Telamon Corporation
Transition Resources Corporation

empowering individuals

improving communities

2009 - 2010 Corporate Report
In this 2010 edition of our annual report to the public, readers may note substantial increases in funding resources over previous years for some of our traditional programs. Pursuit of our mission to bring advocacy and opportunity to people in need involves the dedication of employees and volunteers that can result in the stories of accomplishment and success depicted here; and it is not without efforts to continuously improve administrative systems that can foster organized growth and competitiveness.

Responding to a deep recession signaled by financial, housing and manufacturing free-falls, the U.S. Congress sought to stimulate our economy through passage of the American Recovery and Reinvestment Act. ARRA, as we know it, has run the gamut of both job and service producing efforts, from “cash for clunkers” to rural-based, Internet tower construction. In our case, we were positioned to expand services in three areas: the addition of hundreds of Head Start and Early Head Start slots; employment growth opportunities in Green Jobs, out-of-school youth and high school graduate initiatives; and loan modification assistance to debt-ridden home owners.

Even as Congress wrestles with ongoing debate over spending priorities and the debt ceilings, we are looking forward to future opportunities that may come before us. We do this with certainty that the needs of people are ever present, and that responsive and responsible organizations will be sought to meet them.

Richard A. Joanis
Raleigh, North Carolina
PROFILE
Telamon is an independent, 501(c)(3) nonprofit organization, founded in 1965.

OUR MISSION
We are committed advocates for people in need. Our mission is to promote the development of human potential by providing resources and opportunities in the communities we serve.

HEADQUARTERS
Raleigh, North Carolina

PROJECTS
In 2009-2010, we operated 106 projects in 12 states.

LOCATIONS
124 offices and early childhood centers in 11 states.

STAFF
350 full-time, year-round staff. More than 1,400 at peak including seasonal operations.

BUDGET
$51.2 million in fiscal 2009. $58.4 million in fiscal 2010.

AREAS OF EXPERTISE
• Adult Training and Employment
• Disability Services
• Disaster Relief
• Early Childhood Education Programs
• Emergency and Supportive Services
• English as a Second Language
• Family Literacy Services
• Foreclosure Mitigation Services
• Green Jobs Training
• Health, Safety and Wellness
• Home-based Early Learning Programs
• HUD-certified Housing Counseling Agency
• Housing Services and Community Development
• Housing Rehabilitation
• Information Systems
• Leadership development
• Nutrition
• Program design and implementation
• Public-private partnerships
• Self-Help Housing
• Training and technical assistance
• Transitional housing
• Translation and Interpretation
• Volunteer Initiatives
• Weatherization Services
• Workforce Development
• Youth Development and Training

THE TELAMON LOGO
Following architectural styles of the ancient Greeks, early Roman builders adapted the use of human figures, some called Telamons, that were symbolically cast as columnar roof supports. Since 1965, Telamon Corporation has provided supportive assistance to untold numbers of recipients. Farmworkers and their families, children born into poverty, low-income and elderly residents of rural America, youth who struggle with societal challenges, the dislocated and disenfranchised comprise this universe of people in need. To our stylized logogram (seen at right), we add a heart that beats with commitment to those we choose to serve, and a soul that is the collective effort of thousands of employees and volunteers who have given of themselves.
Telamon’s Governing Board

Telamon is led by a 26-member Governing Board which is composed of representatives from each state where Telamon operates projects. Members are farmworkers, parents of children attending Head Start, representatives of low-income communities, community representatives who are selected for their expertise in education, fiscal management, law and community affairs, and other project representatives as required by funding sources or statutes.

In addition to its work as a complete entity, the Board completes its work, in part, through five standing committees: Planning and Development, Operations and Oversight, Personnel and By-Laws, Finance and Head Start. Occasionally, the Board forms additional committees to address other matters as needed.

Membership as of August 2010

John H. Newman (Chair), Lanesville, IN
Victor Gomez (Vice Chair), Ladysmith, VA
Dolores Dixon (Secretary), Dover, DE
Nicole Williams (Treasurer), North Augusta, SC
T. Jerome Cheek, Burlington, NC
David A. Whitaker, Martinsburg, WV
Leila Borrero Krouse, Salisbury, MD
Esther Graham, Wyoming, DE
Araceli Bueno, Ty Ty, GA
Tracey Bethel, Danville, VA
Karen Hasenauer, Knoxville, TN
Mary C. Williams, Columbia, SC
Ernestine Payne, Danville, VA
B. Agyapon Opare, Dover, DE
Mary Wedgeworth, Montgomery, AL
Hilda Guerrero, Adrian, MI
Herbert Williams, Valdosta, GA
Daryl Tumer, Salisbury, MD
Esther Vasquez, Rutledge, TN
Neda Biggs, Smyrna, DE
Maria Ines Perez, Walkerville, MI
Mary Brown, Martinsburg, WV
Samuel Puckett, Bulls Gap, TN
James D. Benham, Versailles, IN
Margaret Hill, Midway, AL
Craig L. Umstead, Wilmington, NC
2009 - 2010 Corporate Accomplishments

Telamon opened a new headquarters in Raleigh, while expansion projects and new contracts increased the Corporation’s reach into the communities we serve.

Like many service organizations with experience in operating federal projects, much of the Corporation’s growth during Fiscal years 2009 and 2010 can be attributed to the opportunities brought about by the American Recovery and Reinvestment Act of 2009.

Increased project revenues by 22% over the two-year period. Unrestricted net assets were more than doubled across the same period.

Auditors gave Telamon Corporation unqualified opinions on its 2009 and 2010 fiscal audits.

New projects included Green Jobs Capacity Building operated by Maryland, Jobs for America’s Graduates in Marion County, Indiana and expansion or launch of Early Head Start services in three states.

Head Start program expansions featured new Early Learning Mentor Projects, Home Based Services, Family Literacy Home Visiting, Facility Projects included a new major addition to the Knightdale Head Start location.

Completed successful programmatic reviews and audits of all major programs during the two-year period.

In 2009, Telamon became a Multi-State Organization (MSO) certified by the US Department of Housing and Urban Development, enabling our efforts to extend housing counseling and mortgage foreclosure prevention efforts to communities in nine states.

In April 2009, three administrative offices were combined, including our corporate headquarters, into one new suite of offices in Raleigh, North Carolina thereby achieving operational and cost efficiencies while positioning the Corporation for the future by expanding its range of assets. The facility has multiple meeting spaces for hosting Board, staff and community events, including the state-of-the-art, 2,100 sq. ft. Thomas L. Ward Conference Room.

In 2010, we acquired a 10-year contract to provide online data collection and reporting systems for the Adult Migrant Program of the Florida Department of Education.

Volunteers and donors contributed $7 million in volunteer time, donated facilities, donated services, and donated materials to support Telamon’s projects and customers during FY 2010.

Telamon hosted a successful 45-year anniversary training conference for Board, staff and vendors in Indianapolis in the fall of 2010.
A statistical look at growth in services, revenue & assets

Corporate Revenues, 2008 - 2010

Telamon Participants by Project Type

Growth in Unrestricted Net Assets, 2008 - 2010
We thank our 2009 - 2010 funding partners

US Department of Labor, Employment & Training Administration
US Department of Health and Human Services – Office of Head Start -
  - Region III
  - Region IV
  - Migrant Programs Branch
The East Coast Migrant Head Start Project
Delaware Department of Education – Early Childhood Assistance Program
Delaware Department of Health & Human Services
Delaware Division of Social Services
Delaware Early Childhood Center
Reading Is Fundamental
Coast Workforce Services of Georgia
RDC Out of School Youth
Pathstone Corporation
Community Foundation of the Eastern Shore of Maryland
Lower Shore Workforce Alliance
State of Maryland, Department of Agriculture
United Way/Emergency Food and Shelter National Board Program
US Department of Agriculture Food and Nutrition Programs
March of Dimes
Michigan Department of Community Health
Michigan Department of Human Services
Michigan State University
Mid-Michigan Community Action Agency
United Way/FEMA - Emergency Food and Shelter Program
Cape Fear (NC) Workforce Development Board
Capital Area (NC) Workforce Development Board
North Carolina More at Four Program
North Carolina Office of Economic Opportunity
Turning Point (NC) Workforce Development Board
USDA Rural Housing
US Department of Labor Housing
South Carolina Housing Preservation Grant
US Department of Labor - Youthbuild
The Tennessee Arts Commission
The Cameron Foundation of Petersburg, Virginia
City of Danville (VA) Community Housing Development Organization
City of Danville (VA) Redevelopment and Housing Authority
Corporation for National and Community Service (Americorps)
FEMA - Emergency Food and Shelter Program
Governor’s Office of Workforce Development (VA)
The Theodore H. Barth Foundation, Inc.
US Department of Agriculture – Rural Development
US Department of Housing and Urban Development
Virginia Department of Agriculture and Consumer Services
Virginia Department of Housing & Community Development
Virginia Department of Social Services
United Way of the Eastern Panhandle (WV)
US Department of Veterans Affairs
West Virginia Office of Economic Opportunity
Association of Farmworker Opportunities Program
National Council on Agricultural Life and Labor Research Fund, Inc. - Housing
Telamon's early childhood services are centered on a diverse group of Head Start programs in five states. Since 1980, Telamon has focused on high quality, comprehensive services that are focused on the most disadvantaged children in the communities we serve. Our programs serve children that range in age from 2 weeks (infants) through five years (preschool). Each program has developed a unique approach to preparing children and families for later academic and life success.

As of program year 2010, we operated 282 Head Start classrooms in 46 centers in five states. Some 4,102 infant, toddler and preschool children from 3,218 families received comprehensive Head Start services. Safe and reliable transportation to centers was provided to 70% of children, a valuable service especially in rural communities. We continued to emphasize quality service delivery by:

* continuing the professional development support of our teachers, specialists and directors: over 70% of all teaching staff hold a BA, AA, CDA or were engaged in professional development activities during 2009
* increasing opportunities for child and family literacy skills development
* tracking children’s developmental progress in language, social-emotional, science and math through child outcomes evaluation
* operating new program models like home-based and family literacy services for Early Head Start eligible families
* continuing to emphasize comprehensive health and dental screenings for all children with the cooperation of local health providers

For detailed statistical information on Head Start services, please refer to each program’s Head Start Annual Report to the Public.

Home Based Services Support Families in Transition

Iris, the proud mother of 4-year-old Hazbelle and 1-year-old Etan, isn’t sure where she would be today without the help of Telamon’s Early Head Start Home Based program. She was close to finding her family without a home before enrolling in the Wake County, North Carolina program serving children and expectant families. When Iris was pregnant with Etan, her husband was incarcerated and deported, leaving them a situation with little food, without health insurance, no money and at risk of losing their housing. “At the beginning I was really scared... Fanny came at a time I really needed her.”

Fanny is a home visitor who was inspired to help because she had participated in our Home Based program and found it to be a wealth of services. Meeting families like Iris’ ignited her desire to give back to the program that helped her family so greatly. Fanny linked Iris and family to community resources and is providing weekly educational lesson plans to enhance the children’s learning.

When asked how Iris and her family have grown as a result of this program her eyes filled with tears, Iris responded, “With the classes given to Etan and Hazbelle in my home both are open. When I took Etan to the doctor they gave him an exam the doctor said he seems more like a two year old. I told them he is in a very special program. Hazbelle was glued to me and not independent at all, but now is more independent and has learned so much. She can now express how she feels.”

“I thank you to Telamon, You all have been in my life. It’s not simply a visit it’s more like a friendship that is very important. We share together more than what’s on the outside of a person, but also what’s inside of us. We can tell her what’s happening in our family. Thank you so much, honestly I am grateful, may God bless you.”
Telamon continued offering Employment and Training Services to low-income farmworkers, dislocated workers, and other disadvantaged populations in 2009 and 2010. Major funding originates with the federal Department of Labor, while some states receive grants through state agencies and local Workforce Investment Boards. Telamon employees are active members of many WIBs in their communities. In North Carolina, Telamon operates the JobLink Career Center in Wake and Johnston Counties, serving a variety of people with training and employment needs. The National Farmworker Jobs Program (NFJP) continues to be a major program focus for Telamon in nine states.

All employment and training services are targeted at adults and youth who seek to improve their employment prospects through skill development or want greater financial stability from a better job. The programs are typically located in One Stop centers to maximize coordination with other employment agencies and to offer more education and training options to customers. Our programs help customers enroll in local educational institutions to provide customers with skills they need to fulfill their employment goals.

Services vary among programs, based on grant purpose and local community needs, but typically include the following: employment search; educational assistance; literacy assistance, including English as a Second Language; workplace safety and pesticide safety training; housing and supportive services; follow-up services for those placed in employment; self-employment and business enterprise development education.

Youth and Adult Employment and Training Services Customers, 2009: 22,354
Total NFJP Customers (as of June 30, 2009): 2,103
Total NFJP Training Participants: 788
Total NFJP Customers Entering Unsubsidized Employment in 2009: 623

A North Carolina Success Story

When Sarah first visited the Lumberton, North Carolina office of Telamon Corporation, she was unemployed struggling to make ends meet for herself and her 22-month-old son. She had been convicted of DWI, assault, and possession of a controlled substance. She was participating in a drug abuse program. She lacked transportation and a stable work history. As a result, the only employment that she was able to secure was doing farm work. During this time, she was receiving a monthly TANF check in the amount of $181.00, monthly food stamp assistance in the amount of $257.00, and housing and utility assistance via the Lumberton Housing Authority.

During a period of extensive counseling and assessment, Sarah indicated that she would like to pursue a career in the health care field. Subsequently, she was placed in a classroom training contract at Robeson Community College where she would work towards achieving her stated career goal of becoming a respiratory therapist. At the end of Spring semester 2009, she graduated with an Associate of Applied Science Degree in Respiratory Therapy. She passed the North Carolina Respiratory Therapist Certification Exam and was approved for certification by the Board. On June 8, she began her new career as a respiratory therapist at Cape Fear Valley Medical Center in Fayetteville, North Carolina earning $20/hour.

Sarah with her Associate of Applied Science degree, well on her way to a new career.
Transition Resources Helps Launch a New Career

Vernon “Chance” Katz came to Transition Resources Corporation in the fall of 2008, after having worked on Indiana’s dairy cattle farms. He is the single parent of a young daughter and was searching for a way to support his family.

Chance had registered for employment on the state’s system, where he indicated he had done farmwork. As a result, the Transition Resources Corporation case manager contacted him and explained the benefits of the comprehensive services offered by the National Farmworker Jobs Program. His application was taken and he was determined to be eligible. After completing a vocational assessment to determine Chance’s aptitudes, interests, and achievement scores, a plan was developed for him to become a self-employed home inspector. Chance entered and completed training at the local community college and passed the state examination.

He is now a successful Certified Real Estate Home Inspector. He reported making $19.00 an hour and says, “I have finally found my niche in life through the guidance of TRC and I can now provide for my daughter, make my own hours, and not miss a day of her growing up.” To his case manager, Chance said, “You and TRC changed my life. I don’t know how I could ever repay you.”

Community Services

Telamon served 7,251 people during 2009 and 2010 through a variety of programs focused on locally identified community needs in eleven states. These include educational, counseling, training and supportive services focused on youth and adults, workplace literacy skills training, emergency food and shelter projects, pesticide and workplace safety training, Green Jobs training, Americorps service projects, Low Income Home Energy Assistance Program (LIHEAP), English as a second language, Reading is Fundamental (RIF), literacy, counseling, and emergency assistance.

Pesticide Safety Training for Virginia Farmworkers

In 2009, we trained 2,461 agricultural workers in Virginia on the Environmental Protection Agency’s mandated Agricultural Worker Protection Standards training using an engaging and interactive method at the worksite in Spanish and English.
Housing Services

Telamon’s housing programs are designed to create affordable, revitalized and safe housing options in the communities we serve. In 2009, we assisted 2,376 individuals and their families with smart temporary and permanent housing solutions. See page 7 for a complete list of our funding partners from federal, state and local housing agencies and foundations.

**Farm Labor Housing Development**  Telamon administers two multi-state housing programs designed to improve housing conditions for migrant and seasonal farmworkers through USDA/Rural Development and the US Department of Labor funding. These resources are used to conduct training and technical assistance to local organizations in the development of multi-family apartment communities for migrant and seasonal farmworkers. This program operates in Alabama, Georgia, South Carolina, North Carolina, Indiana and Virginia. Telamon operates an On-Farm Housing Program funded by the WIA that provides financial assistance to farmers and growers who wish to improve their existing farm labor housing. The project also makes emergency housing assistance and housing counseling services available to eligible migrant and seasonal farmworkers.

**Housing Counseling and Buyer Assistance Programs**  In 2009, we expanded our housing counseling assistance services to families in more communities who are facing mortgage foreclosure and default. As a HUD approved Local Housing Counseling Agency, we offered a complete range of housing services, including Fair Housing Assistance, Homebuyer Education Programs, Loss Mitigation, Mobility and Relocation Counseling, Money Debt Management, Mortgage Delinquency and Default Resolution Counseling, Postpurchase Counseling, Prepurchase Counseling, Renters Assistance and Services for Homeless.

**New Project Development**  In Virginia, we partner with housing development organizations using the Low Income Housing Tax Credit Program (LIHTC) in the development of new multi-family facilities and the acquisition and rehabilitation of existing multi-family housing facilities to benefit low- to moderate-income homebuyers.

**Self-Help Housing**  The program helps moderate-income participants achieve the dream of homeownership through “sweat equity.” Each year, five families such as Amber Schmidt’s (seen at bottom right at her Hedgesville, West Virginia homesite) work together under the supervision of a construction supervisor to provide most of the labor needed to complete their homes. They are offered a low-interest USDA 502 loan to purchase their land, materials and pay the sub-contractors their services. Together with volunteers, families do the framing, setting of trusses, roofing, sheathing, siding, drywall, painting, and interior trim work. Families move into their new home once all five homes in the group are completed.

**Weatherization, Revitalization and Repair Programs**  Together, these programs provide for improved energy efficiency in rural homes. Revitalization and Repair is accomplished through the installation of new roofs and siding, while Weatherization ensures a weatherproof and energy efficient home.

**Transitional Housing for the Homeless**  In West Virginia, the Successful Transitioning in the Eastern Panhandle to Self-Sufficiency (STEPS) Program and Victory House Program assist homeless customers with acquiring affordable permanent housing. Historically, the families and veterans served by these two programs have repeatedly required emergency assistance to feed, house and clothe their families. A Telamon Family Mentor works individually with customers to help them utilize their skills and abilities to develop and follow self-sufficiency plans. The primary goal is to assist program customers with establishing the skills and resources they need to reach and maintain self-sufficiency.
STATEMENT OF ACTIVITIES
For the year ended September 30, 2009

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<th>Unrestricted</th>
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<td>$ 51,111,346</td>
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<tr>
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<td>Net Realized and Unrealized gain (loss)</td>
<td>44,446</td>
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<td>Other sale proceeds</td>
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<td>191,165</td>
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<td>Total revenue</td>
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<td>320,006</td>
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<td>TOTAL SUPPORT AND REVENUE</td>
<td>128,841</td>
<td>52,269,269</td>
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EXPENSES
Program services:

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<td>Operations</td>
<td>Program</td>
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<td>Federal Grants</td>
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<td>49,461,199</td>
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<td>Non-Federal Grants</td>
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<td>Total Program services</td>
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<td>TOTAL EXPENSES</td>
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<td>51,273,020</td>
<td>51,273,020</td>
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</table>

Change in net assets - Unrestricted - 1,125,090

Net assets, September 30, 2008 1,475,617

Net assets, September 30, 2009 $2,600,707
STATEMENT OF FINANCIAL POSITION  
For the year ended September 30, 2009

### ASSETS

#### CURRENT ASSETS
- Cash and cash equivalents: $373,974
- Investments
  - Unrestricted: $240,281
  - Restricted: $789,723 
  - Total: $1,030,004
- Accounts Receivable
  - Billed accounts receivable: $5,448,399
  - Unbilled accounts receivable: $599,043
  - Sales tax: $66,450
  - Other receivables: $137,071
  - Total: $6,250,963
- Prepaid Expenses: $511,284
- Cash Surrender Value of Company-owned Life Insurance: $65,801
- Land Available for Sale: $65,000

#### PROPERTY AND EQUIPMENT, NET: $3,228,789

#### OTHER ASSETS
- Security deposit: $150,000
- Investment in captive insurance companies: $61,000

#### TOTAL ASSETS: $11,736,815

### LIABILITIES

#### CURRENT LIABILITIES
- Accounts payable, trade: $719,830
- Deferred revenue: $2,023,195
- Captive insurance arrangement obligation: $530,741
- Other accrued expenses: $741,452

#### Accrued payroll & employee benefit liabilities:
- Salaries: $1,594,409
- Employee leave: $907,721
- Payroll taxes: $446,848
- Self-insured health plan obligation: $503,950

#### Notes payable, current portion: $116,560

#### Total Current Liabilities: $7,584,706

#### Employee benefit liabilities, non-current: $155,356

#### Captive insurance arrangement obligation, non-current: $524,759

#### Notes Payable, less current portion: $871,287

#### TOTAL LIABILITIES: $9,136,108

#### NET ASSETS – UNRESTRICTED: $2,600,707

#### TOTAL LIABILITIES AND NET ASSETS: $11,736,815
## STATEMENT OF ACTIVITIES
For the year ended September 30, 2010

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
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<tbody>
<tr>
<td></td>
<td>Program</td>
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<td>Support:</td>
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<td>Miscellaneous program income</td>
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<td>Total support</td>
<td>-</td>
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<tr>
<td>Revenue:</td>
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</tr>
<tr>
<td>Interest and dividend income</td>
<td>65,107</td>
</tr>
<tr>
<td>Net Realized and Unrealized gain (loss)</td>
<td>(23,401)</td>
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<tr>
<td>Other sale proceeds</td>
<td>-</td>
</tr>
<tr>
<td>Total revenue</td>
<td>41,706</td>
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<tr>
<td>TOTAL SUPPORT AND REVENUE</td>
<td>41,706</td>
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### EXPENSES
Program services:

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<tr>
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<td>-</td>
</tr>
<tr>
<td>TOTAL EXPENSES</td>
<td>-</td>
</tr>
</tbody>
</table>

Change in net assets - Unrestricted

Net assets, September 30, 2009

Net assets, September 30, 2010 $3,010,531
Statement of Financial Position
For the year ended September 30, 2010

**Assets**

**Current Assets**
- Cash and cash equivalents
  - Unrestricted: $1,901,001
  - Restricted: $767,423
- Investments: $1,039,763
- Accounts Receivable
  - Billed accounts receivable: $4,298,325
  - Unbilled accounts receivable: $732,593
  - Sales tax: $187,443
  - Other receivables: $350,239
- Prepaid Expenses: $362,001
- Cash Surrender Value of Company-owned Life Insurance: $101,174
- Land Available for Sale: $401,800
- Total Current Assets: $10,142,762

**Property and Equipment, Net**: $3,219,485

**Other Assets**
- Security deposit: $150,000
- Investment in captive insurance companies: $61,000
- Total Other Assets: $211,000

**Total Assets**: $13,573,247

**Liabilities**

**Current Liabilities**
- Accounts payable, trade: $2,077,071
- Deferred revenue: $1,453,991
- Captive insurance arrangement obligation: $727,180
- Other accrued expenses: $997,588
- Accrued payroll & employee benefit liabilities:
  - Salaries: $1,604,868
  - Employee leave: $909,577
  - Payroll taxes: $457,979
- Self-insured health plan obligation: $495,494
- Notes payable, current portion: $108,585
- Total Current Liabilities: $8,812,333

**Employee benefit liabilities, non-current**: $230,279

**Captive insurance arrangement obligation, non-current**: $721,198

**Notes Payable, less current portion**: $798,906

**Total Liabilities**: $10,562,716

**Net Assets – Unrestricted**: $3,010,531

**Total Liabilities and Net Assets**: $13,573,247