

YOUR HUMAN RESOURCE CENTER
(WOOSTER, OHIO)

FINANCIAL AND COMPLIANCE REPORT

JUNE 30, 2009 AND 2008

YOUR HUMAN RESOURCE CENTER
(WOOSTER, OHIO)
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JUNE 30, 2009 AND 2008

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SECTION 1

AUDITED FINANCIAL STATEMENTS AND
SUPPLEMENTARY SCHEDULE OF FEDERAL AWARDS

YOUR HUMAN RESOURCE CENTER
WOOSTER, OHIO

JUNE 30, 2009 AND 2008

SECTION 1
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INDEPENDENT AUDITORS' REPORT

Board of Trustees
YOUR HUMAN RESOURCE CENTER
Wooster, Ohio

We have audited the accompanying Statements of Financial Position of Your Human Resource Center (a non-profit organization) as of June 30, 2009 and 2008, and the related Statements of Activities, Functional Expenses and Cash Flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these 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 audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and 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 financial statements referred to above present fairly, in all material respects, the financial position of Your Human Resource Center as of June 30, 2009 and 2008, and the changes in its net assets and its 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 December 8, 2009 on our consideration of Your Human Resource Center's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Your Human Resource Center taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Governments, and Non-Profit Organizations," and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Linc, Malachin, Dennis & Dimengo, Inc.

Linc, Malachin, Dennis & Dimengo, Inc.

Akron, Ohio
December 8, 2009

YOUR HUMAN RESOURCE CENTER
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2009 AND 2008

	<u>Unrestricted</u>	
	2009	2008
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 137,528	\$ 174,395
Council Training Fund	-	1,242
Investments Securities	120,883	158,564
Accounts Receivable	207,804	228,337
Prepaid Expenses	13,720	7,704
TOTAL CURRENT ASSETS	479,935	570,242
PROPERTY AND EQUIPMENT		
Office Equipment	92,038	89,756
Furniture and Fixtures	20,536	20,536
Land	65,000	65,000
Building	383,033	383,033
Leasehold Improvements	10,512	10,512
	571,119	568,837
Accumulated Depreciation	(284,253)	(254,789)
	286,866	314,048
OTHER ASSETS		
Deposits	776	776
TOTAL ASSETS	\$ 767,577	\$ 885,066

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

YOUR HUMAN RESOURCE CENTER
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2009 AND 2008

	<u>Unrestricted</u>	
	<u>2009</u>	<u>2008</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 35,428	\$ 36,401
Due to MHR Board	181,887	181,887
Accrued Expenses	5,730	15,888
Deferred Revenue	10,000	-
Current Portion of Long-Term Debt	<u>24,752</u>	<u>22,255</u>
TOTAL CURRENT LIABILITIES	257,797	256,431
LONG-TERM DEBT		
Note Payable	182,221	204,300
Less: Current Portion	<u>(24,752)</u>	<u>(22,255)</u>
	<u>157,469</u>	<u>182,045</u>
TOTAL LIABILITIES	415,266	438,476
NET ASSETS		
Unrestricted	<u>352,311</u>	<u>446,590</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 767,577</u>	<u>\$ 885,066</u>

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

YOUR HUMAN RESOURCE CENTER
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2009 AND 2008

	<u>Unrestricted</u>	
	2009	2008
SUPPORT AND REVENUE		
MHR Board	\$ 614,918	\$ 642,362
Tobacco Grant	-	95,187
Title XX	24,564	15,982
Wayne County Juvenile Court	102,443	99,443
Drug Free Schools	-	35,534
Ohio Children's Trust Fund	30,791	10,213
Schools	5,635	16,164
State Incentive Grant	-	1,470
Fresh Start	7,545	4,472
S.T.A.Y.	83,065	136,355
Investment Return Gain/(Loss)	(40,721)	(26,949)
Q & A Expense Reimbursement	14,659	29,317
Interest and Dividends	3,529	12,203
Tri-County Transitions	37,073	39,517
Rents	1,166	1,166
Counseling Fees	54,181	51,027
Insurance Payments	34,997	69,580
Client Pay Screenings	30,496	32,651
Summer Yes Program	-	4,564
Tri County Summer Youth	45,340	93,630
Medicaid	286,060	263,317
Healthy Behavior	12,000	12,000
Med Detox Services	2,080	-
Holmes County - Ohio Workforce Grant	164,958	102,672
Holmes County - Workforce Inv. Grant	102,114	89,824
Urinalysis	19,134	15,620
Miscellaneous Revenue	24,061	13,171
Medicaid - Out of County	10,750	5,664
Diversion	3,700	3,000
Holmes County - Emergency Fund	116,600	23,800
BH Award	-	2,666
Unrestricted Grants	15,000	12,000
Contributions	6,651	3,600
Wayne County Tobacco Grant	-	122,233
Holmes County Tobacco Grant	-	64,275
Holmes County - Gas Card	-	1,100
Holmes County - Partnership for Success	-	68,951
Holmes County - Prevention Coalition	71,392	-
Holmes County - Home Based Therapy	13,267	-
	<u>\$ 1,897,448</u>	<u>\$ 2,167,781</u>
Total Support and Revenue	<u>\$ 1,897,448</u>	<u>\$ 2,167,781</u>

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

YOUR HUMAN RESOURCE CENTER
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2009 AND 2008

	<u>Unrestricted</u>	
	2009	2008
EXPENSES		
Program Services:		
Prevention	\$ 176,984	\$ 271,926
Treatment	666,368	659,633
Intervention & Urinalysis	320,755	351,694
Project Stay	181,476	145,515
Quality Assurance	37,595	30,678
HC WIA	92,831	87,336
HC SYP	41,228	82,830
Transitions	34,610	37,027
HC OWF	156,847	92,847
Tobacco	-	255,494
HC - Coalition	68,156	-
Total Program Services	1,776,850	2,014,980
Supporting Service:		
General / Administrative	214,877	204,572
Total Expense	1,991,727	2,219,552
Change in Net Assets	(94,279)	(51,771)
NET ASSETS, BEGINNING OF YEAR	446,590	498,361
NET ASSETS, END OF YEAR	\$ 352,311	\$ 446,590

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

YOUR HUMAN RESOURCE CENTER
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2009

												Total	Supporting	Total 2009
	Prevention	Treatment	Intervention	Urinalysis	Project Stay	Quality Assurance	HC WIA	HC SYP	HC Coalition	Transitions	HC OWF	Program Services	General/ Admin.	
Payroll	\$ 110,050	\$ 413,459	\$ 133,687	\$ 26,182	\$ 51,909	\$ 23,418	\$ 31,742	\$ 4,200	\$ 32,250	\$ 27,636	\$ 65,552	\$ 920,085	\$ 156,136	\$ 1,076,221
Health Benefits	7,131	\$ 54,138	\$ 15,954	\$ 3,288	\$ 9,203	\$ 5,404	\$ 9,326	\$ 29	\$ 5,686	\$ 1,447	\$ 18,351	\$ 129,957	\$ 3,313	\$ 133,270
Retirement Benefits	4,382	16,665	5,068	781	600	1,094	260	169	1,613	1,382	2,634	34,648	8,425	43,073
Staff Tax Expense	7,530	26,244	10,669	2,087	4,990	1,880	3,131	877	3,112	2,904	7,850	71,274	7,688	78,962
Worker's Compensation	152	355	206	43	415	25	324	69	258	227	666	2,740	164	2,904
Payroll Related Expenses	129,245	510,861	165,584	32,381	67,117	31,821	44,783	5,344	42,919	33,596	95,053	1,158,704	175,726	1,334,430
Check Processing	255	955	345	71	147	42	78	648	-	69	232	2,842	275	3,117
Contractors	5,796	12,763	-	62	-	-	-	5,204	-	-	-	23,825	3,470	27,295
Contractors OWF	-	-	-	-	-	-	-	-	-	-	1,430	1,430	-	1,430
Professional Services	1,286	4,805	1,734	360	-	212	-	-	-	-	-	8,397	1,383	9,780
Mileage & Meals	3,688	3,393	9,080	-	3,850	1,081	1,361	347	9,703	600	931	34,034	2,976	37,010
Van Fuel	-	-	-	-	-	-	-	-	-	-	4,069	4,069	-	4,069
Training Attended	95	2,812	457	-	-	-	579	-	-	345	-	4,288	672	4,960
Med/Psych Supplies	-	26,620	-	-	-	-	-	-	-	-	-	26,620	-	26,620
Screening	-	-	-	20,706	-	-	-	-	-	-	-	20,706	-	20,706
Office	1,770	6,612	2,386	490	2,742	291	237	-	1,862	-	1,909	18,299	1,903	20,202
Postage	455	1,701	614	127	-	75	-	-	-	-	250	3,222	490	3,712
Printing & Copying	281	1,049	379	79	-	46	-	-	-	-	651	2,485	302	2,787
Rent	6,827	25,510	9,207	1,909	-	1,123	-	-	-	-	16,544	61,120	7,343	68,463
Telephone	2,599	9,692	5,397	698	822	410	-	-	-	-	5,258	24,876	2,719	27,595
Utilities	2,169	8,104	2,925	606	-	357	-	-	-	-	-	14,161	2,333	16,494
Bldg	322	1,202	434	90	-	53	-	-	-	-	1,639	3,740	346	4,086
Groundskeeping	600	2,242	809	168	-	99	-	-	-	-	-	3,918	645	4,563
Cleaning	1,237	4,624	1,669	346	-	203	-	-	-	-	-	8,079	1,331	9,410
Insurance	1,541	5,757	2,078	431	798	253	366	-	-	-	1,217	12,441	1,657	14,098
Publications	-	-	-	-	-	-	-	-	-	-	-	-	566	566
Advertising	517	1,931	697	145	-	85	-	-	-	-	-	3,375	556	3,931
Donations	-	-	-	-	-	-	-	-	-	-	-	-	100	100
Dues & Memberships	1,905	7,119	2,569	533	-	313	-	-	-	-	264	12,703	2,049	14,752
Fees/Charges	364	1,360	491	102	-	60	-	-	-	-	-	2,377	392	2,769
Licenses	575	2,150	776	161	-	95	-	-	-	-	-	3,757	619	4,376
Information Tech	1,314	4,912	1,773	368	-	216	-	-	-	-	763	9,346	1,414	10,760
STAY Emergency	-	-	-	-	106,000	-	-	-	-	-	-	106,000	-	106,000
Refund	-	2,922	-	-	-	-	-	-	-	-	-	2,922	-	2,922
Program Expense	9,521	-	25,355	-	-	-	8,304	955	13,672	-	26,553	84,360	-	84,360
Youth Wages	-	-	-	-	-	-	37,123	28,730	-	-	-	65,853	638	66,491
Copy Machines	711	2,656	959	199	-	117	-	-	-	-	-	4,642	765	5,407
- Repairs & Maintenance	37	139	50	10	-	6	-	-	-	-	84	326	40	366
Screen Machine	-	-	-	13,589	-	-	-	-	-	-	-	13,589	-	13,589
Van Lease	-	-	4,751	-	-	-	-	-	-	-	-	4,751	-	4,751
- Repairs & Maintenance	-	-	297	-	-	-	-	-	-	-	-	297	-	297
Total Expenses Before														
Depreciation & Amortization	173,110	651,891	240,816	73,631	181,476	36,958	92,831	41,228	68,156	34,610	156,847	1,751,554	210,710	1,962,264
Depreciation & Amortization	3,874	14,477	5,225	1,083	-	637	-	-	-	-	-	25,296	4,167	29,463
	<u>\$ 176,984</u>	<u>\$ 666,368</u>	<u>\$ 246,041</u>	<u>\$ 74,714</u>	<u>\$ 181,476</u>	<u>\$ 37,595</u>	<u>\$ 92,831</u>	<u>\$ 41,228</u>	<u>\$ 68,156</u>	<u>\$ 34,610</u>	<u>\$ 156,847</u>	<u>\$ 1,776,850</u>	<u>\$ 214,877</u>	<u>\$ 1,991,727</u>

The accompanying notes are an integral part of the financial statement.

YOUR HUMAN RESOURCE CENTER
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2008

	Quality											Total	Supporting	Total 2008
	Prevention	Treatment	Intervention	Urinalysis	Project Stay	Assurance	HC WIA	HC SYP	Transitions	HC OWF	Amish Tobacco	Program Services	General/ Admin.	
Payroll	\$ 151,730	\$ 404,007	\$ 152,738	\$ 26,994	\$ 79,089	\$ 20,534	\$ 26,615	\$ 13,157	\$ 30,000	\$ 58,370	\$ 151,959	\$ 1,115,193	\$ 137,059	\$ 1,252,252
Health Benefits	15,234	\$ 54,353	\$ 18,470	\$ 2,576	\$ 10,296	\$ 1,873	\$ 13,233	\$ 478	\$ 1,507	\$ 7,343	\$ 15,342	\$ 140,704	\$ 8,354	\$ 149,058
Retirement Benefits	7,480	23,335	6,808	953	3,004	1,027	-	799	1,453	4,670	6,208	55,736	5,385	61,121
Staff Tax Expense	15,340	32,230	12,185	2,154	7,208	1,638	213	3,887	3,129	2,918	13,804	94,707	10,934	105,641
Worker's Compensation	375	997	377	67	-	51	-	-	-	-	259	2,125	338	2,464
Payroll Related Expenses	190,159	514,923	190,578	32,743	99,597	25,123	40,060	18,320	36,090	73,300	187,572	1,408,465	162,070	1,570,535
Check Processing	310	744	315	64	432	35	-	757	74	-	206	2,936	216	3,152
Contractors	2,668	6,400	2,710	547	7,871	300	-	1,800	-	385	6,000	28,682	1,857	30,539
Contractors Teachers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contractors Screen	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Services	1,981	4,753	2,013	406	-	223	-	-	-	-	-	9,376	1,379	10,755
Mileage & Meals	8,265	4,349	10,617	-	3,401	464	819	207	863	688	9,479	39,152	5,664	44,816
Van Fuel	-	-	-	-	6,702	-	-	-	-	-	-	6,702	-	6,702
Training Attended	115	2,799	525	257	-	150	869	-	-	-	-	4,715	5,715	10,430
Cleaning	237	569	241	49	-	27	-	-	-	-	-	1,122	165	1,287
Med/Psych	-	30,176	-	-	-	-	-	-	-	-	-	30,176	-	30,176
Screening	-	-	-	34,243	-	-	-	-	-	-	-	34,243	-	34,243
Office	2,960	7,101	3,007	607	3,907	333	210	-	-	7,096	1,490	26,712	2,612	29,325
Postage	546	1,309	554	112	-	61	-	-	-	-	-	2,582	380	2,962
Printing & Copying	712	1,708	723	146	-	80	-	-	-	-	-	3,369	495	3,864
Rent	14,318	23,780	10,070	2,032	-	1,116	-	-	-	11,056	928	63,301	6,900	70,201
Telephone	6,739	11,316	4,792	967	1,148	531	-	-	-	-	850	26,343	3,389	29,732
Utilities	2,116	5,075	2,149	434	-	238	-	-	-	-	-	10,012	1,472	11,484
Bldg	1,869	3,433	1,454	293	-	161	-	-	-	-	-	7,210	996	8,206
Groundskeeping	865	2,074	878	177	-	97	-	-	-	-	-	4,091	602	4,693
Cleaning	1,911	3,148	1,333	269	-	148	-	-	-	-	-	6,809	913	7,722
Insurance	2,412	5,097	2,158	435	820	239	236	-	-	-	608	12,005	1,479	13,484
Publications	130	311	132	27	-	15	-	-	-	-	-	613	90	703
Advertising	450	1,080	457	92	-	51	-	-	-	-	-	2,131	313	2,444
Donations	-	-	-	-	-	-	-	-	-	-	-	-	6	6
Dues & Memberships	1,462	3,507	1,485	300	-	165	-	-	-	-	-	6,919	1,017	7,936
Fees/Charges	241	577	244	49	-	27	-	-	-	-	-	1,139	167	1,306
Licenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Information Tech	2,296	5,506	2,332	471	-	259	-	-	-	-	-	10,863	1,523	12,386
Recruitment	442	1,061	449	91	-	50	-	-	-	-	-	2,092	308	2,400
STAY Emergency	-	-	-	-	21,637	-	-	-	-	-	-	21,637	-	21,637
STAY Gas Card	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Refund	-	1,829	-	-	-	-	-	-	-	-	-	1,829	-	1,829
Equipment:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Minor	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Program Expense	21,764	321	22,952	-	-	-	9,680	11,004	-	322	48,322	114,363	-	114,363
Youth Wages	-	-	-	-	-	-	35,463	50,741	-	-	-	86,204	-	86,204
Copy Machines:	1,194	2,863	1,212	245	-	134	-	-	-	-	-	5,648	831	6,479
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	40	40	-	40
Van Lease:	-	-	5,105	-	-	-	-	-	-	-	-	5,105	-	5,105
Repairs & Maintenance	-	-	1,117	-	-	-	-	-	-	-	-	1,117	-	1,117
Total Expenses Before														
Depreciation & Amortization	266,161	645,807	269,604	75,054	145,515	30,029	87,336	82,830	37,027	92,847	255,494	1,987,704	200,561	617,729
Depreciation & Amortization	5,764	13,826	5,855	1,181	-	649	-	-	-	-	-	27,276	4,012	31,288
	\$ 271,926	\$ 659,633	\$ 275,459	\$ 76,235	\$ 145,515	\$ 30,678	\$ 87,336	\$ 82,830	\$ 37,027	\$ 92,847	\$ 255,494	\$ 2,014,980	\$ 204,572	\$ 2,219,552

The accompanying notes are an integral part of the financial statement.

YOUR HUMAN RESOURCE CENTER
 STATEMENTS OF CASH FLOWS
 YEARS ENDED JUNE 30, 2009 AND 2008

	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (94,279)	\$ (51,771)
Adjustments to Reconcile Change in Net Assets to Cash Provided by (Used In) Operating Activities:		
Depreciation and Amortization	29,464	31,288
(Gain) Loss on Investment Securities	40,721	26,949
Changes in Assets and Liabilities		
Receivables	20,533	131,250
Prepaid Expenses	(6,016)	(7,704)
Accrued Expenses	(10,158)	(13,737)
Accounts Payable	(973)	(58,394)
Deferred Support	10,000	(3,944)
 Cash Provided by (Used In) Operating Activities	 (10,708)	 53,937
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	(2,282)	(1,134)
Purchases of Investment Securities	(3,040)	(17,776)
 Cash Provided by (Used In) Investing Activities	 (5,322)	 (18,910)
 CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Long-Term Debt	(22,079)	(20,320)
 INCREASE (DECREASE) IN CASH	 (38,109)	 14,707
 CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	 175,637	 160,930
 CASH AND CASH EQUIVALENTS, END OF YEAR	 \$ 137,528	 \$ 175,637
 SUPPLEMENTAL DISCLOSURE		
Interest Paid	\$ 15,765	\$ 17,523

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

YOUR HUMAN RESOURCE CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009 AND 2008

NOTE 1 - DESCRIPTION OF ENTITY AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Your Human Resource Center (YHRC) is a non-profit entity organized under the laws of the State of Ohio for the purpose of providing counseling and other services to eligible clients of Wayne and Holmes Counties. The Organization grants credit to those individuals whose programs it serves.

The significant accounting policies followed by YHRC are described below.

Financial Statement Presentation

In 1997, YHRC adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations". Under SFAS No. 117, YHRC is required to report information regarding its financial position and activities according to three classes of net assets (unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets) based upon the existence or absence of donor-imposed restrictions. As permitted by this Statement, YHRC has discontinued its use of fund accounting and has, accordingly, reclassified its financial statements to present classes of net assets.

YHRC also adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made" in 1997. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. The adoption had no cumulative effect on net assets at the date of the adoption. In addition, YHRC has not received any contributions with donor-imposed restrictions that would result in temporarily or permanently restricted net assets.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Support and Revenue

Revenue from grants and reimbursement contracts is recognized to the extent that expenses eligible under the grant agreements or for reimbursement have been incurred during the period. Revenue from fees is recognized in the period when the services are provided. Income from grants received but unearned in the current year are deferred to the subsequent year.

YOUR HUMAN RESOURCE CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009 AND 2008

NOTE 1 - DESCRIPTION OF ENTITY AND SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Cash and Cash Equivalents

For purposes of reporting cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Investment Securities

Investments in marketable securities with readily determinable values are recorded at their fair values in the statement of financial position. Unrealized gains/losses are included in the change in net assets.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. It is the policy of Your Human Resource Center to capitalize expenditures for these items in excess of \$5,000. Lesser amounts are expensed. Depreciation is computed using the straight-line method over the useful lives of the assets. The provision for depreciation amounted to \$29,464 and \$31,288 for 2009 and 2008, respectively.

Should the Organization and the MHR Board terminate its contract relationship, the disposition of tangible property purchased in whole or in part with MHR Board funds shall be negotiable between the two parties.

Income Taxes

The Organization is a non-profit entity and has been granted an exemption from income taxes under the provisions of the Internal Revenue Code Section 501(c)(3).

Fair Value of Financial Instruments

Unless otherwise indicated, the fair values of all reported assets and liabilities which represent financial instruments approximate the carrying values of such amounts.

YOUR HUMAN RESOURCE CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009 AND 2008

NOTE 1 - DESCRIPTION OF ENTITY AND SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The Tobacco program expense consisted of the following at June 30, 2008:

Wayne County Tobacco	\$120,503
Holmes County Tobacco	49,362
Amish Tobacco	<u>85,629</u>
 Total	 <u>\$255,494</u>

Concentration of Credit Risk

The Organization maintains cash balances. Accounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 and \$100,000 at June 30, 2009 and 2008, respectively. As of October 2008, the FDIC increased insurance coverage for deposits up to \$250,000 until December 31, 2009. Money Market accounts are not insured by the FDIC. As of fiscal years ended June 30, 2009 and 2008, Your Human Resource Center had uninsured balances of \$14,185 and \$194,200 respectively.

NOTE 2 - INVESTMENTS

Investments are stated at fair value and consist primarily of equity mutual funds as follows:

	<u>2009</u>	<u>2008</u>
Cost	\$ 170,871	\$ 167,831
Fair Value	<u>120,883</u>	<u>158,565</u>
 Unrealized Appreciation (Depreciation)	 <u>\$ (49,988)</u>	 <u>\$ (9,266)</u>

Investment return is summarized as follows:

	<u>2009</u>	<u>2008</u>
Interest & Capital Gain Income	\$ 3,529	\$ 12,204
Net Unrealized Gain (Loss)	<u>(40,721)</u>	<u>(26,949)</u>
	<u>\$ (37,192)</u>	<u>\$ (14,745)</u>

YOUR HUMAN RESOURCE CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009 AND 2008

NOTE 2 – INVESTMENTS (Continued)

On July 1, 2008, the Organization adopted SFAS No 157, “Fair Value Measurements.” SFAS No. 157 applies to all financial instruments that are measured and reported on a fair value basis.

As defined in SFAS No. 157, fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. In determining fair value, the Organization utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and/or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable firm inputs. The Organization utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the examination of the inputs used in the valuation techniques, the Organization is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

- * Level 1: Quoted market prices in active markets for identical assets or liabilities.
- * Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data.
- * Level 3 Unobservable inputs that are not corroborated by market data.

The table below sets forth information about the level within the fair value hierarchy at which the Organization’s investments are measured.

<u>Investment Type</u>	<u>Assets at fair value as of June 30, 2009</u>			<u>Total</u>
	Quoted Market Prices in Active Markets (Level 1)	Models with Significant Observable Market Parameters (Level 2)	Unobservable Inputs that are not Corroborated by Market (Level 3)	
Cash and money market	\$ 1,648	\$ -	\$ -	\$ 1,648
Mutual Funds	2,099	-	-	2,099
Common Stock	11,446	-	-	11,446
Fixed Income (US Treasury, US Govt, Bonds)	6,065	-	-	6,065
Alternative (hedge & derivative Funds)	<u>-</u>	<u>-</u>	<u>2,869</u>	<u>2,869</u>
Total	<u>\$ 21,258</u>	<u>\$ -</u>	<u>\$ 2,869</u>	<u>\$ 24,127</u>

YOUR HUMAN RESOURCE CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009 AND 2008

NOTE 2 – INVESTMENTS (Continued)

The following table includes a rollforward of the amounts for the year ending June 30, 2009 for investments classified within Level 3. The classification of investments within Level 3 is based upon the significance of the unobservable inputs to the overall fair value measurement.

	Beginning Bal. July 1 <u>2008</u>	Net Realized and Unrealized Gains (Losses)	Net Purchases, Sales, and Settlements	Ending Bal. June 30, <u>2009</u>
Alternative Investments	\$ <u>3,129</u>	\$ <u>(262)</u>	\$ <u>2</u>	\$ <u>2,869</u>

NOTE 3 - RECEIVABLES

Receivables as of June 30, 2009 and 2008, respectively, are summarized as follows:

	<u>2009</u>	<u>2008</u>
MHR Board	\$ 81,200	\$ 29,528
Medicaid, Less allowance of \$8,963 in 2009 and 2008	20,067	54,304
Other	<u>106,537</u>	<u>144,505</u>
	<u>\$ 207,804</u>	<u>\$ 228,337</u>

Your Human Resource Center at times will bill to a third party insurance for services performed on self-pay clients. The amount of monies believed to be collectible is \$9,288 and \$3,347 at June 30, 2009 and 2008, respectively.

NOTE 4 - OPERATING LEASES

Your Human Resource Center leases office space and a vehicle for use in its programs. Rental expense under operating lease agreements amounted to \$73,213 and \$70,201 for the years ended June 30, 2009 and 2008, respectively. The leases are month-to-month.

YOUR HUMAN RESOURCE CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009 AND 2008

NOTE 5 – LONG-TERM DEBT

Long-Term Debt consists of the following:

	<u>2009</u>	<u>2008</u>
1. Bank note, secured by the 2587 Back Orrville Rd. building, payable at \$3,154 per month with interest at 8%	\$ 182,221	\$ 204,300
Less amount due within one year	<u>(24,752)</u>	<u>(22,255)</u>
	<u>\$ 157,469</u>	<u>\$ 182,045</u>

Total interest costs were \$15,765 in 2009 and \$17,523 in 2008.

Future scheduled maturities of long-term debt are as follows:

Years ending June 30:

2010	24,752
2011	26,126
2012	28,307
2013	30,670
2014	33,230
Thereafter	<u>39,136</u>
	<u>\$ 182,221</u>

NOTE 6 - GOVERNMENT FUNDING

The Organization received approximately 94% and 95% of its funding for 2009 and 2008, respectively, through Government grants and purchase of service agreements. A significant reduction in the level of this support, if this were to occur, may have a material effect on the Organization's activities.

NOTE 7 - RETIREMENT PLAN

The Organization established an IRC 403(b) Employer Contributory Tax Deferred Annuity Plan effective July 1, 1993. All employees are eligible to participate in employee elective deferrals. Employees who have completed 1,000 hours of service in a 12-month consecutive period from their date of hire and who are at least 21 years of age are eligible for matching and discretionary contributions. For eligible employees, the Organization contributes 1% of annual salary and matches employee elective deferrals from 2% up to 5% of annual salary. Employees are immediately vested in elective deferrals and are 100% vested in employer contributions after five years of continuous formal plan participation. Expense for this plan amounted to \$43,072 and \$45,542 for the years ended June 30, 2009 and 2008, respectively.

YOUR HUMAN RESOURCE CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009 AND 2008

NOTE 7 - RETIREMENT PLAN (Continued)

Certain employees of the Organization are eligible to participate in the Ohio Public Employee Retirement System (PERS) effective July 1, 1993. The Organization's contributions during the years ended June 30, 2009 and 2008 to PERS on behalf of these employees amounted to \$3,751 and \$8,836, respectively. This amount was determined in accordance with Ohio law. The Organization is required to submit contributions totaling 22.05% of eligible employees' gross pay to PERS. The pension plan is not administered by the Organization.

NOTE 8 - DUE TO MHR BOARD

The Organization has a note payable to the Mental Health and Recovery Board of Wayne and Holmes Counties for monies that were advanced for operating purposes. The note is interest free, uncollateralized and due on demand. The balance of the note was \$181,887 for the years ended June 30, 2009 and 2008.

NOTE 9 - TRAINING COMMITTEE TRANSACTIONS

The Organization periodically collects funds for workshops sponsored by the Mental Health and Recovery Board and remits the funds for expenses related to the workshops. The Organization charges an administrative fee for these transactions. As of June 30, 2009 and 2008, the Organization had collected \$11,015 and \$1,242 respectively, in excess of the cost of the workshops.

NOTE 10 – RELATED PARTY TRANSACTIONS

Your Human Resource Center periodically advances funds to Wayne Holmes Behavioral Health, a not for profit affiliate under section 501(c)(3) for which it is then paid back. Transactions amounting to \$3,539 and \$2,492 occurred during the years ended June 30, 2009 and 2008 respectively.

NOTE 11 – ADVERTISING

The Organization uses advertising to promote its programs. The costs for advertising are expensed as incurred. For the years ended June 30, 2009 and 2008, advertising costs totaled \$3,931 and \$2,444, respectively.

YOUR HUMAN RESOURCE CENTER
 SUPPLEMENTARY SCHEDULE OF FEDERAL AWARDS
 YEAR ENDED JUNE 30, 2009

<u>Federal Grantor</u> <u>Pass-Through Grantor/</u> <u>Program Title</u>	<u>Federal</u> <u>CFDA</u> <u>Number</u>	<u>Expendi-</u> <u>tures</u>
<u>U.S. Department of Health and Human Services</u>		
Drug Free Grant	93.276	\$ 72,186
TANF	93.558	352,297
Title IV-B	93.556	<u>8,800</u>
		433,283
<u>U.S. Department of Labor</u>		
WIA Youth Activities	17.259	<u>102,114</u>
Total Federal Awards		\$ <u>535,397</u>

NOTE A-BASIS OF REPRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal award activity of Your Human Resource Center and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of, the basic financial statements.

YOUR HUMAN RESOURCE CENTER
SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2009

SECTION 2

REPORT 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

YOUR HUMAN RESOURCE CENTER
WOOSTER, OHIO

JUNE 30, 2009



1915 West Market St., Ste. 900
Akron, Ohio 44313
330.867.2800
330.867.2144 (FAX)

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Canton, Ohio 44703
330.454.8049
330.454.3390 (FAX)

REPORT 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 Trustees
YOUR HUMAN RESOURCE CENTER
Wooster, Ohio

We have audited the financial statements of Your Human Resource Center (a non-profit organization) as of and for the year ended June 30, 2009, and have issued our report thereon dated December 8, 2009. 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 Your Human Resource Center's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Your Human Resource Center'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 control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned job functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combinations of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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

As part of obtaining reasonable assurance about whether Your Human Resource Center's 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 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 matters that we reported to management of Your Human Resource Center in a separate letter dated December 8, 2009.

This report is intended for the information and use of the audit committee, management, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Linc, Malachin, Dennis & Dimengo, Inc.

Linc, Malachin, Dennis & Dimengo, Inc.

Akron, OH
December 8, 2009

SECTION 3

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

YOUR HUMAN RESOURCE CENTER
WOOSTER, OHIO

JUNE 30, 2009



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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Trustees
YOUR HUMAN RESOURCE CENTER
Wooster, Ohio

Compliance

We have audited the compliance of Your Human Resource Center (a non-profit organization) with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" that are applicable to each of its major federal programs for the year ended June 30, 2009. Your Human Resource Center'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 Your Human Resource Center's management. Our responsibility is to express an opinion on Your Human Resource Center'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; and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 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 Your Human Resource Center's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Your Human Resource Center's compliance with those requirements.

In our opinion, Your Human Resource Center complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of Your Human Resource Center is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Your Human Resource Center's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purposes of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Your Human Resource Center's internal control over compliance.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned job functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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.

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

Linc, Malachin, Dennis & Dimengo, Inc.

Linc, Malachin, Dennis & Dimengo, Inc.

Akron, Ohio
December 8, 2009

SECTION 4

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YOUR HUMAN RESOURCE CENTER
WOOSTER, OHIO

JUNE 30, 2009

YOUR HUMAN RESOURCE CENTER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

Section I-Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified
Internal control over financial reporting:
Material weakness(es) identified? ___yes Xno
Reportable condition(s) identified
not considered to be material weaknesses? ___yes Xno
Noncompliance material to financial statements noted? ___yes Xno

Federal Awards

Internal Control over major programs:
Material weakness(es) identified? ___yes Xno
Reportable condition(s) identified
not considered to be material weakness? ___yes Xno

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 Xno

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>93.276</u>	<u>Drug Free Grant</u>
<u>17.259</u>	<u>WIA Activities</u>

Dollar threshold used to distinguish
between Type A and Type B programs: \$ 300,000

Auditee qualified as low-risk auditee? Xyes ___no