

**Seguin Services
Audit Report
For the Year Ended June 30, 2012**

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**Seguin Services
Audit Report
For the Year Ended June 30, 2012**

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Seguin Services
Cicero, Illinois

We have audited the statement of financial position of **Seguin Services** (Corporation), an Illinois corporation and not-for-profit as of June 30, 2012 and 2011, and the related statements of cash flows for the years then ended, and the statements of activities and functional expenses for the year ended June 30, 2012. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits. The prior year summarized comparative information has been derived from the Corporation's 2011 financial statements and in our report dated November 9, 2011, we expressed an unqualified opinion on those financial statements.

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 financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 Seguin Services as of June 30, 2012 and 2011, and the results of its cash flows for the years then ended, and the changes in net assets for the year ended June 30, 2012, 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 November 12, 2012, on our consideration of the Corporation's internal control over financial reporting, and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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.

Selden Fox, Ltd.

November 12, 2012

Seguin Services
Statement of Financial Position
June 30,

Assets	2012	2011
Cash	\$ 305,509	\$ 253,051
Investments	<u>2,147,117</u>	<u>2,077,865</u>
Receivables:		
State of Illinois - purchase of care	1,501,437	2,053,044
Work contracts	3,786	12,947
Capital campaign	574,703	-
Due from NHRMA	210,674	210,674
Other	405,683	470,235
Less allowance for doubtful accounts	<u>(50,007)</u>	<u>(66,419)</u>
Receivables, net	<u>2,646,276</u>	<u>2,680,481</u>
Assets held for sale	152,038	108,661
Prepaid expenses	77,886	78,569
Security deposits	41,584	25,234
Deferred charges	59,385	63,657
Property and equipment, net	<u>16,767,233</u>	<u>16,920,695</u>
	<u>\$ 22,197,028</u>	<u>\$ 22,208,213</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ 731,900	\$ 596,755
Accrued salaries	2,378,881	2,239,133
Accrued expenses	646,851	743,910
Deferred revenue	207,957	561,271
Security deposit	3,247	900
Short-term borrowings	245,000	435,000
Long-term debt	<u>9,908,304</u>	<u>10,358,973</u>
Total liabilities	<u>14,122,140</u>	<u>14,935,942</u>
Net assets:		
Unrestricted	1,024,920	1,036,335
Temporarily restricted	<u>7,049,968</u>	<u>6,235,936</u>
Total net assets	<u>8,074,888</u>	<u>7,272,271</u>
	<u>\$ 22,197,028</u>	<u>\$ 22,208,213</u>

See accompanying notes.

Sequin Services
Statement of Activities
For the Year Ended June 30, 2012
(With Comparative Totals for 2011)

	2012			2011 Total
	Unrestricted	Temporarily Restricted	Total	
Public support and revenue:				
Public support:				
State of Illinois:				
Purchase of service:				
Department of Human Services	\$ 12,870,329	\$ -	\$ 12,870,329	\$ 12,287,644
Department of Children and Family Services	8,740,316	-	8,740,316	9,036,763
Grant in aid	-	-	-	78,466
Federal Assistance Community Development Block Grants	101,499	19,399	120,898	104,907
Community Mental Health Act (708)	-	293,600	293,600	181,950
Contributions	226,452	-	226,452	213,276
	1,230,397	975,891	2,206,288	1,544,144
Total public support	23,168,993	1,288,890	24,457,883	23,447,150
Revenue:				
Work contracts	35,636	-	35,636	47,494
Client fees	2,108,263	-	2,108,263	1,902,616
Investment income (loss)	(35,872)	-	(35,872)	305,436
Gain on sale of assets	-	-	-	28,169
Other	359,730	-	359,730	363,839
Net assets released from restrictions	474,858	(474,858)	-	-
Total revenue	2,942,615	(474,858)	2,467,757	2,647,554
Total public support and revenue	26,111,608	814,032	26,925,640	26,094,704
Expenses:				
Program services	23,045,851	-	23,045,851	22,627,000
Supporting services	3,077,172	-	3,077,172	3,081,792
Total expenses	26,123,023	-	26,123,023	25,708,792
Change in net assets	(11,415)	814,032	802,617	385,912
Net assets:				
Beginning of the year	1,036,335	6,235,936	7,272,271	6,886,359
End of the year	\$ 1,024,920	\$ 7,049,968	\$ 8,074,888	\$ 7,272,271

See accompanying notes.

Seguin Services
Statement of Functional Expenses
For the Year Ended June 30, 2012
(With Comparative Totals for 2011)

	Program Services					Supporting Services							
	Develop- mental Training	Foster Care	Supported Employment	Community Supported Living Arrangement	Community Integrated Living Arrangement	Respite	SeguinCares	Seguin Enterprises	Total by Program	Fund-raising and Development	Admin- istrative	Total	
												2012	2011
Salaries and related expenses	\$ 2,839,657	\$ 7,058,396	\$ 608,993	\$ 343,675	\$ 6,670,469	\$ 78,075	\$ 728,496	\$ 481,234	\$ 18,808,995	\$ 539,063	\$ 1,642,183	\$ 20,990,241	\$ 20,441,929
Consumable supplies	144,881	197,546	47,335	1,502	140,279	9,416	16,172	237,464	794,595	3,934	62,404	860,933	832,985
Occupancy	144,421	88,791	1,835	-	481,150	9,315	46,607	67,802	839,921	75	144,130	984,126	1,091,489
Local transportation	77,560	176,924	36,180	6,622	184,220	3,430	14,194	17,998	517,128	2,412	25,810	545,350	526,850
Equipment purchase	13,265	9,457	263	225	38,763	541	8,929	8,706	80,149	911	14,940	96,000	170,196
Leasing and rental	40,789	-	-	-	20,385	-	808	896	62,878	5,148	186,152	254,178	227,242
Interest	95,287	8,658	-	-	394,985	3,285	25,442	13,939	541,596	-	14,773	556,369	567,306
Miscellaneous	107,359	81,170	10,018	2,402	99,293	1,050	5,142	102,855	409,289	188,913	66,210	664,412	676,811
Total expenses before depreciation	3,463,219	7,620,942	704,624	354,426	8,029,544	105,112	845,790	930,894	22,054,551	740,456	2,156,602	24,951,609	24,534,808
Depreciation	154,105	72,028	8,575	1,461	618,824	16,939	39,262	80,106	991,300	9,057	171,057	1,171,414	1,173,984
Total expenses	\$ 3,617,324	\$ 7,692,970	\$ 713,199	\$ 355,887	\$ 8,648,368	\$ 122,051	\$ 885,052	\$ 1,011,000	\$ 23,045,851	\$ 749,513	\$ 2,327,659	\$ 26,123,023	\$ 25,708,792

See accompanying notes.

Seguin Services
Statement of Cash Flows
For the Year Ended June 30,

	<u>2012</u>	<u>2011</u>
Cash flows from operating activities:		
Change in net assets	\$ 802,617	\$ 385,912
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation	1,171,414	1,173,984
Amortization	4,272	4,054
Stock contributions	(394)	(1,920)
Property and equipment contributions	(103,360)	(227,059)
(Gain) loss on investments	61,273	(210,244)
(Gain) on sale of property and equipment	-	(28,169)
Changes in other working capital items:		
Receivables	(211,295)	930,581
Assets held for sale	(43,377)	24,679
Prepaid expenses	683	25,024
Security deposits	(14,003)	(11,584)
Accounts payable	135,145	(76,204)
Accrued expenses	42,689	274,237
Deferred revenue	(353,314)	88,966
Net cash from operating activities	1,492,350	2,352,257
Cash flows from investing activities:		
Purchase of property and equipment	(914,592)	(770,342)
Purchase of investments	(130,131)	(1,173,685)
Proceeds from sale of property and equipment	-	19,029
Proceeds from sale of investments	-	169,498
Net cash from investing activities	(1,044,723)	(1,755,500)
Cash flows from financing activities:		
Proceeds from issuance of short-term debt	14,812,500	15,131,890
Proceeds from issuance of long-term debt	-	1,500,000
Contributions restricted for purchasing equipment	245,500	202,102
Payment of debt issuance costs	-	(12,213)
Repayment of short-term debt	(15,002,500)	(16,784,388)
Repayment of long-term debt	(450,669)	(443,795)
Net cash from financing activities	(395,169)	(406,404)
Net change in cash	52,458	190,353
Cash, beginning of the year	253,051	62,698
Cash, end of the year	\$ 305,509	\$ 253,051
Supplemental cash flow information (noncash activities):		
Proceeds from sale of property used to repay long-term debt	\$ -	\$ 149,219

See accompanying notes.

Seguin Services Notes to the Financial Statements

1. Organizational Purpose

Seguin Services (Corporation) is a not-for-profit community-based agency incorporated in the state of Illinois. The Corporation provides residential, employment, training, and other support services to persons who have developmental disabilities and other special needs.

The mission of Seguin Services is to integrate, enrich and empower people with disabilities and other special needs, enabling them to be productive, valued members of society. The principles which form the foundation for this mission are as follows:

- A. Persons served will continue to receive high quality services. Supports will be expanded to address the unmet needs of: adults with developmental disabilities who: are aging, have mental health needs, have traumatic brain injury, are in transition, seek community employment; and children who have: specialized medical needs, treatment needs, and accessibility needs.
- B. Persons served will live, work, and recreate in healthy and safe environments through promotion of a progressive health program, and provisions of a comprehensive agency safety program where safety is the responsibility of every employee.
- C. Persons served will have social inclusion by: establishing relationships with nondisabled peers within their communities participating in the life of their communities, including employment through entrepreneurial and other activities, connecting to networks of natural supports, establishing intimate friendships, living in integrated environments, and achieving permanency with biological or adoptive families.
- D. Persons served and their families will be able to provide input to the Corporation for improvement in the quality of services.
- E. The Corporation's management practices will be enhanced to improve organizational oversight and to accomplish the Corporation's mission through: improved communication with persons served, their families, Seguin's staff, and other stakeholders; periodic assessment and analysis of organizational strengths and opportunities for improvement; staff and Board member composition, which is representative of the community and consumers served by Seguin; effective legislative advocacy; and efficient use of technology.
- F. The Corporation is dedicated to the expansion and diversification of financial and human resources to ensure organizational stability and well-managed growth by: substantially increasing resources of the Corporation through the establishment and implementation of a comprehensive resource development plan, and developing entrepreneurial business ventures with the goals of increasing earned income and providing for expanded employment opportunities for consumers.

Seguin Services
Notes to the Financial Statements (cont'd)

1. **Organizational Purpose (cont'd)**

- G. The Corporation will be supported by qualified, well-trained, tenured staff members who are supported by their supervisors and the Corporation's management staff, and recognized regularly for their efforts and accomplishments.
- H. The Corporation will provide leadership and direction in the formation of networks of strategic partners in order to strengthen the services to and support of persons served.

2. **Summary of Significant Accounting Policies**

A. **General**

The Corporation's financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. These financial statements have been prepared to focus on the Corporation as a whole. Net assets and revenue, expenses, and gains and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Permanently Restricted Net Assets – Net assets subject to donor imposed stipulations that they be maintained permanently by the Corporation. The Corporation currently has no permanently restricted net assets.

Temporarily Restricted Net Assets – Net assets subject to donor imposed stipulations that may be met by the actions of the Corporation or by the passage of time.

Unrestricted Net Assets – Net assets not subject to donor imposed stipulations.

Revenues are reported as increases in unrestricted net assets, unless use of the related assets is limited by donor imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets, unless their use is restricted by explicit donor stipulation or by law. Expiration of temporary restrictions on net assets (i.e., the donor imposed stipulated purpose has been fulfilled or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Temporarily Restricted Net Assets – The Corporation has adopted the following accounting policies with respect to temporarily restricted net assets:

Contributions With Restrictions Met in the Same Year – Contributions received with donor imposed restrictions that are fulfilled in the same time period in which the contribution is received are reported as unrestricted support.

Seguin Services
Notes to the Financial Statements (cont'd)

2. Summary of Significant Accounting Policies (cont'd)

A. General (cont'd)

Temporarily Restricted Net Assets (cont'd)

Release of Restrictions on Net Assets for Acquisition of Property and Equipment – Contributions of exhaustible long-lived assets, or of cash or other assets used to acquire them, without donor stipulations concerning the use of such long-lived assets, are reported as revenues of the temporarily restricted net asset class. The restrictions are considered to be released over the estimated useful lives of the long-lived assets using the Corporation's depreciation policies, or upon sale of such assets. See Note 9 for additional disclosures.

B. Pervasiveness of Estimates

The preparation of financial statements in accordance 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 financial statements, and reported amounts of revenue and expenses during the reporting period.

Significant estimates used in the preparation of these financial statements include the fair value of investments, allowance for doubtful accounts, health and workers' compensation insurance accruals for claims incurred during the reporting period but not reported until after the balance sheet date, and allocations of general and administrative expenses to individual program activities. Actual results could differ from those estimates. It is reasonably possible that the recorded amounts or related disclosures could significantly change in the near future as new information is available.

C. Significant Concentrations

Revenue approximating 80%, or \$21.6 million (82%, or \$21.4 million in 2011), is provided by departments of the state of Illinois as grant in aid or purchase of service. Future levels of program activities are dependent on these governmental agencies.

Revenues have been allocated to programs as follows:

Community living	44.92 %
Foster care	32.64
Developmental training	16.36
Supported employment	2.69
Seguin Enterprises	3.39
	<hr/>
	100.00 %

Seguin Services
Notes to the Financial Statements (cont'd)

2. Summary of Significant Accounting Policies (cont'd)

D. Property and Equipment

Land, buildings, and equipment are valued at cost. Additions and improvements to property and equipment that have a cost of more than \$500 are capitalized at cost, while maintenance and repair expenditures are charged to expense as incurred. Donated property and equipment are valued at estimated fair market value at the date of donation. Depreciation is provided on the straight-line method. Estimated useful lives are as follows:

Buildings	28 years
Building improvements	5 - 28 years
Equipment	3 - 10 years
Land improvements	10 - 28 years
Leasehold improvements	3 - 28 years

E. Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods, or restricted by the donor for specific purposes, are reported as temporarily restricted or permanently restricted support that increases those net asset classes.

F. Income Taxes

The Corporation is a not-for-profit entity, as described in Section 501(c)(3) of the Internal Revenue Code, and is exempt from income taxes, except to the extent of any unrelated business income. The Corporation had no unrelated business income from investments in 2012. The Corporation did not pay any income taxes in 2012 or 2011.

Tax returns for the Corporation for the years ended June 30, 2009 through 2011 are open years for purposes of examination by the IRS or Illinois Department of Revenue.

G. Fair Value and Investments

All of the Corporation's investments are carried at fair value, with changes in fair value recognized in net assets each period. The Corporation makes estimates regarding valuation of assets at fair value in preparing the financial statements.

The Corporation defines fair value as 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. A valuation hierarchy has been established for fair value measurements. This hierarchy is broken down into three levels based on the reliability of observable and unobservable inputs as follows:

Level 1 – Valuations are based on quoted prices in active markets for identical assets or liabilities that the Corporation has the ability to access at the measurement date.

Seguin Services
Notes to the Financial Statements (cont'd)

2. Summary of Significant Accounting Policies (cont'd)

G. Fair Value and Investments (cont'd)

Level 2 – Valuations are based on quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and model-derived valuations whose significant inputs are observable.

Level 3 – Valuations are based on unobservable inputs for the asset or liability that reflect the reporting entity's own data and assumptions that market participants would use in pricing the asset or liability.

The valuations for investments in common stock, mutual funds, exchange traded funds and intermediate and short-term bond funds are based on quoted prices in active markets for identical assets. Accordingly, these investments are categorized in Level 1 of the fair value hierarchy.

H. Subsequent Events

Subsequent events have been evaluated through November 12, 2012, which is the date the financial statements were available to be issued.

3. Cash

The Corporation's cash deposits are present at four financial institutions and may from time to time exceed available insurance coverage limits. At June 30, 2012 the bank balances at such institutions were \$1,514,871, of which \$1,049,109 was not covered by federal depository insurance.

4. Investments

Investments at June 30 are as follows:

	<u>2012</u>	<u>2011</u>
Cash	\$ 1,121,201	\$ 1,014,116
Common stock	-	66,182
Mutual funds	644,138	791,915
Exchange traded funds	178,499	205,652
Intermediate and short-term bond funds	<u>203,279</u>	-
Investments, at fair value	<u>\$ 2,147,117</u>	<u>\$ 2,077,865</u>

Seguin Services
Notes to the Financial Statements (cont'd)

4. Investments (cont'd)

Fair values of assets measured on a recurring basis consistent with the hierarchy described in Note 2 are as follows as of June 30,

	2012			
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Large-cap growth/value	\$ 492,876	\$ -	\$ -	\$ 492,876
Mid-cap growth/value	65,317	-	-	65,317
Small-cap value	85,945	-	-	85,945
Exchange traded funds	178,499	-	-	178,499
Intermediate term bond fund	130,801	-	-	130,801
Short-term bond fund	72,478	-	-	72,478
	\$ 1,025,916	\$ -	\$ -	\$ 1,025,916
	2011			
	Level 1	Level 2	Level 3	Total
Common stocks	\$ 66,182	\$ -	\$ -	\$ 66,182
Mutual funds:				
Large-cap growth/value	330,412	-	-	330,412
Mid-cap growth/value	70,119	-	-	70,119
Small-cap value	136,678	-	-	136,678
International	254,706	-	-	254,706
Exchange traded funds	205,652	-	-	205,652
	\$ 1,063,749	\$ -	\$ -	\$ 1,063,749

Investment return during the year ended June 30, 2012 is as follows:

	Net Investment Income	Net Realized and Unrealized Losses	Total Investment Return
Other interest income	\$ 1,759	\$ -	\$ 1,759
Quasi-endowment:			
Investments, at fair value	21,630	(61,273)	(39,643)
Building fund money market account	2,012	-	2,012
	\$ 25,401	\$ (61,273)	\$ (35,872)

Net investment income includes investment expenses of \$7,545.

Management of the Corporation considers all investments as quasi-endowment funds to be utilized at the direction of the Board of Directors.

Seguin Services
Notes to the Financial Statements (cont'd)

5. Accounts Receivable

Accounts receivable are stated at the amount billed to the public or governmental agencies and clients reduced by an allowance for doubtful accounts. The Corporation does not charge interest or late fees on amounts past due. Accounts are written off to the allowance when management believes collectibility is unlikely. Management's periodic evaluation of the adequacy of the allowance is based on the Corporation's past experience, known and inherent risks in the accounts, adverse situations that may affect the agencies' or clients' ability to pay, and current economic conditions. Past due accounts over 90 days amounted to approximately \$218,000 at June 30, 2012 (\$143,900 at June 30, 2011).

6. Property and Equipment

Property and equipment accounts are summarized by major classification at June 30 as follows:

	2012	2011
Land	\$ 2,467,539	\$ 2,414,644
Buildings	9,458,567	9,458,567
Building improvements	14,578,094	13,935,769
Equipment	3,575,422	3,466,898
Leasehold improvements	67,850	65,619
Land improvements	111,106	105,126
Construction in progress	278,737	72,740
	30,537,315	29,519,363
Less accumulated depreciation and amortization	(13,770,082)	(12,598,668)
	\$ 16,767,233	\$ 16,920,695

Depreciation expense on property and equipment for the year ended June 30, 2012 totaled \$1,171,414 (\$1,173,984 at June 30, 2011). No interest costs were capitalized in connection with construction projects for the year ended June 30, 2012.

7. Short-term Borrowings

A promissory note and agreement dated July 11, 2003, provided for maximum short-term borrowings of \$2,500,000. The note was renewed December 15, 2011. Interest is payable monthly at 1.00% above the lender's index rate with a minimum rate of 5.00% (index rate of 3.25% at June 30, 2012 and 2011), with all outstanding principal and interest due on December 15, 2012. At June 30, 2012, a \$245,000 outstanding balance was due under this agreement (\$435,000 at June 30, 2011). The note is secured by substantially all unencumbered assets of the Corporation, including certain real property, accounts receivable, and furniture and equipment. The agreement requires the Corporation, among other covenants, to furnish certain financial information to the lender within specified time frames.

Seguin Services
Notes to the Financial Statements (cont'd)

8. Long-term Debt – Installment Contracts

	June 30,	
	2012	2011
<p>Promissory note dated August 19, 2010, in the original amount of \$1,500,000, from a not for profit corporation, secured by a mortgage on certain real property. The note bears interest at a rate of 5.875% and requires monthly principal and interest payments of \$12,557 commencing October 1, 2010 through August 31, 2015. On this date and on the first day of the full month prior to the tenth anniversary of the first principal and interest date, the rate of interest will be recalculated based on the greater of the yield to maturity of certain United States Treasury obligations plus 1.75% and 5.50% on the fifth anniversary and 5.00% on the tenth anniversary. Final payment is due September 1, 2025.</p>	\$ 1,384,997	\$ 1,452,153
<p>Barrie Park Investment Program promissory note dated November 21, 2005, in the original amount of \$15,000, was used in connection with a grant of an equal amount for the purpose of rehabilitating a residence owned by the Corporation. The note is payable in full upon conveyance or transfer of any interest in the property. The note bears no interest unless the principal is not paid when due, then the interest rate is at the highest rate permitted by law or nine percent whichever is greater. The note is secured by a mortgage on the property.</p>	15,000	15,000
<p>Illinois Housing Development Authority mortgage note dated November 28, 1997, in the original amount of \$500,000, was issued in connection with the acquisition and improvement of certain residential living facilities. The note is payable monthly at \$1,389, commencing April 1, 1999. The note is at 0% interest, as it imposes certain land use restrictions on the facilities acquired. The final payment is due March 1, 2029. The note is secured by second mortgages on each of the facilities acquired.</p>	256,982	273,649
<p>Fifty-six installment loans dated 1997 through 2010, in the aggregate amount of \$7,500,963, were issued in connection with the acquisition or refinancing of certain residential living facilities. The notes are due in monthly installments ranging from \$380 to \$2,440, which includes interest ranging from 5.875% to 6.625% per annum. The final payments are due from May 2025 to July 2038. The notes are secured by certain real properties.</p>	6,457,643	6,610,886

Seguin Services
Notes to the Financial Statements (cont'd)

8. Long-term Debt – Installment Contracts (cont'd)

	June 30,	
	2012	2011
<p>Fifty installment loans dated 1993 through 1999, in the aggregate amount of \$3,123,870, were issued in connection with the renovation of certain residential living facilities. The loans were provided by the Cook County, Illinois HOME Program, which was established to assist in the financing and provision of decent, safe, sanitary, and affordable housing through public/private partnerships. The notes are due in monthly installments ranging from \$89 to \$554, which included interest at 1% per annum. The final payments are due from December 2013 to August 2038. The notes are secured by a junior mortgage on certain real properties.</p>	\$ 1,313,313	\$ 1,445,659
<p>Promissory note dated June 30, 2009, in the original amount of \$224,000, was used in connection with the acquisition of certain real property, which secures the note. The note is due in monthly installments of \$1,455, which includes interest at 6.00% per annum. The final payment is due in June 2016.</p>	211,441	215,862
<p>Variable rate promissory note dated December 15, 2010, in the original amount of \$384,182. The note is a replacement of a short-term note that matured on December 15, 2010 and is secured by substantially all unencumbered assets of the Corporation, including certain real property, accounts receivable and furniture and equipment. The note is due in monthly installments of \$6,403, plus interest at 1.00% above the lender's index rate with a minimum rate of 5.50% (index rate of 3.25% at June 30, 2012). The final payment is due on December 15, 2015.</p>	268,928	345,764
	\$ 9,908,304	\$ 10,358,973

The Corporation entered into a construction loan agreement with a not for profit corporation dated May 11, 2012 for the construction of a group home. The agreement provides for maximum principal borrowings of \$250,000, secured by a construction mortgage on certain real property. Interest accrues on all amounts outstanding under this note at a rate of 4.9% per annum, through February 10, 2023 and then adjusts for ten year periods, as provided for in the note. No amounts were advanced under this note agreement as of June 30, 2012.

Seguin Services
Notes to the Financial Statements (cont'd)

8. Long-term Debt – Installment Contracts (cont'd)

Maturities of long-term debt are as follows:

<u>For the Year Ended June 30,</u>	<u>Amount</u>
2013	\$ 469,093
2014	477,725
2015	485,286
2016	611,174
2017	387,872
2018 and subsequent	<u>7,477,154</u>
	<u>\$ 9,908,304</u>

Total interest paid for 2012 and 2011, excluding loan fee amortization was \$552,340, and \$572,304, respectively.

Subsequent to June 30, 2012, debt in the amount of \$439,702 was forgiven by the lender. The amount forgiven has not been reflected in the maturities of long-term debt disclosure above.

Seguin Services
Notes to the Financial Statements (cont'd)

9. Net Assets

Unrestricted Net Assets – Unrestricted net assets were designated for specific purposes as follows:

	<u>2012</u>	<u>2011</u>
Quasi-endowment funds	\$ 2,147,117	\$ 2,077,865
Undesignated	<u>(1,122,197)</u>	<u>(1,041,530)</u>
	<u>\$ 1,024,920</u>	<u>\$ 1,036,335</u>

Quasi-endowment Funds – The Corporation’s quasi-endowment funds consist of funds designated by the Board of Directors to function as endowments. The Corporation has adopted a policy for quasi-endowment assets to provide for the administration, disbursement and funding of the funds. Under the policy approved by the Board of Directors, the assets are invested by external fund managers using a balance among equities, bonds, insured investments and so on, to seek the best possible market return with the prudent person principle as a guide. The external manager investment strategy is to be reviewed annually by the Endowment Subcommittee.

No disbursements from the quasi-endowment funds shall be made before a fund balance equal to one month of the Corporation’s annual operating expenses has been accumulated, earned and accrued (reserve) except in the event of emergency. Thereafter the reserve shall be maintained continuously to ensure the financial strength and future viability of the Corporation for the benefit of people with disabilities, their families and the local community. Normal financial conditions shall dictate that the Endowment Subcommittee recommend disbursement of the minimum necessary funds to meet the operating and capital needs projected for the upcoming year, not to exceed a maximum amount of the excess of the required reserve amount. Changes in unrestricted quasi-endowment net assets for the fiscal years ended June 30 are as follows:

	<u>2012</u>	<u>2011</u>
Quasi-endowment net assets, beginning of the year	\$ 2,077,865	\$ 861,514
Investment return:		
Investment income	22,975	10,357
Net appreciation (depreciation) - realized and unrealized	<u>(61,273)</u>	<u>210,244</u>
Total investment return	<u>(38,298)</u>	220,601
Other changes:		
Transfers to include board-designated funds in quasi-endowment	107,550	1,920
Operating deposit	<u>-</u>	<u>993,830</u>
Quasi-endowment net assets, end of the year	<u>\$ 2,147,117</u>	<u>\$ 2,077,865</u>

Seguin Services
Notes to the Financial Statements (cont'd)

9. Net Assets (cont'd)

Temporarily Restricted Net Assets – Temporarily restricted net asset balances consist of the following at June 30:

	<u>2012</u>	<u>2011</u>
Capital Campaign	\$ 2,852,736	\$ 2,175,171
CILA Lapsed Funding	17,729	18,892
Fire detection/monitoring systems	132,501	228,999
IDOT vehicles	178,494	121,110
Residential Living Facilities:		
Federal Home Loan Program	230,946	247,007
Berwyn CDBG Program	734,227	678,359
Cook County CDBG Program	345,334	256,237
Oak Park CDBG Program	376,470	285,693
Barrie Park	11,561	12,096
Home Renovations	93,601	93,336
Other In-kind Donations	69,689	25,159
Lombard House	15,849	-
Seguin Enterprises Program	145,331	167,184
Solar Program	76,752	96,614
Alzheimer Program	144,261	130,951
Senior Services Program	1,533,934	1,586,402
Computer software	80,683	106,851
Day Program, In-kind Donations	8,729	4,063
Applied Behavior Analysis Practicum	1,141	1,812
	<u>\$ 7,049,968</u>	<u>\$ 6,235,936</u>

At June 30, 2012, unexpended temporarily restricted net assets amounted to \$877,908, with the balance of temporarily restricted net assets representing undepreciated long-lived assets to be released from restrictions in the future.

The source of net assets released from temporary donor restrictions by incurring expense satisfying the restriction, or by the occurrence of events specified by the donor, was as follows at June 30:

	<u>2012</u>	<u>2011</u>
Capital Campaign	\$ 127,934	\$ 136,845
CILA Lapsed Funding	1,163	1,190
Fire detection/monitoring systems	96,498	103,179
IDOT vehicles	51,776	40,512
Residential Living Facilities:		
Federal Home Loan Program	16,061	24,685
Berwyn CDBG Program	30,132	28,993
Cook County CDBG Program	11,102	6,152
Oak Park CDBG Program	16,624	13,652
Barrie Park	536	536
Home Renovations	3,535	1,064
Other In-kind Donations	3,969	2,605

(cont'd)

Seguin Services
Notes to the Financial Statements (cont'd)

9. Net Assets (cont'd)

	2012	2011
Seguin Enterprises Program	\$ 14,238	\$ 71,662
Solar Program	19,861	19,861
Alzheimer Program	6,088	4,038
Senior Services Program	45,539	46,995
Computer Software	26,168	23,987
Day Program, In-kind Donations	2,964	337
Applied Behavior Analysis Practicum	670	490
	\$ 474,858	\$ 526,783

Property and equipment was reclassified to unrestricted net assets from temporarily restricted for long-lived assets released from restrictions, in accordance with the Corporation's depreciation policy during 2012, in the amount of \$465,757 (\$462,227 in 2011).

10. Contributed Services and Property

The Corporation recognizes contribution revenue for certain professional services and property received at their fair value. For the year ended June 30, 2012, those services and property included materials and labor for capital projects, stock, and professional services of \$145,586 (\$348,357 in 2011). In addition, a substantial number of volunteers have donated significant amounts of their time to various program services for which no value has been assigned.

11. Commitments

Operating Leases – The Corporation has operating leases on copy equipment and office space, which expire in 2014 and 2017, respectively. The Corporation is committed at June 30, 2012 to making the following minimum annual payments:

2013	\$ 176,074
2014	165,129
2015	124,194
2016	108,058
2017	100,952
2018 and subsequent	8,430
	\$ 682,837

Total rent expense was \$254,177 in 2012 and \$227,242 in 2011.

Seguin Services
Notes to the Financial Statements (cont'd)

11. Commitments (cont'd)

Construction – The Corporation has open contracts in process totaling approximately \$1,084,000 for home construction and renovations to various residential homes and the Carr Center. Of the contract amounts, remaining commitments exist for approximately \$787,000 as of June 30, 2012.

12. Contingencies

Fees and Grants Received – The Corporation has received significant financial assistance from numerous federal, state, and local government agencies. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements, and may be subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Corporation. However, in the opinion of management, liabilities resulting from disallowed claims, if any, will not have a material effect on the financial position of the Corporation at June 30, 2012.

Litigation – The Corporation is subject to certain claims that arise in the ordinary course of business. Management is of the opinion that, after application of all available insurance coverage, the effect of the outcomes of these proceedings on the Corporation's financial position will not be material.

Unemployment Taxes – The Corporation has elected the reimbursement method for payment of Illinois unemployment taxes. Payment is based on actual reimbursements of claims filed, as determined by the state of Illinois. No accrual for unfiled claims has been included in the financial statements, as it is not determinable.

13. Comparative Prior Year Information

The financial statements include certain prior year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the financial statements for the year ended June 30, 2011.

14. ARRA Special Project

For the year ended June 30, 2012 the Corporation received \$20,686 of revenue from the Illinois Department of Human Services for the ARRA Special Project program under contract # 40CMARA041. Expenses incurred for this program to provide peer mentorships, job development and training for adults with disabilities totaled \$20,686 for the year ended June 30, 2012 (\$101,857 at June 30, 2011).

Selden Fox, LTD.

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INDEPENDENT AUDITOR'S 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 Directors
Seguin Services
Cicero, Illinois

We have audited the financial statements of **Seguin Services** as of and for the year ended June 30, 2012, and have issued our report thereon dated November 12, 2012. 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 Seguin Services' 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 Seguin Services' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Corporation'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of Seguin Services' 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 Seguin Services' 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 other matters that we reported to management of Seguin Services in a separate letter dated November 12, 2012.

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

Selden Fox, Ltd.

November 12, 2012

Selden Fox, LTD.

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CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S STATEMENT OF RESPONSIBILITY FOR SUPPLEMENTARY INFORMATION

Board of Directors
Seguin Services
Cicero, Illinois

Our audit was conducted for the purpose of forming an opinion on the financial statements of Seguin Services as a whole. The supplemental schedules as of and for the year ended June 30, 2012 on pages 25 through 28 and 32 through 35 are presented for purposes of additional analysis, and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the financial statements as a whole.

The information contained in the schedules on pages 23 and 24 and 29 through 31 is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by the Illinois Department of Children and Family Services. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion on the schedules on pages 23 and 24 and 29 through 31.

Selden Fox, Ltd.

November 12, 2012

Agency Information

NAME OF AGENCY

Seguin Services

COUNTY

Cook

MAILING ADDRESS

- STREET

3100 South Central Avenue

- CITY

Cicero

- STATE

IL

- ZIP CODE

60804

FEDERAL EMPLOYER IDENTIFICATION NO.

36-2894174

NAME OF PERSON COMPLETING REPORT

Thomas L. Foley

JOB TITLE

Executive Vice President

TELEPHONE (Area Code & Number)

(708) 222-4248

E-MAIL ADDRESS

tfoley@sequin.org

BEGIN DATE OF REPORT (MM-DD-YYYY)

07-01-2011

END DATE OF REPORT (MM-DD-YYYY)

06-30-2012

NUMBER OF PROGRAMS REPORTED ON CFR

14

ACTUAL / BUDGETED COSTS (Enter A or B)

A

QUARTERS REPORTED (Enter 1, 2, 3, 4)

4

TYPE OF OWNERSHIP: (Check One)

- NOT-FOR-PROFIT

X

- FOR-PROFIT

BASIS OF MAINTAINING ACCOUNTING RECORDS

- ACCRUAL

X

- CASH

- OTHER

AGENCY ACCREDITATION COMPLETED BY

CARF and Praesidium

See independent auditor's statement of responsibility for supplementary information.

List of Programs Reported

Agency Name: Sequin Services

FEIN: 36-2894174

PGM #	PROGRAM NAME		CONTRACT NUMBER or PROGRAM CODE		
	Description 1 <i>(15 characters)</i>	Description 2 <i>(15 characters)</i>	DCFS	DHS	
			10 Digit	10 Digit	
1.	FCN	SPEC FC Nonstandardized MD/MH	2237504012		
2.	PCS	PERF FC - Small Cook	2237504052		
3.	AFC	Family - Supported Adole Care	2237504092		
4.	ADP	Adoption Placement Services	2237504082		
5.	PCD	PERF FC - Downstate HMR/TRAD	2237504022		
6.	31A/31U	Developmental Training		40CQ002880	
7.	36U/39G/39U	Supported Employment		40CQ002880	
8.	ARA	ARRA Special Project		40CMARA041	
9.	60D	CILA Shift Staff		40CQ002882	
10.	60D	CILA Shared Living		40CQ002882	
11.	60D	CILA Family		40CQ002882	
12.	60D	CILA Intermittent		40CQ002882	
13.	150	Fund-raising and Development			
14.	100	Administrative			
15.					
16.					
17.					
18.					
19.					
20.					
21.					
22.					
23.					
24.					
25.					

See independent auditor's statement of responsibility for supplementary information.

Seguin Services
Schedule of Program Revenues - DCFS Format
FEIN: 36-2894174
For the Year Ended June 30, 2012

Line #	Account Title	Agency Total	All Other Not Allocated (Incl. CSLA & Respite Programs)	Spec FC Nonstandardized MD/MH Program FCN	Small Cook Program PCS	Family Supported - Adole Care Program AFC	Adoption Placement Services Program ADP
Revenues:							
Fees + Purchase of Service:							
1.	Department of Aging	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	Department of Children and Family Services	8,740,316	-	8,000,829	479,231	183,335	40,176
3.	Department of Corrections	-	-	-	-	-	-
4.	Medicaid Rehabilitation Option (MRO) Payments	-	-	-	-	-	-
5.	Department of Human Services	12,870,329	435,051	-	-	-	-
6.	Department of Public Aid	-	-	-	-	-	-
7.	Department of Public Health	-	-	-	-	-	-
8.	Local Education Agency / School District	-	-	-	-	-	-
9.	Local Government	-	-	-	-	-	-
10.	Federal Government	-	-	-	-	-	-
11.	Other Government Agencies	-	-	-	-	-	-
12.	Client / Family Program Fees (incl. SSI, SSA, pensions)	2,038,508	-	-	-	-	-
13.	Special Service Fees for Individual Clients	-	-	-	-	-	-
14.	Diagnostic Service Fees	-	-	-	-	-	-
15.	Other (specify) - see worksheet 1	105,391	-	-	-	-	-
16.	Total Fees + Purchase of Services (Sum Lines 1 - 15)	23,754,544	435,051	8,000,829	479,231	183,335	40,176
Grant Revenues:							
17.	Department of Aging	-	-	-	-	-	-
18.	Department of Children and Family Services	-	-	-	-	-	-
19.	Department of Corrections	-	-	-	-	-	-
20.	Donated/Certified Funds Initiative (DFI / CF1)	-	-	-	-	-	-
21.	Department of Human Services	-	-	-	-	-	-
22.	Department of Public Aid	-	-	-	-	-	-
23.	Department of Public Health	-	-	-	-	-	-
24.	Local Education Agency / School District	-	-	-	-	-	-
25.	Local Government Awards	629,212	107,929	-	-	-	-
26.	Federal Government Awards	120,898	-	-	-	-	-
27.	Other Government Awards	-	-	-	-	-	-
28.	JPTA / CETA	-	-	-	-	-	-
29.	Other (specify) - Corporation/Foundation Grants	462,994	9,660	30,000	-	-	-
30.	Total Grant Revenues (Sum Lines 17 - 29)	1,213,104	117,589	30,000	-	-	-
Contributions & Other:							
31.	Restricted to Operations	-	-	-	-	-	-
32.	Restricted to Capital	797,883	-	-	-	-	-
33.	Unrestricted	434,224	424,485	-	-	-	-
34.	Contributions - Goods and Services	184,471	22,255	4,511	-	-	-
35.	Child/Adult Food Programs (school meals, commodities)	-	-	-	-	-	-
36.	School Transportation Payments (to/from school)	-	-	-	-	-	-
37.	Sales of Goods and Services	324,282	-	-	-	-	-
38.	Rent Income	-	-	-	-	-	-
39.	Gain on Sale of Assets	-	-	-	-	-	-
40.	Cafeteria and Vending Machine	5,056	-	-	-	-	-
41.	Other (specify) - see worksheet 1	250,374	(456,000)	-	-	-	-
42.	Total Contributions & Other (Sum Lines 31 - 41)	1,996,290	(9,260)	4,511	-	-	-
Investment Income:							
43.	Income on Restricted Assets / Investments	-	-	-	-	-	-
44.	Income on Unrestricted Assets / Investments	(38,298)	(38,298)	-	-	-	-
45.	Total Investment Income (Sum Lines 43 & 44)	(38,298)	(38,298)	-	-	-	-
46.		-	-	-	-	-	-
47.	TOTAL REVENUES (Sum Lines 16, 30, 42, 45, 46)	26,925,640	505,082	8,035,340	479,231	183,335	40,176

TOTAL EXPENSES (Schedule of Program Costs Line 44)	26,123,023	545,818	8,130,151	487,042	192,111	48,666
REVENUE OVER (UNDER) EXPENSES	\$ 802,617	\$ (40,736)	\$ (94,811)	\$ (7,811)	\$ (8,776)	\$ (8,490)

Downstate Foster Care Program PCD	Developmental Training Program 31A/31U	Supported Employment Program 36U/39G/39U	ARRA Special Project Program ARA	CILA Shift Staff Program 60D	CILA Shared Living Program 60D	CILA Family Program 60D	CILA Intermittent Program 60D	Fund-raising and Development	Administrative
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
36,745	-	-	-	-	-	-	-	-	-
-	3,426,724	227,744	20,686	5,584,431	2,749,116	188,661	237,916	-	-
-	-	-	-	-	-	-	-	-	-
-	47,887	10,239	-	1,331,976	648,351	-	55	-	-
-	-	-	-	-	-	-	-	-	-
-	44,718	35,636	-	-	-	-	25,037	-	-
36,745	3,519,329	273,619	20,686	6,916,407	3,397,467	188,661	263,008	-	-
-	-	-	-	-	-	-	-	-	-
-	64,787	46,936	-	200,992	134,555	-	74,013	-	-
-	-	-	-	120,898	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	182,467	201,492	-	22,128	15,851	200	1,196	-	-
-	247,254	248,428	-	344,018	150,406	200	75,209	-	-
-	-	-	-	-	-	-	-	-	-
-	597,883	200,000	-	-	-	-	-	-	-
-	-	-	-	9,739	-	-	-	-	-
-	26,293	55,617	-	73,415	2,380	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	324,282	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	5,056	-	-	-	-	-	-	-
-	7,439	506,492	-	109,232	613	-	40	82,558	-
-	631,615	1,091,447	-	192,386	2,993	-	40	82,558	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
36,745	4,398,198	1,613,494	20,686	7,452,811	3,550,866	188,861	338,257	82,558	-

35,569	3,995,105	1,833,504	20,686	7,303,941	3,096,396	84,440	267,036	82,558	-
\$ 1,176	\$ 403,093	\$ (220,010)	\$ -	\$ 148,870	\$ 454,470	\$ 104,421	\$ 71,221	\$ -	\$ -

See independent auditor's statement of responsibility for supplementary information.

Seguin Services
Schedule of Program Revenues - DCFS Format - Lines 15 and 41
FEIN: 36-2894174
For the Year Ended June 30, 2012
Worksheet #1

<u>Account Title</u>	<u>Agency Total</u>	<u>All Other Not Allocated (incl. CSLA & Respite Programs)</u>	<u>Spec FC Nonstandardized MD/MH Program FCN</u>	<u>Small Cook Program PCS</u>	<u>Family Supported - Adole Care Program AFC</u>	<u>Adoption Placement Services Program ADP</u>
Fees + Purchase of Service - Other:						
Rental income	\$ 69,755	\$ -	\$ -	\$ -	\$ -	\$ -
Employment contracts	35,636	-	-	-	-	-
Total Fees + Purchase of Service - Other	105,391	-	-	-	-	-
Contributions & Other - Other:						
United Way	56,540	-	-	-	-	-
Fund-raising	161,016	(456,707)	-	-	-	-
Endowment	-	-	-	-	-	-
Interest	2,426	707	-	-	-	-
Other income	30,392	-	-	-	-	-
Total Contributions & Other - Other	\$ 250,374	\$ (456,000)	\$ -	\$ -	\$ -	\$ -

<u>Downstate Foster Care Program PCD</u>	<u>Developmental Training Program 31A/31U</u>	<u>Supported Employment Program 36U/39G/39U</u>	<u>ARRA Special Project Program ARA</u>	<u>CILA Shift Staff Program 60D</u>	<u>CILA Shared Living Program 60D</u>	<u>CILA Family Program 60D</u>	<u>CILA Intermittent Program 60D</u>	<u>Fund-raising and Development</u>	<u>Admin-istrative</u>
\$ -	\$ 44,718	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,037	\$ -	\$ -
-	-	35,636	-	-	-	-	-	-	-
-	44,718	35,636	-	-	-	-	25,037	-	-
-	-	31,500	-	25,040	-	-	-	-	-
-	-	469,316	-	65,849	-	-	-	82,558	-
-	-	-	-	-	-	-	-	-	-
-	4	-	-	1,062	613	-	40	-	-
-	7,435	5,676	-	17,281	-	-	-	-	-
\$ -	\$ 7,439	\$ 506,492	\$ -	\$ 109,232	\$ 613	\$ -	\$ 40	\$ 82,558	\$ -

See independent auditor's statement of responsibility for supplementary information.

Seguin Services
Schedule of Program Costs - DCFS Format
FEIN: 36-2894174
For the Year Ended June 30, 2012

Line #	Account Title	Agency Total	All Other Not Allocated (Incl. CSLA & Respite Programs)	Spec FC Nonstandardized MD/MH Program FCN	Small Cook Program PCS	Family Supported - Adole Care Program AFC	Adoption Placement Services Program ADP
Program Expenses:							
1.	Program Staff Salaries	\$ 11,564,018	\$ 353,783	\$ 2,988,704	\$ 271,185	\$ 80,990	\$ 35,000
2.	Program Clerical Staff Salaries	205,557	51	97,257	3,671	1,413	-
3.	Program Staff Payroll Taxes and Fringe Benefits	2,224,196	67,895	608,165	53,085	13,641	6,952
4.	Program Consultants	682,391	-	90,931	11,644	2,900	-
5.	Consumer Wages and Fringe Benefits	256,676	-	-	-	-	-
6.	Medicine and Drugs	39,189	-	210	220	-	-
7.	All Other Direct Service Equipment and Supplies	512,617	4,096	122,438	12,874	2,479	-
8.	Staff Transportation	172,864	2,117	98,192	2,664	1,315	-
9.	Client Transportation	372,487	7,935	68,266	1,193	5,293	-
10.	Transportation To / From School	-	-	-	-	-	-
11.	Direct Service Staff Conferences and Conventions	35,214	21	6,230	249	66	-
12.	Program Insurance	67,585	-	25,608	1,348	-	-
13.	Direct Client Specific Assistance	52,268	-	46,899	3,821	1,032	-
14.	Telecommunications Costs Assigned to Program	108,405	1,148	19,049	937	779	-
15.	Foster Care Payments	3,643,294	-	2,591,353	49,406	24,648	-
16.	Other (specify) - See Worksheet 2	413,420	2,283	18,475	743	551	-
17.	Total Program Expenses (Sum Lines 1 - 16)	20,350,181	439,329	6,781,777	413,040	135,107	41,952
Support Expenses:							
18.	Support Salaries	54,221	20	21,805	473	524	-
19.	Support Payroll Taxes and Fringe Benefits	16,673	2	4,496	198	110	-
20.	Dietary Supplies	87,844	7,293	4,030	210	149	-
21.	Housekeeping and Laundry Supplies	109,157	295	10,609	571	4	-
22.	Other (specify)	-	-	-	-	-	-
23.	Total Support Expenses (Sum Lines 18 - 22)	267,895	7,610	40,940	1,452	787	-
Occupancy Expenses:							
24.	Occupancy Salaries	143,646	-	58,976	1,436	1,436	-
25.	Occupancy Payroll Taxes and Fringe Benefits	17,746	-	6,642	207	162	-
26.	Building & Equip. Operations and Maintenance	984,125	9,314	78,007	4,090	6,694	-
27.	Vehicle Depreciation	82,696	-	-	-	2,800	-
28.	All Other Depreciation & Amortization	1,092,989	18,400	56,704	1,498	11,076	-
29.	Vehicle Rent	3,910	-	-	-	-	-
30.	All Other Lease / Rent / Taxes	250,267	-	-	-	-	-
31.	Equipment under \$500	-	-	-	-	-	-
32.	Mortgage & Installment Interest	540,125	3,285	-	-	5,947	-
33.	Operating Interest	11,973	-	2,528	133	-	-
34.	Other (specify)	-	-	-	-	-	-
35.	Total Occupancy Expenses (Sum Lines 24 - 34)	3,127,477	30,999	202,857	7,364	28,115	-
Administrative and Office Expenses:							
36.	Administrative Salaries	1,642,826	-	-	-	-	-
37.	Administrative Payroll Taxes and Fringe Benefits	299,458	-	-	-	-	-
38.	Administrative Consultants	239,537	-	-	-	-	-
39.	Telecommunications Costs Not Assigned to Program	7,433	-	-	-	-	-
40.	Office Supplies and Equipment	-	-	-	-	-	-
41.	Allocation of Management and General (G & A)	-	67,880	1,104,577	65,186	20,912	6,714
42.	Other (specify) - See Worksheet 2	188,216	-	-	-	7,190	-
43.	Total Administrative Expenses (Sum Lines 36 - 42)	2,377,470	67,880	1,104,577	65,186	28,102	6,714
44.	Total Expenses (Sum Lines 17, 23, 35, 43)	26,123,023	545,818	8,130,151	487,042	192,111	48,666
Non-reimbursable Expenses:							
45.	Depr. on DHS/DCFS Funded Capital Assets Incl. Above	1,597	-	-	-	-	-
46.	Cost of Prod. and Workshop Client Wages Incl. Above	256,676	-	-	-	-	-
47.	Other (bad debts, fines, penalties, income taxes)	7,399	-	-	-	7,190	-
48.	Total Non-reimbursable Expenses (Sum Lines 45-47)	265,672	-	-	-	7,190	-
49.	Net Expenses (Line 44 minus Line 48)	\$ 25,857,351	\$ 545,818	\$ 8,130,151	\$ 487,042	\$ 184,921	\$ 48,666

Downstate Foster Care Program PCD	Developmental Training Program 31A/31U	Supported Employment Program 36U/39G/39U	ARRA Special Project Program ARA	CILA Shift Staff Program 60D	CILA Shared Living Program 60D	CILA Family Program 60D	CILA Intermittent Program 60D	Fund-raising and Development	Admin-istrative
\$ 3,666	\$ 1,869,620	\$ 659,713	\$ 15,971	\$ 4,338,808	\$ 767,793	\$ 56,840	\$ 121,945	\$ -	\$ -
184	50,303	-	-	31,525	18,934	50	2,169	-	-
770	299,591	165,715	2,483	768,881	195,522	13,272	28,224	-	-
-	547,991	2,475	-	9,807	14,979	-	1,664	-	-
-	15,854	240,822	-	-	-	-	-	-	-
-	9,298	8,133	-	13,153	7,381	49	745	-	-
888	105,700	133,851	-	47,884	13,696	-	761	2,612	65,338
-	13,569	8,305	2,232	20,790	4,444	314	686	2,386	15,850
-	63,992	43,641	-	158,478	8,883	2,683	2,136	26	9,961
-	-	-	-	-	-	-	-	-	-
-	14,754	2,351	-	2,327	428	-	22	932	7,834
-	33,694	-	-	196	-	-	-	-	6,739
516	-	-	-	-	-	-	-	-	-
-	21,560	4,920	-	48,363	11,156	-	493	-	-
26,365	-	-	-	-	951,522	-	-	-	-
-	37,137	251,430	-	28,057	13,212	68	1,412	23,324	36,728
32,389	3,083,063	1,521,356	20,686	5,468,269	2,007,950	73,276	160,257	29,280	142,450
-	13,627	565	-	10,646	5,996	10	555	-	-
-	2,597	811	-	7,661	715	1	82	-	-
-	18,762	2,996	-	50,735	672	-	67	2,053	877
-	24,386	2,753	-	67,633	67	-	-	13	2,826
-	-	-	-	-	-	-	-	-	-
-	59,372	7,125	-	136,675	7,450	11	704	2,066	3,703
-	35,799	1,384	-	27,468	15,709	-	1,438	-	-
-	4,274	287	-	3,162	1,404	-	1,608	-	-
-	144,420	69,636	-	319,543	185,079	-	23,136	75	144,131
-	3,389	1,895	-	51,792	1,271	-	-	-	21,549
-	151,426	86,787	-	264,576	321,393	238	22,084	9,057	149,750
-	-	286	-	2,035	419	-	79	-	1,091
-	40,789	609	-	13,652	469	-	4,539	5,148	185,061
-	91,237	9,658	-	170,326	217,631	-	29,000	-	13,041
-	3,340	4,281	-	194	8	-	-	-	1,489
-	-	-	-	-	-	-	-	-	-
-	474,674	174,823	-	852,748	743,383	238	81,884	14,280	516,112
-	-	-	-	-	-	-	-	328,756	1,314,070
-	-	-	-	-	-	-	-	52,739	246,719
-	-	-	-	575	-	-	-	157,568	81,394
-	-	-	-	-	-	-	-	-	7,433
3,180	377,781	129,991	-	845,674	337,613	10,915	24,191	(666,955)	(2,327,659)
-	215	209	-	-	-	-	-	164,824	15,778
3,180	377,996	130,200	-	846,249	337,613	10,915	24,191	36,932	(662,265)
35,569	3,995,105	1,833,504	20,686	7,303,941	3,096,396	84,440	267,036	82,558	-
-	-	-	-	796	801	-	-	-	-
-	15,854	240,822	-	-	-	-	-	-	-
-	-	209	-	-	-	-	-	-	-
-	15,854	241,031	-	796	801	-	-	-	-
\$ 35,569	\$ 3,979,251	\$ 1,592,473	\$ 20,686	\$ 7,303,145	\$ 3,095,595	\$ 84,440	\$ 267,036	\$ 82,558	\$ -

See independent auditor's statement of responsibility for supplementary information.

Seguin Services
Schedule of Program Costs - DCFS Format - Lines 16 and 42
FEIN: 36-2894174
For the Year Ended June 30, 2012
Worksheet #2

Account Title	Agency Total	All Other Not Allocated (Incl. CSLA & Respite Programs)	Spec FC Nonstandardized MD/MH Program FCN	Small Cook Program PCS	Family Supported - Adole Care Program AFC	Adoption Placement Services Program ADP
Program Expenses - Other:						
Other services and fees	\$ 11,448	\$ -	\$ 51	\$ 3	\$ -	\$ -
Postage and shipping	19,065	219	6,459	270	123	-
Printing	13,667	-	1,640	45	12	-
Subscription and reference	931	-	559	21	7	-
Membership dues	22,585	-	97	2	1	-
Recruiting	26,764	914	7,228	322	49	-
Marketing costs	71,894	-	-	-	-	-
Cost of goods sold	144,410	-	-	-	-	-
Miscellaneous	102,656	1,150	2,441	80	359	-
Total Program Expenses - Other	413,420	2,283	18,475	743	551	-
Administrative and Office Expenses - Other:						
Postage	23,961	-	-	-	-	-
Printing	65,985	-	-	-	-	-
Subscriptions	4,205	-	-	-	-	-
Membership dues	1,040	-	-	-	-	-
Fund-raising	82,558	-	-	-	-	-
Bad debt expense	-	-	-	-	-	-
Fines and penalties	7,399	-	-	-	7,190	-
Miscellaneous	3,068	-	-	-	-	-
Total Administrative Expenses - Other	\$ 188,216	\$ -	\$ -	\$ -	\$ 7,190	\$ -

Downstate Foster Care Program PCD	Developmental Training Program 31A/31U	Supported Employment Program 36U/39G/39U	ARRA Special Project Program ARA	CILA Shift Staff Program 60D	CILA Shared Living Program 60D	CILA Family Program 60D	CILA Intermittent Program 60D	Fund-raising and Development	Admin-istrative
\$ -	\$ -	\$ 1,625	\$ -	\$ 1,249	\$ 50	\$ -	\$ -	\$ 167	\$ 8,303
-	1,282	8,286	-	807	1,545	-	74	-	-
-	7,607	3,566	-	797	-	-	-	-	-
-	-	344	-	-	-	-	-	-	-
-	10,369	6,521	-	2,135	3,257	-	203	-	-
-	4,637	1,425	-	9,450	2,232	-	241	80	186
-	-	71,894	-	-	-	-	-	-	-
-	-	144,410	-	-	-	-	-	-	-
-	13,242	13,359	-	13,619	6,128	68	894	23,077	28,239
-	37,137	251,430	-	28,057	13,212	68	1,412	23,324	36,728
-	-	-	-	-	-	-	-	16,774	7,187
-	-	-	-	-	-	-	-	61,602	4,383
-	215	-	-	-	-	-	-	3,310	680
-	-	-	-	-	-	-	-	580	460
-	-	-	-	-	-	-	-	82,558	-
-	-	-	-	-	-	-	-	-	-
-	-	209	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	3,068
\$ -	\$ 215	\$ 209	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 164,824	\$ 15,778

See independent auditor's statement of responsibility for supplementary information.

Seguin Services
Report of Service Units/Days/Nights - DCFS Format
FEIN: 36-2894174
For the Year Ended June 30, 2012

	Spec FC Nonstandardized MD/MH Program FCN	Small Cook Program PCS	Family Supported - Adole Care Program AFC	Adoption Placement Services Program ADP	Downstate Foster Care Program PCD
1. Service Unit Type	Days	Days	Nights	None	Days
2. Number of Client Units of Enrollment	44,688	10,860	732	0	976
3. Number of Client Units Delivered/Provided	44,688	10,860	732	0	976
4. Number of Days Program Operated	366	366	366	366	366
5. Lic. Capacity Beginning of Report Period (1)	N/A	N/A	2	0	2
6. Lic. Capacity End of Report Period (1)	N/A	N/A	2	0	4
7. Date of Change, in any (MM-DD-YYYY)	-	-	-	-	-

(1) Report Maximum Approved Program Capacity for Programs that do not require a license.

Developmental Training Program 31A/31U	Supported Employment Program 36U/39G/39U	ARRA Special Project Program ARA	CILA Shift Staff Program 60D	CILA Shared Living Program 60D	CILA Family Program 60D	CILA Intermittent Program 60D
Client Hours	Client Hours	None	Nights	Nights	Nights	Nights
335,171	17,348	N/A	49,618	25,354	2,959	4,575
328,599	17,008	N/A	49,127	25,103	2,959	4,575
253	366	62	366	366	366	366
265	40	N/A	129	69	8	12
265	40	N/A	138	68	7	13
-	-	-	-	-	-	-
-	-	-	-	-	-	-

Seguin Services
Schedule of Functional Expenses
For the Year Ended June 30, 2012
(Prepared for United Way)

	Programs											
	Total Agency	Total Programs	Develop-mental Training	Foster Care	Supported Employment	Community Integrated Living Arrangement	Community Supported Living Arrangement	Respite	SeguinCares	Seguin Enterprises	Fund-raising and Development	Admin-istrative
Salaries and related expenses:												
Salaries	\$ 13,610,270	\$ 11,967,444	\$ 1,969,350	\$ 3,566,721	\$ 390,940	\$ 4,771,201	\$ 285,691	\$ 68,163	\$ 628,684	\$ 286,694	\$ 328,756	\$ 1,314,070
Foster care stipends	3,643,295	3,643,295	-	2,691,773	-	951,522	-	-	-	-	-	-
FICA tax	1,015,967	904,691	147,343	263,886	36,526	354,037	21,253	5,129	45,916	30,601	23,344	87,932
Unemployment tax	61,330	61,330	12,091	26,114	22,715	(2,348)	2,758	-	-	-	-	-
Workers' compensation	343,204	300,606	41,844	93,031	14,581	126,709	7,372	994	8,078	7,997	7,935	34,663
Employee health insurance	1,015,454	919,154	91,495	282,843	39,870	408,591	23,686	3,776	44,979	23,914	14,329	81,971
Other benefits	81,442	44,647	6,108	16,303	1,458	14,888	1,756	13	539	3,582	4,922	31,873
Program consultants	859,022	682,391	547,991	105,475	2,425	26,150	-	-	300	50	157,568	19,063
Other consultants	62,906	575	-	-	-	575	-	-	-	-	-	62,331
Client wages	238,171	238,171	14,776	-	96,894	-	-	-	-	126,501	-	-
Life insurance	27,278	18,836	3,559	4,252	1,553	8,013	486	-	-	973	1,235	7,207
Long-term disability insurance	31,902	27,855	5,100	7,998	2,031	11,131	673	-	-	922	974	3,073
Total salaries and related expenses	20,990,241	18,808,995	2,839,657	7,058,396	608,993	6,670,469	343,675	78,075	728,496	481,234	539,063	1,642,183
Consumable supplies:												
Office	67,166	15,067	2,366	6,319	875	3,447	71	100	67	1,822	1,701	50,398
Medicine and drugs	13,627	13,627	228	430	-	12,511	-	-	458	-	-	-
Educational	10,465	10,465	10,391	74	-	-	-	-	-	-	-	-
Food	87,844	84,914	18,761	4,389	1,243	45,605	545	6,748	5,870	1,753	2,053	877
Kitchen	76,290	76,272	7,744	579	43	58,153	30	265	9,419	39	13	5
Janitorial	32,866	30,045	16,642	10,604	-	128	-	-	-	2,671	-	2,821
Client activities	140,427	140,427	76,556	13,928	37,041	9,684	856	2,303	23	36	-	-
OSHA	25,563	25,563	9,071	-	8,133	8,344	-	-	15	-	-	-
Clothing	113,451	113,451	3,122	108,901	-	1,108	-	-	320	-	-	-
Program supplies	85,108	85,108	-	-	-	-	-	-	-	85,108	-	-
Other	208,126	199,656	-	52,322	-	1,299	-	-	-	146,035	167	8,303
Total consumable supplies	860,933	794,595	144,881	197,546	47,335	140,279	1,502	9,416	16,172	237,464	3,934	62,404
Occupancy:												
Property and building insurance	31,880	31,411	4,246	2,039	-	10,811	-	149	205	13,961	-	469
Real estate taxes	11,951	-	-	-	-	-	-	-	-	-	-	11,951
Utilities	281,234	261,633	68,890	43,257	1,767	103,932	-	3,590	15,691	24,506	-	19,601
Janitorial and maintenance contracts	305,294	258,961	47,455	27,847	68	153,664	-	3,499	12,958	13,470	-	46,333
Building and grounds maintenance supplies	256,549	216,381	6,646	1,204	-	178,860	-	1,318	16,253	12,100	75	40,093
Equipment and repairs	97,218	71,535	17,184	14,444	-	33,883	-	759	1,500	3,765	-	25,683
Total occupancy	984,126	839,921	144,421	88,791	1,835	481,150	-	9,315	46,607	67,802	75	144,130

(cont'd)

Seguin Services
Schedule of Functional Expenses (cont'd)
For the Year Ended June 30, 2012
(Prepared for United Way)

	Programs				
	Total Agency	Total Programs	Develop-mental Training	Foster Care	Supported Employment
Local transportation:					
Client	\$ 169,914	\$ 169,888	\$ 41,472	\$ 68,652	\$ 24,783
Staff	165,186	153,758	12,911	102,171	9,738
Vehicle insurance	38,630	36,484	6,438	2,146	-
Repairs and maintenance	51,938	40,668	4,126	1,640	-
Gas and oil	119,682	116,330	12,613	2,315	1,659
Total local transportation	545,350	517,128	77,560	176,924	36,180
Equipment purchase:					
Educational	5,088	5,088	1,935	-	159
Office	90,912	75,061	11,330	9,457	104
Total equipment purchase	96,000	80,149	13,265	9,457	263
Leasing and rental - other	254,178	62,878	40,789	-	-
Interest:					
Facilities	540,125	527,084	91,237	5,947	-
Line of credit	6,653	5,988	3,327	2,661	-
Other	9,591	8,524	723	50	-
Total interest	556,369	541,596	95,287	8,658	-
Miscellaneous:					
Telephone	115,839	108,406	21,560	20,765	233
Liability insurance	67,584	60,845	33,694	26,955	-
Outside printing and artwork	79,651	13,666	7,607	1,697	101
Moving and recruiting	26,764	26,497	4,636	7,599	705
Marketing	71,894	71,894	-	-	-
Membership dues	23,625	22,585	10,369	100	6,276
Postage and shipping	43,027	19,066	1,282	6,853	237
Conference and convention	35,214	26,448	14,754	6,545	1,212
Subscription and reference	5,135	1,145	215	586	-
Bad debts	-	-	-	-	-
Other	195,679	58,737	13,242	10,070	1,254
Total miscellaneous	664,412	409,289	107,359	81,170	10,018

Community Integrated Living Arrangement	Community Supported Living Arrangement	Respite	SeguinCares	Seguin Enterprises	Fund-raising and Development	Admin-istrative
\$ 29,211	\$ 4,904	\$ 43	\$ 788	\$ 35	\$ 26	\$ -
24,047	1,718	399	2,071	703	2,386	9,042
21,629	-	905	2,146	3,220	-	2,146
21,116	-	1,479	2,282	10,025	-	11,270
88,217	-	604	6,907	4,015	-	3,352
184,220	6,622	3,430	14,194	17,998	2,412	25,810
2,645	119	-	144	86	-	-
36,118	106	541	8,785	8,620	911	14,940
38,763	225	541	8,929	8,706	911	14,940
20,385	-	-	808	896	5,148	186,152
391,901	-	3,285	25,056	9,658	-	13,041
-	-	-	-	-	-	665
3,084	-	-	386	4,281	-	1,067
394,985	-	3,285	25,442	13,939	-	14,773
56,683	98	1,050	3,330	4,687	-	7,433
196	-	-	-	-	-	6,739
797	-	-	-	3,464	61,602	4,383
10,403	914	-	1,520	720	80	187
-	-	-	-	71,894	-	-
5,595	-	-	-	245	580	460
2,426	219	-	-	8,049	16,774	7,187
2,773	21	-	4	1,139	932	7,834
-	-	-	-	344	3,310	680
-	-	-	-	-	-	-
20,420	1,150	-	288	12,313	105,635	31,307
99,293	2,402	1,050	5,142	102,855	188,913	66,210

(cont'd)

Seguin Services
Schedule of Functional Expenses (cont'd)
For the Year Ended June 30, 2012
(Prepared for United Way)

	Programs				
	Total Agency	Total Programs	Develop-mental Training	Foster Care	Supported Employment
Depreciation	\$ 1,171,414	\$ 991,300	\$ 154,105	\$ 72,028	\$ 8,575
Total functional expenses before allocation of administrative expenses	26,123,023	23,045,851	3,617,324	7,692,970	713,199
Allocation of administrative expenses	-	2,994,614	377,781	1,200,569	74,994
Total functional expenses	\$ 26,123,023	\$ 26,040,465	\$ 3,995,105	\$ 8,893,539	\$ 788,193

Community Integrated Living Arrangement	Community Supported Living Arrangement	Respite	SeguinCares	Seguin Enterprises	Fund-raising and Development	Admin-istrative
\$ 618,824	\$ 1,461	\$ 16,939	\$ 39,262	\$ 80,106	\$ 9,057	\$ 171,057
8,648,368	355,887	122,051	885,052	1,011,000	749,513	2,327,659
1,097,792	54,804	13,076	120,601	54,997	(666,955)	(2,327,659)
\$ 9,746,160	\$ 410,691	\$ 135,127	\$ 1,005,653	\$ 1,065,997	\$ 82,558	\$ -

See independent auditor's statement of responsibility for supplementary information.

Seguin Services
Schedule of Public Support and Revenues
For the Year Ended June 30, 2012

	Total Agency	Programs				Community Integrated Living Arrangement	Community Supported Living Arrangement	Respite	SeguinCares	Seguin Enterprises	Fund-raising and Endowment	Admin-istrative
		Total Programs	Develop-mental Training	Foster Care	Supported Employment							
Purchase of service	\$ 12,837,568	\$ 12,837,568	\$ 3,426,724	\$ -	\$ 215,669	\$ 8,052,260	\$ 434,872	\$ 179	\$ 707,864	\$ -	\$ -	\$ -
Rehabilitation services	32,761	32,761	-	-	32,761	-	-	-	-	-	-	-
Department of Children and Family Services	8,740,316	8,740,316	-	8,740,316	-	-	-	-	-	-	-	-
Economic Development Grants	120,898	120,898	-	-	-	-	-	120,898	-	-	-	-
Community Block Grants	293,600	293,600	-	-	-	293,600	-	-	-	-	-	-
Community Mental Health Act (708):												
Oak Park	39,883	39,883	17,309	-	9,998	6,800	-	5,776	-	-	-	-
Berwyn	53,925	53,925	26,333	-	-	-	2,404	-	25,188	-	-	-
Cicero	10,000	10,000	5,000	-	5,000	-	-	-	-	-	-	-
River Forest	8,500	8,500	6,400	-	-	-	-	2,100	-	-	-	-
Riverside	7,500	7,500	750	-	6,750	-	-	-	-	-	-	-
Proviso	106,644	106,644	8,995	-	-	-	-	97,649	-	-	-	-
Contributions:												
United Way	56,540	56,540	-	-	-	25,040	-	-	31,500	-	-	-
Other	2,149,748	2,067,897	806,643	34,511	401,492	298,318	400	-	1,600	524,933	81,851	-
Work contracts	35,636	35,636	-	-	35,636	-	-	-	-	-	-	-
Client fees:												
SSA and SSI	1,875,002	1,875,002	-	-	-	1,748,735	-	-	126,267	-	-	-
Rental income Program	69,755	69,755	44,718	-	-	25,037	-	-	-	-	-	-
	163,506	163,506	47,887	-	10,239	80,404	-	-	24,976	-	-	-
Interest income	25,401	1,719	4	-	-	1,715	-	-	-	-	23,682	-
Vending machines	5,056	5,056	-	-	5,056	-	-	-	-	-	-	-
Other	293,401	354,674	7,435	-	5	1,531	-	-	15,750	329,953	(61,273)	-
	\$ 26,925,640	\$ 26,881,380	\$ 4,398,198	\$ 8,774,827	\$ 722,606	\$ 10,533,440	\$ 437,676	\$ 105,704	\$ 997,355	\$ 911,574	\$ 44,260	\$ -

See independent auditor's statement of responsibility for supplementary information.

Selden Fox, LTD.

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INDEPENDENT AUDITOR'S STATEMENT OF RESPONSIBILITY FOR GRANT REPORT

Board of Directors
Seguin Services and
Mr. Gary Beckman
Office of Contract Administration
Illinois Department of Human Services
Springfield, Illinois

We have audited the financial statements of Seguin Services as of and for the year ended June 30, 2012, and have issued our report dated November 12, 2012. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The "Grant Report" for the state of Illinois for the fiscal year ended June 30, 2012 is presented for purposes of additional analysis, as required by the Illinois Department of Human Services, and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the financial statements as a whole.

Selden Fox, Ltd.

November 12, 2012

Seguin Services
Schedule of Grant Allowable Costs (Illinois Department of Human Services)
FEIN: 36-2894174
For the Year Ended June 30, 2012

Contract Number	<u>DHS Grant Funded Services</u>			Total
	<u>ARRA Special Project Program 40CMARA041</u>	<u>All Other Programs</u>	<u>Management and General</u>	
Direct Program Expenses	\$ 20,686	\$ 23,025,165	\$ 3,077,172	\$ 26,123,023
Allocate Management and General Costs (Note 1)	-	2,994,614	(2,994,614)	-
Subtotal	20,686	<u>\$ 26,019,779</u>	<u>\$ 82,558</u>	<u>\$ 26,123,023</u>
Less unallowable costs	-			
Add other approved uses	-			
Total allowable costs	<u>\$ 20,686</u>			
Special provisions	<u>None</u>			
Interest earned	<u>\$ -</u>			

Note 1: Management and General costs are allocated based on salary and stipend expense within each specific program.

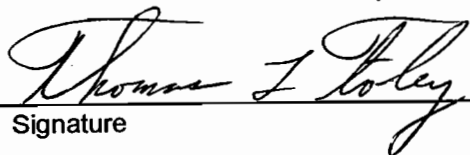
See independent auditor's statement of responsibility for Grant Report.

Seguin Services
Schedule of Unallowable Costs (Illinois Department of Human Services)
FEIN: 36-2894174
For the Year Ended June 30, 2012

		DHS Grant Funded Services
Contract Number		ARRA Special Project Program 40CMARA041
Unallowable costs:		
Compensation of governing body	\$	-
Entertainment		-
Association dues		-
Meetings and conventions		-
Fund-raising		-
Bad debt		-
Charity and grants		-
Unallowable interest		-
Inventories		-
Depreciation on DHS-funded assets		-
Cost of production		-
In-kind expenses		-
Alcoholic beverages		-
Personal automobiles		-
Fines and penalties		-
Personal use items		-
Lobbying		-
Unallowable relocation		-
Gratuities		-
Political contributions		-
Related party transactions		-
Conflict of interest items		-
Unallowed cost due to contract restrictions		-
Unallowable costs - federally funded contracts		-
		<hr/>
Total unallowable costs	\$	-

If no unallowable costs are listed, sign and date as follows:

I certify that no unallowable costs are included in either direct costs or allocated Management and General costs on the Grant Report.



 Signature

November 12, 2012

 Date

Thomas L. Foley, Executive Vice President

 Printed Name and Title

See independent auditor's statement of responsibility for Grant Report.