

**Assured Family Services and Community  
Health Outreach, Intervention & Clinical  
Engagement Services  
(not-for-profit corporations)**

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**Consolidated Financial Report  
with Additional Information  
December 31, 2016**

# **Assured Family Services and Community Health Outreach, Intervention & Clinical Engagement Services**

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## Independent Auditor's Report

To the Board of Directors  
Assured Family Services and Community Health Outreach,  
Intervention & Clinical Engagement Services

We have audited the accompanying consolidated financial statements of Assured Family Services and Community Health Outreach, Intervention & Clinical Engagement Services (the "Organization"), which comprise the consolidated balance sheet as of December 31, 2016 and 2015, and the related consolidated statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### ***Management's Responsibility for the Consolidated Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

To the Board of Directors  
Assured Family Services and Community Health Outreach,  
Intervention & Clinical Engagement Services

***Opinion***

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Assured Family Services and Community Health Outreach, Intervention & Clinical Engagement Services as of December 31, 2016 and 2015, and the consolidated changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Plante & Moran, PLLC*

May 31, 2017

# Assured Family Services and Community Health Outreach, Intervention & Clinical Engagement Services

## Consolidated Balance Sheet

	December 31, 2016	December 31, 2015
<b>Assets</b>		
<b>Current Assets</b>		
Cash	\$ 3,151,999	\$ 2,628,922
Receivables	1,529,371	2,406,196
Prepaid expenses and other current assets	<u>6,826</u>	<u>6,826</u>
Total current assets	4,688,196	5,041,944
<b>Deposits</b>	14,234	14,234
<b>Investments</b> (Note 6)	250,000	250,000
<b>Property and Equipment - Net</b> (Note 2)	<u>34,474</u>	<u>74,808</u>
Total assets	<u><b>\$ 4,986,904</b></u>	<u><b>\$ 5,380,986</b></u>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 836,952	\$ 915,545
Accrued liabilities and other	<u>325,022</u>	<u>299,215</u>
Total current liabilities	1,161,974	1,214,760
<b>Net Assets</b>		
Unrestricted	3,824,930	4,066,226
Temporarily restricted	<u>-</u>	<u>100,000</u>
Total net assets	<u>3,824,930</u>	<u>4,166,226</u>
Total liabilities and net assets	<u><b>\$ 4,986,904</b></u>	<u><b>\$ 5,380,986</b></u>

# Assured Family Services and Community Health Outreach, Intervention & Clinical Engagement Services

## Consolidated Statement of Activities and Changes in Net Assets

	Year Ended	
	December 31, 2016	December 31, 2015
<b>Changes in Unrestricted Net Assets</b>		
Revenue and support:		
Contracted services	\$ 10,697,705	\$ 11,318,123
Grant revenue	477,000	468,000
Interest income	2,028	2,740
Miscellaneous income	17,073	1,006
Total revenue and support	11,193,806	11,789,869
Net assets released from restrictions	100,000	100,000
Total unrestricted revenue, support, and net assets released from restrictions	11,293,806	11,889,869
Expenses:		
Salaries and wages	4,875,812	4,959,026
Employee benefits	1,390,335	1,410,679
Payroll taxes	465,202	443,232
Contracted services	3,337,888	3,388,039
Professional fees	135,895	102,911
Office supplies	124,405	152,240
Travel and lodging	120,692	157,417
Testing supplies	144,501	156,659
Telephone	183,017	208,033
Insurance	61,199	50,759
Postage and shipping	6,198	15,528
Occupancy	481,250	481,250
Depreciation	52,271	75,117
Conferences and meetings	7,873	21,799
Dues and subscriptions	2,326	7,053
Miscellaneous	41,528	37,605
Equipment	-	750
Equipment rental	103,004	73,043
Advertising	1,706	21,571
Total expenses	11,535,102	11,762,711
<b>(Decrease) Increase in Unrestricted Net Assets</b>	(241,296)	127,158
<b>Net Assets Released from Restrictions</b>	(100,000)	(100,000)
<b>(Decrease) Increase in Net Assets</b>	(341,296)	27,158
<b>Net Assets - Beginning of year</b>	4,166,226	4,139,068
<b>Net Assets - End of year</b>	<b>\$ 3,824,930</b>	<b>\$ 4,166,226</b>

# Assured Family Services and Community Health Outreach, Intervention & Clinical Engagement Services

## Consolidated Statement of Cash Flows

	Year Ended	
	December 31, 2016	December 31, 2015
<b>Cash Flows from Operating Activities</b>		
(Decrease) increase in net assets	\$ (341,296)	\$ 27,158
Adjustments to reconcile increase (decrease) in net assets to net cash from operating activities:		
Depreciation	52,271	75,117
Changes in operating assets and liabilities which provided (used) cash:		
Accounts receivable	876,825	(965,381)
Accounts payable	(78,593)	(163,703)
Accrued liabilities and other	25,807	80,283
Net cash provided by (used in) operating activities	535,014	(946,526)
<b>Cash Flows from Investing Activities</b>		
Purchase of property and equipment	(11,937)	(25,901)
Purchases of investments	(238,111)	(398,250)
Proceeds from sales and maturities of investments	238,111	148,250
Net cash used in investing activities	(11,937)	(275,901)
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	523,077	(1,222,427)
<b>Cash and Cash Equivalents - Beginning of year</b>	2,628,922	3,851,349
<b>Cash and Cash Equivalents - End of year</b>	<b>\$ 3,151,999</b>	<b>\$ 2,628,922</b>

# **Assured Family Services and Community Health Outreach, Intervention & Clinical Engagement Services**

## **Notes to Consolidated Financial Statements December 31, 2016 and 2015**

### **Note I - Nature of Activities and Significant Accounting Policies**

**Nature of Organization** - Assured Family Services (AFS) is a not-for-profit member corporation organized to encourage, strengthen, and sustain healthy, safe, and supportive environments in which children and families will flourish. Essential to its mission is the joint investment of resources and programs, the establishment of community partnerships, and the promotion of responsible policies that serve the best interests of Michigan's children and families. AFS provides mental health care and social services to children and families throughout the state of Michigan.

For AFS, revenue from the Wayne County Department of Children and Family Services is substantially on a cost-reimbursement basis. During 2016, the contract was extended for an additional year. The amended contract now covers from January 1, 2012 through December 31, 2017, providing for reimbursement not to exceed \$73,751,828. AFS billed approximately \$60,224,000 of these funds through December 31, 2016. The contract contains various provisions. Noncompliance with financial and other nonfinancial provisions of the contract could cause adjustments to the contract amounts. Substantially, all revenue and receivables are received from Wayne County.

Community Health Outreach, Intervention & Clinical Engagement Services (CHOICES) is a not-for-profit stock corporation owned by AFS. CHOICES was organized to encourage, strengthen, and enrich children and families via specialized services, treatments, and programs that assist and support children and families to stay together successfully and reduce out-of-home care necessity. Essential to its mission is the provision of mental health, substance abuse treatment, and adjunct programs that serve the best interests of Michigan's children and families. Incorporated in 2008, the program initiated service provision with juvenile justice and at-risk youth and families. For CHOICES, revenue is primarily earned based on services performed for AFS. Services are performed on an as-needed basis. CHOICES revenue from AFS is eliminated in consolidation.

Significant accounting policies are as follows:

**Basis of Consolidation** - The accompanying consolidated financial statements reflect the consolidated financial position and changes in net assets and cash flows of AFS and CHOICES (collectively, the "Organization"). All significant interrelated transactions between AFS and CHOICES have been eliminated in consolidation.

**Cash Equivalents** - The Organization considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents except for certain highly liquid investments that are considered part of the investment portfolio.

# **Assured Family Services and Community Health Outreach, Intervention & Clinical Engagement Services**

## **Notes to Consolidated Financial Statements December 31, 2016 and 2015**

### **Note 1 - Nature of Activities and Significant Accounting Policies (Continued)**

**Accounts Receivable** - Accounts receivable are stated at the agreed-upon reimbursement amount per the contract service agreements. The Organization's policy is to record accounts receivable for services provided in agreement with established contracts. An allowance for doubtful accounts is established based on a specific assessment of amounts that remain unpaid. No provision for doubtful accounts has been provided since management believes all receivables are collectible in full. Amounts deemed to be uncollectible are charged against bad debt expense in the period that the determination is made.

**Grant Revenue** - Grant revenue received for grants determined to be contribution transactions is recognized when received. Grant revenue is recorded as temporarily restricted based on requirements over use of the funds over a specific period of time. Grant revenue received and spent in the same year is treated as unrestricted.

**Property and Equipment** - Property and equipment are recorded at cost when purchased or at fair value at the date of donation and are being depreciated on a straight-line basis over their estimated useful lives. Costs of maintenance and repairs are charged to expense when incurred.

**Investments** - Investments are recorded at fair value based on market data for identical or comparable instruments.

**Classification of Net Assets** - Net assets of the Organization are classified as unrestricted, temporarily restricted, or permanently restricted depending on the presence and characteristics of donor-imposed restrictions limiting the Organization's ability to use or dispose of contributed assets or the economic benefits embodied in those assets.

Donor-imposed restrictions that expire with the passage of time or can be removed by meeting certain requirements result in temporarily restricted net assets. Permanently restricted net assets result from donor-imposed restrictions that limit the use of net assets in perpetuity. Earnings, gains, and losses on restricted net assets are classified as unrestricted unless specifically restricted by the donor or by applicable state law. There were no permanently restricted net assets as of December 31, 2016 and 2015.

There was \$0 in temporarily restricted net assets as of December 31, 2016 and \$100,000 in temporarily restricted net assets as of December 31, 2015. The temporarily restricted net assets for December 31, 2015 were time restricted until the related purpose was fulfilled in 2016.

# Assured Family Services and Community Health Outreach, Intervention & Clinical Engagement Services

## Notes to Consolidated Financial Statements December 31, 2016 and 2015

### Note 1 - Nature of Activities and Significant Accounting Policies (Continued)

**Contracted Revenue** - The Organization recognizes revenue for contracted services as services are provided.

**Use of Estimates** - The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue, expenses, and other changes in net assets during the reporting period. Actual results could differ from those estimates.

**Functional Allocation of Expenses** - The costs of providing the program and support services have been reported below. Indirect costs have been allocated between the various programs and support services based on estimates, as determined by management. Although the methods of allocation used are considered reasonable, other methods could be used that would produce a different amount.

Program expenses totaled \$10,231,290 and \$10,311,676 for the years ended December 31, 2016 and 2015, respectively. All other expenses of the Organization are considered management and general expenses.

**Income Tax Status** - The Organization is exempt from income tax under the provisions of Internal Revenue Code Section 501(c)(3).

**Recent Accounting Pronouncements** - In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which will supersede the current revenue recognition requirements in Topic 605, *Revenue Recognition*. The ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The new guidance will be effective for the Organization's year ending December 31, 2019. The ASU permits application of the new revenue recognition guidance to be applied using one of two retrospective application methods. The Organization has not yet determined which application method it will use. The effects on the results of operations are not expected to be significant as recognition and measurement of revenue and cash flows will be substantially the same under the new standard.

# **Assured Family Services and Community Health Outreach, Intervention & Clinical Engagement Services**

## **Notes to Consolidated Financial Statements December 31, 2016 and 2015**

### **Note 1 - Nature of Activities and Significant Accounting Policies (Continued)**

In February 2016, the FASB issued ASU No. 2016-02, *Leases*, which will supersede the current lease requirements in ASC 840. The ASU requires lessees to recognize a right-of-use asset and related lease liability for all leases, with a limited exception for short-term leases. Leases will be classified as either finance or operating, with the classification affecting the pattern of expense recognition in the statement of operations and changes in net assets. Currently, leases are classified as either capital or operating, with only capital leases recognized on the balance sheet. The reporting of lease-related expenses in the statements of operations and cash flows will be generally consistent with the current guidance. The new lease guidance will be effective for the Organization's year ending December 31, 2020 and will be applied using a modified retrospective transition method to the beginning of the earliest period presented. The effect of applying the new lease guidance on the consolidated financial statements has not yet been determined, but is expected to significantly increase long-term assets and lease liabilities upon adoption. The effects on the results of operations are not expected to be significant as recognition and measurement of expenses and cash flows for leases will be substantially the same under the new standard.

In August 2016, the FASB issued ASU No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. ASU No. 2016-14 requires significant changes to the financial reporting model of organizations that follow FASB not-for-profit rules, including changing from three classes of net assets to two classes: net assets with donor restrictions and net assets without donor restrictions. The ASU will also require changes in the way certain information is aggregated and reported by the Organization, including required disclosures about the liquidity and availability of resources. The new standard is effective for the Organization's year ending December 31, 2018 and thereafter and must be applied on a retrospective basis. The Organization is currently evaluating the impact this standard will have on the consolidated financial statements.

**Subsequent Events** - The consolidated financial statements and related disclosures include evaluation of events up through and including May 31, 2017, which is the date the consolidated financial statements were available to be issued.

# Assured Family Services and Community Health Outreach, Intervention & Clinical Engagement Services

## Notes to Consolidated Financial Statements December 31, 2016 and 2015

### Note 2 - Property and Equipment

The cost of property and equipment is summarized as follows:

	2016	2015	Depreciable Life - Years
Leasehold improvements	\$ 247,494	\$ 247,494	3-5
Automobiles	38,368	38,368	5
Office equipment	120,247	108,310	5
Computer equipment and software	484,127	484,127	3-5
Total cost	890,236	878,299	
Accumulated depreciation	855,762	803,491	
Net property and equipment	\$ 34,474	\$ 74,808	

Depreciation expense for the years ended December 31, 2016 and 2015 was \$52,271 and \$75,117, respectively.

### Note 3 - Line of Credit

The Organization had a financing agreement under which \$500,000 could be borrowed on a revolving line of credit. No amounts were drawn during 2015 or 2016. The line of credit expired in December 2016.

Subsequent to year end, the Organization signed an agreement to renew the line of credit that expired in December 2016. This agreement allows the Organization to borrow \$500,000 on a revolving line of credit. Borrowings bear interest at 5.065 percent and are collateralized by substantially all assets of the Organization. The line of credit expires in June 2018.

### Note 4 - Operating Leases

The Organization has commitments under various operating leases for facilities and equipment, expiring at various dates through 2022. Rent expense under these leases totaled \$584,254 and \$559,793 for the years ended December 31, 2016 and 2015, respectively.

# Assured Family Services and Community Health Outreach, Intervention & Clinical Engagement Services

## Notes to Consolidated Financial Statements December 31, 2016 and 2015

### Note 4 - Operating Leases (Continued)

Future minimum rental commitments are as follows:

<u>Years Ending December 31</u>	<u>Amount</u>
2017	\$ 598,139
2018	598,139
2019	598,139
2020	606,887
2021	531,824
Thereafter	<u>525,000</u>
Total	<u>\$ 3,458,128</u>

### Note 5 - Retirement Plan

The Organization participates in a defined contribution retirement plan. Under the plan, employees can elect to defer a portion of their compensation. In addition, the Organization may make contributions to the plan on behalf of eligible employees. Total Organization contributions made to the plan in 2016 and 2015 were approximately \$82,000 and \$89,000, respectively.

### Note 6 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following tables present information about the Organization's assets measured at fair value on a recurring basis at December 31, 2016 and 2015 and the valuation techniques used by the Organization to determine those fair values.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Organization has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

# Assured Family Services and Community Health Outreach, Intervention & Clinical Engagement Services

## Notes to Consolidated Financial Statements December 31, 2016 and 2015

### Note 6 - Fair Value Measurements (Continued)

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Organization's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

#### Assets Measured at Fair Value on a Recurring Basis at December 31, 2016

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2016
<b>Assets</b>				
Investments:				
Exchange - Traded funds and closed-end funds	\$ 197,594	\$ -	\$ -	\$ 197,594
Mutual funds	10,256	-	-	10,256
Equities	12,669	-	-	12,669
Total	<u>\$ 220,519</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 220,519</u>

#### Assets Measured at Fair Value on a Recurring Basis at December 31, 2015

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2015
<b>Assets</b>				
Investments:				
Exchange - Traded funds and closed-end funds	\$ 108,600	\$ -	\$ -	\$ 108,600
Mutual funds	39,650	-	-	39,650
Total	<u>\$ 148,250</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 148,250</u>

The tables above do not include cash and cash equivalents held in the custodial account of \$29,481 and \$101,750 at December 31, 2016 and 2015, respectively. These amounts are included in investments on the consolidated balance sheet.

## **Additional Information**

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## Independent Auditor's Report on Additional Information

To the Board of Directors  
Assured Family Services and Community Health Outreach,  
Intervention & Clinical Engagement Services

We have audited the consolidated financial statements of Assured Family Services and Community Health Outreach, Intervention & Clinical Engagement Services as of and for the years ended December 31, 2016 and 2015, and have issued our report thereon dated May 31, 2017, which contained an unmodified 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 consolidating information is presented for the purpose of additional analysis rather than to present the financial position, results of operations, and cash flows of the individual companies 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.

*Plante & Moran, PLLC*

May 31, 2017

# Assured Family Services and Community Health Outreach, Intervention & Clinical Engagement Services

## Consolidating Balance Sheet December 31, 2016

	Assured Family Services	CHOICES	Eliminating Entries	Total
<b>Assets</b>				
<b>Current Assets</b>				
Cash	\$ 2,980,225	\$ 171,774	\$ -	\$ 3,151,999
Receivables	1,529,371	-	-	1,529,371
Accounts receivable - Related party	197,987	133,200	(331,187)	-
Prepaid expenses and other current assets	6,826	-	-	6,826
Total current assets	4,714,409	304,974	(331,187)	4,688,196
<b>Deposits</b>	14,234	-	-	14,234
<b>Investments</b>	250,000	-	-	250,000
<b>Property and Equipment - Net</b>	22,537	11,937	-	34,474
<b>Investment in Subsidiary</b>	1,000	-	(1,000)	-
<b>Other Assets - Related party</b>	50,000	-	(50,000)	-
Total assets	<u>\$ 5,052,180</u>	<u>\$ 316,911</u>	<u>\$ (382,187)</u>	<u>\$ 4,986,904</u>
<b>Liabilities and Net Assets</b>				
<b>Current Liabilities</b>				
Accounts payable	\$ 835,818	\$ 1,134	\$ -	\$ 836,952
Accounts payable - Related party	133,200	197,987	(331,187)	-
Current portion of note payable - Related party	-	50,000	(50,000)	-
Accrued liabilities and other	325,022	-	-	325,022
Total current liabilities	1,294,040	249,121	(381,187)	1,161,974
<b>Net Assets - Unrestricted</b>	<u>3,758,140</u>	<u>67,790</u>	<u>(1,000)</u>	<u>3,824,930</u>
Total liabilities and net assets	<u>\$ 5,052,180</u>	<u>\$ 316,911</u>	<u>\$ (382,187)</u>	<u>\$ 4,986,904</u>

# Assured Family Services and Community Health Outreach, Intervention & Clinical Engagement Services

## Consolidating Statement of Activities and Changes in Net Assets Year Ended December 31, 2016

	Assured Family Services	CHOICES	Eliminating Entries	Total
<b>Changes in Unrestricted Net Assets</b>				
Revenue and support:				
Contracted services	\$ 10,697,705	\$ 690,184	\$ (690,184)	\$ 10,697,705
Grant revenue	477,000	-	-	477,000
Management fees	46,172	-	(46,172)	-
Interest income	2,028	-	-	2,028
Miscellaneous income	515	16,558	-	17,073
Total revenue and support	11,223,420	706,742	(736,356)	11,193,806
Net assets released from restrictions	100,000	-	-	100,000
Total unrestricted revenue, support, and net assets released from restrictions	11,323,420	706,742	(736,356)	11,293,806
Expenses:				
Salaries and wages	4,222,916	31,731	621,165	4,875,812
Employee benefits	1,390,335	-	-	1,390,335
Payroll taxes	462,022	3,180	-	465,202
Contracted services	4,016,179	11,893	(690,184)	3,337,888
Professional fees	135,895	-	-	135,895
Office supplies	124,405	-	-	124,405
Management fees	-	46,172	(46,172)	-
Travel and lodging	120,692	-	-	120,692
Leased employees	-	621,165	(621,165)	-
Testing supplies	144,501	-	-	144,501
Information technology	183,017	-	-	183,017
Insurance	61,199	-	-	61,199
Postage and shipping	6,198	-	-	6,198
Occupancy	481,250	-	-	481,250
Depreciation	52,271	-	-	52,271
Conferences and meetings	7,873	-	-	7,873
Dues and subscriptions	2,326	-	-	2,326
Miscellaneous	33,046	8,482	-	41,528
Equipment rental	103,004	-	-	103,004
Advertising	1,706	-	-	1,706
Total expenses	11,548,835	722,623	(736,356)	11,535,102
<b>Decrease in Temporarily Restricted Net Assets</b>	(100,000)	-	-	(100,000)
<b>Decrease in Net Assets</b>	(325,415)	(15,881)	-	(341,296)
<b>Net Assets - Beginning of year</b>	4,083,555	83,671	(1,000)	4,166,226
<b>Net Assets - End of year</b>	<b>\$ 3,758,140</b>	<b>\$ 67,790</b>	<b>\$ (1,000)</b>	<b>\$ 3,824,930</b>