directors
Resources for Human Development

In connection with our audit of the consolidated financial statements for Resources for Human Development, Inc. and Subsidiaries (RHD or the "Organization") as of June 30, 2010, we issued two reports, which addressed internal controls. The reports are *Report of independent certified public accountants on internal control over financial reporting and on compliance and other matters based on an audit of financial statements in accordance with Government Auditing Standards* and *Report of independent certified public accountants on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133*. In addition, we noted certain matters that we believe you should consider. Our observations were formed as a by-product of our auditing procedures, which did not include a comprehensive review for the purpose of submitting detailed recommendations. The comments and suggestions listed below pertain to Resources for Human Development, Inc. only. Comments and suggestions that pertain to subsidiaries, if any, have been communicated separately.

The following summarizes our comments and suggestions.

Comments for June 30, 2010

Cash disbursements

During our audit testing, we noted that employees at the unit level are not consistently verifying the mathematical accuracy of accounts payable invoices prior to sending the invoices to Central Office for payment. This was noted on both outside vendor invoices as well as employee travel reimbursements. While the discrepancies noted were each small in amount, we believe the requirement to verify invoices for mathematical accuracy is a critical control.

We recommend that the employees at the unit in charge of approving vendor invoices be reminded of the importance of checking for mathematical accuracy on all invoices. Management should consider either providing additional training or developing a reminder checklist for the units to use prior to submission to the accounts payable department. In addition, we recommend that management consider improving the electronic template for use by employees for travel reimbursements.

Employee personnel files

We noted during our payroll testing, that employee personnel files include a number of items including tax forms, direct deposit forms, employee applications as well as other general correspondence. These forms are not affixed into these files which can cause disorganization, a lack of chronological order within the files and the potential for misfilings. We observed in our review of files, that there were multiple misfilings of documents into an incorrect employee's personnel file.

We recommend that management consider evaluating the content of the personnel files, organizing the files by type of document and occasionally reviewing files for potential misfilings.

Leasehold improvements

It came to our attention during our audit test work that there is no formal process for program personnel to alert the accounting department that a lease has been terminated and consequently that leasehold improvements have been abandoned.

We recommend that a process be established where by the accounting department be notified when a lease is terminated and/or when leasehold improvements have been abandoned. This would enable the leasehold improvement to be removed from both the fixed asset module and a journal entry created to calculate any potential loss on abandonment.

Vacation payroll

The Lawson payroll system has many features for organizing information, including the ability to track vacation, sick and personal time. Currently, each unit or program is responsible for managing staff time off.

We feel that managing and monitoring staff time off could be more efficient if maintained within the payroll software. This would allow both unit directors and employees to obtain reports of vacation, sick and personal time taken at any period. In addition, if the payroll system was used to maintain this information, a more accurate vacation accrual amount could be obtained for accounting purposes.

Summary

While addressing each of the foregoing points will not prevent or preclude errors or illegal acts from occurring, they will assist in improving record keeping, internal controls, and the financial stability of RHD. If you would like to discuss any of the matters in greater detail, please call us.

Very truly yours,



Shechtman Marks Devor PC



RESOURCES
FOR
HUMAN DEVELOPMENT, INC.

Resources for Human Development, Inc. (RHD) responses to the June 30, 2010 Memorandum of Advisory Comments

Cash Disbursements

The requirement of verifying the mathematical accuracy of accounts payable invoices and employee travel reimbursement requests is a critical control. Although the items found were few and immaterial in amount (8 items noted; range of individual misstatement \$.10 -\$2.80) we believe that continued emphasis and training on the importance of the review of disbursement requests is needed. We will continue to provide training and guidance to all employees who are responsible for reviewing and approving accounts payable invoices and employee travel reimbursement requests. In addition, we will review the electronic template available to employees for travel reimbursements and consider developing other tools or checklists with a goal of mitigating mathematical errors when utilized.

Position Title of Person Overseeing This Issue: Corporate Controller/Financial Operations Manager

Employee Personnel Files

We recognize the importance of having organized and appropriately filed employee paperwork in our personnel files. We will explore other affordable paper filing systems. In addition we will implement a regular internal audit or review of the personnel files to mitigate or resolve misfilings.

Position Title of Person Overseeing This Issue: Financial Operations Manager

Leasehold Improvements

RHD leases many properties throughout the 13 states that we are operating in. Our current capitalization policy states that any improvement to space being leased greater than \$1,500 be capitalized and amortized over the life of the lease. The accounting department is notified via a disposal form when property or equipment is disposed of, which results in the asset being removed from the plant ledger. In addition, each year an inventory is taken of our property and equipment to ensure that the fixed asset ledger is complete and that the assets reflected in our financial statements exist. The inventory has also been a mechanism to ensure that all of the disposed assets have been removed from the fixed asset ledger. Historically, the leasehold improvements have not been included in the inventory process.

We will provide a listing of the capitalized leasehold improvements to those who are making decisions regarding the leased space and as well as to those who are managing our leases. This will create a level of awareness among those who are involved in terminating a lease and will allow the accounting department to be notified when leasehold improvements have been

abandoned. We will also review the capitalized leasehold improvements annually to ensure that all leasehold improvements recorded relate to active leases.

Position Title of Person Overseeing This Issue: Director of Accounting

Vacation Payroll

Unless otherwise required by contract or law, RHD is philosophically opposed to having staff maintain official "paid-time-off" records. We choose to trust in the honesty and veracity of individuals and recommend that, wherever possible, employees track their own time off.

We recognize the efficiencies gained by automating the tracking of available vacation; providing a tool to the programs and employees of the Organization and allowing for a more accurate calculation of the accrued vacation liability. Therefore, we agree with the recommendation to utilize the Lawson payroll software to capture the available or unused vacation for each non-exempt employee within the organization. The utilization of Lawson for this purpose will be implemented in April 2011.

Position Title of Person Overseeing This Issue: Financial Operations Manager