



**THE CHILDREN'S PLACE ASSOCIATION
AND ITS AFFILIATED ORGANIZATIONS
Chicago, Illinois**

**CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2007 and 2006**

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Independent Auditor's Report

Board of Directors
The Children's Place Association and
its Affiliated Organizations
Chicago, Illinois

We have audited the accompanying consolidated statements of financial position of The Children's Place Association and its Affiliated Organizations as of June 30, 2007 and 2006, and the related consolidated statements of activities, cash flows, and functional expenses and directly related program services revenue for the years then ended. These consolidated financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Children's Place Association and its Affiliated Organizations as of June 30, 2007 and 2006, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated February 27, 2008 on our consideration of The Children's Place Association's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. 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 read in conjunction with this report in considering the results of our audits.

Our audit was made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The accompanying supplemental information is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements, but is supplementary information required by the Illinois Department of Children and Family Services. Such information, except for the Report of Service Units/Days/Nights, the Schedule of Program Personnel, and the Schedule of Program Consultant and Contractual, on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, is presented fairly, in all material respects, in relation to the basic consolidated financial statements taken as a whole.

Clifton Gunderson LLP

Oak Brook, Illinois
February 27, 2008

**THE CHILDREN'S PLACE ASSOCIATION
AND ITS AFFILIATED ORGANIZATIONS
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
June 30, 2007 and 2006**

ASSETS

	<u>2007</u>	<u>2006</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,479,191	\$ 1,887,943
Accounts receivable, net of allowance for doubtful accounts of \$15,578 and \$8,022 at June 30, 2007 and 2006, respectively	566,868	573,598
Pledges receivable	37,137	33,945
Note receivable, net	31,000	40,000
Marketable securities	29,627	23,772
Prepaid expenses	54,786	89,216
Deposits	<u>10,540</u>	<u>21,521</u>
Total current assets	<u>3,209,149</u>	<u>2,669,995</u>
LONG-TERM ASSETS		
Pledges receivable	12,500	25,000
Note receivable	<u>-</u>	<u>17,500</u>
Total long-term assets	<u>12,500</u>	<u>42,500</u>
PROPERTY AND EQUIPMENT		
Land	65,717	65,717
Buildings and improvements	2,889,003	2,847,123
Furniture and fixtures	196,282	193,024
Equipment	<u>330,599</u>	<u>310,389</u>
Total, at cost	3,481,601	3,416,253
Less accumulated depreciation	<u>1,207,305</u>	<u>1,084,431</u>
Total property and equipment	<u>2,274,296</u>	<u>2,331,822</u>
TOTAL ASSETS	<u>\$ 5,495,945</u>	<u>\$ 5,044,317</u>

LIABILITIES AND NET ASSETS

	<u>2007</u>	<u>2006</u>
CURRENT LIABILITIES		
Accounts payable	\$ 72,941	\$ 106,474
Current maturities of mortgage note payable	16,757	16,591
Accrued payroll and payroll taxes	220,173	190,116
Other accrued liabilities	<u>362,109</u>	<u>149,912</u>
Total current liabilities	671,980	463,093
LONG-TERM LIABILITIES		
Mortgage note payable, less current maturities above	<u>243,627</u>	<u>263,220</u>
Total liabilities	<u>915,607</u>	<u>726,313</u>
NET ASSETS		
Unrestricted:		
Undesignated	2,257,420	1,940,725
Net investment in property and equipment	<u>2,013,912</u>	<u>2,052,011</u>
Total unrestricted	4,271,332	3,992,736
Temporarily restricted	<u>309,006</u>	<u>325,268</u>
Total net assets	<u>4,580,338</u>	<u>4,318,004</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 5,495,945</u>	 <u>\$ 5,044,317</u>

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

**THE CHILDREN'S PLACE ASSOCIATION
AND ITS AFFILIATED ORGANIZATIONS
CONSOLIDATED STATEMENTS OF ACTIVITIES
June 30, 2007 and 2006**

	<u>2007</u>	<u>2006</u>
UNRESTRICTED NET ASSETS		
Revenue, gains and other support:		
Revenue and grants from government agencies	\$ 4,549,960	\$ 4,102,494
Contributions for programs, restrictions met in current year	80,899	83,287
Special events, net of costs of direct benefits to participants of \$298,639 and \$284,160 in 2007 and 2006, respectively	566,664	485,965
Other contributions	208,260	229,971
Interest income	100,348	51,436
Other revenues	15,035	52,192
Net assets released from restrictions	<u>47,022</u>	<u>59,821</u>
Total revenue, gains and other support	<u>5,568,188</u>	<u>5,065,166</u>
Expenses:		
Program services	<u>4,428,982</u>	<u>3,827,192</u>
Supporting services:		
Management and general	514,116	506,676
Fundraising	<u>346,494</u>	<u>430,297</u>
Total supporting services	<u>860,610</u>	<u>936,973</u>
Total expenses	<u>5,289,592</u>	<u>4,764,165</u>
Change in unrestricted net assets	<u>278,596</u>	<u>301,001</u>
TEMPORARILY RESTRICTED NET ASSETS		
Contributions for support of family, day care and summer camp programs	30,760	72,992
Net assets released from restrictions	<u>(47,022)</u>	<u>(59,821)</u>
Change in temporarily restricted net assets	<u>(16,262)</u>	<u>13,171</u>
CHANGE IN NET ASSETS	262,334	314,172
NET ASSETS, BEGINNING OF YEAR	<u>4,318,004</u>	<u>4,003,832</u>
NET ASSETS, END OF YEAR	<u>\$ 4,580,338</u>	<u>\$ 4,318,004</u>

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

**THE CHILDREN'S PLACE ASSOCIATION
AND ITS AFFILIATED ORGANIZATIONS
CONSOLIDATED STATEMENTS OF CASH FLOWS
June 30, 2007 and 2006**

	<u>2007</u>	<u>2006</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 262,334	\$ 314,172
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	122,874	123,945
Provision for bad debts	13,914	117,606
Net unrealized (gain) loss on investments	(5,855)	1,139
Donated stock	-	(12,487)
Effects of changes in operating assets and liabilities:		
Accounts receivable	(7,184)	(101,533)
Pledges receivable	9,308	(35,245)
Notes receivable	26,500	(115,000)
Prepaid expenses	34,430	(2,602)
Deposits	10,981	-
Accounts payable	(33,533)	(19,947)
Accrued payroll and payroll taxes	30,057	39,530
Other accrued liabilities	<u>212,197</u>	<u>70,458</u>
Net cash provided by operating activities	676,023	380,036
 CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of property and equipment	(65,348)	(45,737)
 CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on mortgage note payable	<u>(19,427)</u>	<u>(16,440)</u>
 NET INCREASE IN CASH AND CASH EQUIVALENTS	591,248	317,859
 CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,887,943</u>	<u>1,570,084</u>
 CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 2,479,191</u>	<u>\$ 1,887,943</u>

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

THE CHILDREN'S PLACE ASSOCIATION AND ITS AFFILIATED ORGANIZATIONS
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES AND DIRECTLY RELATED PROGRAM SERVICES REVENUE
Year Ended June 30, 2007

	Program Services							Supporting Services			Total	
	Residential Care	Family Care	Foster Care Specialized	Foster Care Traditional	Foster Care Adoption	Humboldt Day Care	International	Total	Management and General	Fundraising		Total
FUNCTIONAL EXPENSES												
Salaries	\$ 384,552	\$ 424,248	\$ 423,169	\$ 98,022	\$ 660	\$ 770,655	\$ 47,890	\$ 2,149,196	\$ 176,872	\$ 173,507	\$ 350,379	\$ 2,499,575
Employee benefits	39,016	36,188	25,890	4,367	22	65,451	1,634	172,568	9,688	18,036	27,724	200,292
Payroll taxes, etc.	46,004	46,591	38,252	9,472	68	85,595	3,656	229,638	19,328	17,509	36,837	266,475
Total salaries and related expense:	469,572	507,027	487,311	111,861	750	921,701	53,180	2,551,402	205,888	209,052	414,940	2,966,342
Professional fees, including nurses' salaries and related expenses of approximately \$544,343	375,571	80,989	142,681	15,436	-	142,599	14,817	772,093	116,886	59,396	176,282	948,375
Supplies	33,427	14,951	5,562	1,609	-	81,976	895	138,420	30,571	12,032	42,603	181,023
Telephone	12,203	9,126	9,643	2,411	-	16,820	1,074	51,277	15,473	7,804	23,277	74,554
Postage and shipping	1,713	1,955	1,172	293	-	2,692	19	7,844	6,550	9,990	16,540	24,384
Occupancy	64,823	20,275	5,152	1,175	-	71,100	147	162,672	16,554	7,821	24,375	187,047
Interest and bank service charges	673	5,943	86	22	-	1,024	13	7,761	3,382	12,914	16,296	24,057
Rental and maintenance of equipment	6,729	1,772	1,418	468	-	3,544	-	13,931	5,529	2,249	7,778	21,709
Printing and publications	-	1	143	48	-	216	190	598	4,384	8,305	12,689	13,287
Travel and transportation	8,746	25,322	16,568	4,590	-	77,392	11,935	144,553	8,135	1,149	9,284	153,837
Conferences, conventions and meetings	4,054	2,651	1,559	590	-	10,709	259	19,822	6,277	1,229	7,506	27,328
Specific assistance to individuals	720	8,881	280,706	101,600	-	2,636	-	394,543	2,844	110	2,954	397,497
Membership dues	60	248	5	1	-	1,249	1	1,564	17,942	1,118	19,060	20,624
Insurance	11,079	6,118	9,172	2,293	-	24,048	961	53,671	10,041	728	10,769	64,440
Other expenses	309	476	326	274	-	5,284	-	6,669	31,423	10,208	41,631	48,300
Depreciation and amortization	29,705	19,921	4,346	1,093	-	46,649	448	102,162	18,323	2,389	20,712	122,874
Bad debt expense	-	-	-	-	-	-	-	-	13,914	-	13,914	13,914
	1,019,384	705,656	965,850	243,764	750	1,409,639	83,939	4,428,982	\$ 514,116	\$ 346,494	\$ 860,610	\$ 5,289,592
Allocation of management and general	118,350	81,926	112,135	28,301	-	163,659	9,745	514,116				
TOTAL PROGRAM SERVICES AND MANAGEMENT AND GENERAL EXPENSES	\$ 1,137,734	\$ 787,582	\$ 1,077,985	\$ 272,065	\$ 750	\$ 1,573,298	\$ 93,684	\$ 4,943,098				
DIRECTLY RELATED PROGRAM SERVICES REVENUE												
Fees and grants from government agencies:												
DCFS/Medicaid	\$ 966,870	\$ 63,885	\$ 1,074,957	\$ 260,854	\$ -	\$ 49,812	\$ -	\$ 2,416,378				\$ 2,416,378
U.S. Dept. of Human Services	-	450,000	-	-	-	-	-	450,000				450,000
Head Start	-	-	-	-	-	166,589	-	166,589				166,589
DHS	-	-	-	-	-	753,571	-	753,571				753,571
Ryan White, Titles I & II	63,341	165,003	-	-	-	178,881	-	407,225				407,225
DORS Respite - Case Mgr.	-	54,298	-	-	-	-	-	54,298				54,298
City of Chicago HOPWA	66,224	-	-	-	-	-	-	66,224				66,224
Chicago Public Schools	-	-	-	-	-	235,675	-	235,675				235,675
Total fees and grants from government agencies	1,096,435	733,186	1,074,957	260,854	-	1,384,528	-	4,549,960				4,549,960
Contributions for programs	15,000	36,046	-	-	-	60,613	-	111,659				111,659
Client fees	-	8,794	-	-	750	280	-	9,824				9,824
TOTAL DIRECTLY RELATED PROGRAM SERVICES REVENUE	\$ 1,111,435	\$ 778,026	\$ 1,074,957	\$ 260,854	\$ 750	\$ 1,445,421	\$ -	\$ 4,671,443				\$ 4,671,443

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

THE CHILDREN'S PLACE ASSOCIATION AND ITS AFFILIATED ORGANIZATIONS
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES AND DIRECTLY RELATED PROGRAM SERVICES REVENUE
Year Ended June 30, 2006

	Program Services						Supporting Services			Total	
	Residential Care	Family Care	Foster Care Specialized	Foster Care Traditional	Foster Care Adoption	Humboldt Day Care	Total	Management and General	Fundraising		Total
FUNCTIONAL EXPENSES											
Salaries	\$ 382,287	\$ 464,020	\$ 345,063	\$ 82,598	\$ 1,800	\$ 607,530	\$ 1,883,298	\$ 124,258	\$ 198,697	\$ 322,955	\$ 2,206,253
Employee benefits	30,993	38,539	31,052	3,053	144	48,854	152,635	8,517	18,537	27,054	179,689
Payroll taxes, etc.	43,518	48,664	31,488	6,034	196	63,844	193,744	5,327	17,168	22,495	216,239
Total salaries and related expenses	456,798	551,223	407,603	91,685	2,140	720,228	2,229,677	138,102	234,402	372,504	2,602,181
Professional fees, including nurses' salaries and related expenses of approximately \$461,648	333,470	86,711	106,940	13,334	-	121,412	661,867	93,419	85,501	178,920	840,787
Supplies	26,019	17,013	4,711	2,297	80	57,951	108,071	31,756	13,696	45,452	153,523
Telephone	6,958	9,045	7,024	2,341	-	9,014	34,382	11,287	6,354	17,641	52,023
Postage and shipping	1,546	3,736	899	903	16	3,545	10,645	8,512	10,229	18,741	29,386
Occupancy	28,904	21,291	8,757	3,374	-	82,821	145,147	7,327	2,121	9,448	154,595
Interest and bank service charges	838	5,631	79	26	-	1,345	7,919	-	9,678	9,678	17,597
Rental and maintenance of equipment	4,159	2,879	2,295	765	-	3,289	13,387	5,759	2,042	7,801	21,188
Printing and publications	-	593	59	59	-	145	856	674	15,016	15,690	16,546
Travel and transportation	7,880	19,261	12,780	5,978	-	45,175	91,074	1,792	1,491	3,283	94,357
Conferences, conventions and meetings	2,000	2,792	306	183	-	4,625	9,906	3,503	1,445	4,948	14,854
Specific assistance to individuals	1,590	5,520	238,196	97,763	-	1,644	344,713	287	-	287	345,000
Membership dues	209	12	-	297	-	616	1,134	11,973	2,021	13,994	15,128
Insurance	21,348	1,957	11,423	262	-	29,952	64,942	9,753	1,003	10,756	75,698
Other expenses	602	1,336	68	-	-	1,750	3,756	75,670	10,325	85,995	89,751
Depreciation and amortization	32,631	8,397	4,086	735	-	53,867	99,716	20,506	3,723	24,229	123,945
Bad debt expense	-	-	-	-	-	-	-	86,356	31,250	117,606	117,606
Allocation of management and general	924,952	737,397	805,226	220,002	2,236	1,137,379	3,827,192	\$ 506,676	\$ 430,297	\$ 936,973	\$ 4,764,165
	122,453	97,623	107,228	28,795	-	150,577	506,676				
TOTAL PROGRAM SERVICES AND MANAGEMENT AND GENERAL EXPENSES	\$ 1,047,405	\$ 835,020	\$ 912,454	\$ 248,797	\$ 2,236	\$ 1,287,956	\$ 4,333,868				
DIRECTLY RELATED PROGRAM SERVICES REVENUE											
Fees and grants from government agencies:											
DCFS/Medicaid	\$ 785,583	\$ 50,000	\$ 892,189	\$ 243,745	\$ 2,232	\$ 49,812	\$ 2,023,561				\$ 2,023,561
U.S. Dept. of Human Services	-	450,000	-	-	-	-	450,000				450,000
DHS	-	-	-	-	-	751,826	751,826				751,826
Ryan White, Titles I & II	-	199,514	-	-	-	206,334	405,848				405,848
DORS Respite - Case Mgr.	-	58,292	-	-	-	-	58,292				58,292
City of Chicago HOPWA	152,967	-	-	-	-	-	152,967				152,967
Chicago Public Schools	-	-	-	-	-	260,000	260,000				260,000
Total fees and grants from government agencies	938,550	757,806	892,189	243,745	2,232	1,267,972	4,102,494				4,102,494
Contributions for programs	20,000	102,533	-	-	-	33,746	156,279				156,279
Client fees	-	10,950	-	-	-	5,460	16,410				16,410
TOTAL DIRECTLY RELATED PROGRAM SERVICES REVENUE	\$ 958,550	\$ 871,289	\$ 892,189	\$ 243,745	\$ 2,232	\$ 1,307,178	\$ 4,275,183				\$ 4,275,183

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

**THE CHILDREN'S PLACE ASSOCIATION
AND ITS AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2007 and 2006**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Children's Place Association (Association) was incorporated on April 10, 1989 in the state of Illinois under the General Not-For-Profit Corporation Act of Illinois. The mission of The Children's Place Association is to improve the quality of life for children and their families who are affected by HIV/AIDS and/or other life threatening or serious health conditions, through the development of programs and services responsive to their needs. This includes residential, family, foster, and day care services. The Association's three affiliated organizations, The Children's Place Housing Corporation, The Children's Place Home Health Corporation, and The Children's Place Fundraising Foundation were incorporated under the Illinois General Not-For-Profit Corporation Act in 1996, 1997, and 1999, respectively, to support the Association and its programs.

The Association is the only agency of its kind in the Midwest and serves children from the greater Chicago metropolitan area. The Association's revenues are derived primarily from various governmental agencies and the Association's accounts receivables consist of amounts due primarily from the State of Illinois. The Association's fiscal year ends on June 30. Significant accounting policies followed by the Association are presented below.

Use of Estimates in Preparing Consolidated Financial Statements

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

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Association and its three affiliated organizations that it controls through common management, board membership, and economic interest. Inter-organization transactions and balances have been eliminated in consolidation. The affiliated organizations of the Association are as follows:

The Children's Place Housing Corporation

The purpose of The Children's Place Housing Corporation (Housing Corporation) is to own all real property for the Association and any other of its affiliated organizations. The Housing Corporation charges a fee to the Association for the Association's use of the properties in running its programs.

**THE CHILDREN'S PLACE ASSOCIATION
AND ITS AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2007 and 2006**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Principles of Consolidation (continued)

The Children's Place Home Health Corporation

The purpose of The Children's Place Home Health Corporation (Health Corporation) is to provide skilled nursing and ancillary services to children in programs of the Association. The Health Corporation charges the Association for the costs of the skilled nursing provided to the Association's programs.

The Children's Place Fundraising Foundation

The Children's Place Fundraising Foundation (Foundation) raises the funds for the Association and its affiliated organizations. It also manages the Association's investments. The Foundation charges a fee to the Association and related organizations for its fundraising and fund management activities.

Cash and Cash Equivalents

The Association considers all liquid investments with a maturity of three months or less when purchased to be cash equivalents. At June 30, 2007 and 2006, cash equivalents consist of interest earning money market accounts.

Accounts Receivable

Accounts receivable are uncollateralized funding source obligations, which are generally paid within 30 days from the billing date. Accounts receivable are stated at the invoice amount.

Payments of accounts receivable are generally applied to the specific invoices identified on the funding source's remittance advice or, in some cases, to the earliest unpaid invoices.

The carrying amount of accounts receivable is reduced by a valuation allowance that reflects management's best estimate of amounts that will not be collected. The allowance for doubtful accounts is based on management's assessment of the collectibility of specific funding source accounts and the aging of accounts receivable. If actual collections are lower than historical experience, management's estimates of the recoverability of recorded amounts due the Association could be adversely affected. All accounts or portions thereof deemed to be uncollectible or to require an excessive collection cost are written off to the allowance for doubtful accounts.

**THE CHILDREN'S PLACE ASSOCIATION
AND ITS AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2007 and 2006**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Pledges Receivable

Pledges receivable are unconditional promises to give and are recognized as revenues or gains in the period that the pledge is made and as net assets, decreases in liabilities or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Marketable Securities

The Association carries its investments in marketable securities at their fair values in the Consolidated Statements of Financial Position. Unrealized gains and losses are included in the change in net assets in the Consolidated Statements of Activities.

Property and Equipment

The Association depreciates its property and equipment on the straight-line method over the following estimated useful lives:

Buildings and improvements	5 - 40 years
Furniture and fixtures	5 - 10 years
Equipment	3 - 10 years

Impairment of Long-Lived Assets

The Association reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

**THE CHILDREN'S PLACE ASSOCIATION
AND ITS AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2007 and 2006**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Support and Revenue

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

The Association receives a substantial portion of its operating funds from grants and awards. These funds are reported as unrestricted support as the grants reimburse the Association for services provided.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Consolidated Statements of Activities as net assets released from restrictions. The Association has no permanently restricted net assets.

Allocation of Costs

The costs of providing various program and supporting services have been summarized on a functional basis in the Consolidated Statements of Functional Expenses and Directly Related Program Services Revenue. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Consolidated Financial Statement Presentation

Consolidated financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Association is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Income Taxes

The Association and its affiliated organizations are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, they qualify for the charitable contribution deduction and have been classified as organizations that are not private foundations.

**THE CHILDREN'S PLACE ASSOCIATION
AND ITS AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2007 and 2006**

NOTE 2 - DESCRIPTION OF PROGRAM AND SUPPORTING SERVICES

The following program and supporting services are included in the accompanying consolidated financial statements:

Residential Care

The ten-bed residential center is a transitional home for HIV/AIDS affected children, and children with other serious or life-threatening conditions. When a child's illness or the illness or absence of a parent necessitate placement in the home, social work and nursing staff assess the child's needs and attempt to reunite the child with his family, or to find another permanent family for him/her. Approximately 60 children are served in the residence each year.

Family Care

The mission of the Family Care Program is to strengthen HIV-affected families in their efforts to remain together, by providing supportive services such as childcare, counseling, case management, summer camp, and play groups. Approximately 150 children from 50 families in the community are served in the Family Care Program. Three HIV-affected homeless families live in subsidized apartments owned by the Housing Corporation.

Foster Care - Specialized, Traditional, Adoption

The Foster Care Program addresses the needs of children unable to return to their birth families and in need of a foster or adoptive home. The goal of the Foster Care Program is to see that every child grows up in a stable and loving family. To that end, staff work to reunite children with their birth families whenever possible, and assist their foster families in adopting them if parental rights are terminated.

Day Care

The Day Care Program has the capacity to serve 55 children from infancy through age five. Priority is given to children from families where one or more family members are HIV-positive.

International Program

The International Program was established in December 2006 and will be providing case management services to HIV/AIDS infected or affected individuals and families in Haiti and Guyana.

Management and General

Includes the functions necessary to maintain an equitable employment program; ensure an adequate working environment; provide coordination and articulation of the Association's program strategy through the office of the Executive Director; secure proper administrative functioning of the Board of Directors; maintain competent legal services for the program administration of the Association; and manage the financial and budgetary responsibilities of the Association.

**THE CHILDREN'S PLACE ASSOCIATION
AND ITS AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2007 and 2006**

NOTE 2 - DESCRIPTION OF PROGRAM AND SUPPORTING SERVICES (continued)

Fundraising

Provides the structure necessary to encourage and secure private financial support from individuals, foundations, and corporations and to organize the annual spring benefit.

NOTE 3 - PLEDGES RECEIVABLE

Pledges receivable at June 30, 2007 and 2006 are as follows:

	<u>2007</u>	<u>2006</u>
Pledges receivable	\$ 51,363	\$ 61,534
Less discounts to net present value	<u>1,726</u>	<u>2,589</u>
Total	49,637	58,945
Less current portion	<u>37,137</u>	<u>33,945</u>
Long-term portion	<u>\$ 12,500</u>	<u>\$ 25,000</u>

Based on management's assessment of the collectibility of specific promises to give, no provision has been made for uncollectible amounts as of June 30, 2007 and 2006. Scheduled annual payments on pledges receivable are \$37,137 and \$12,500 for the years ending June 30, 2008 and 2009, respectively.

NOTE 4 - NOTE RECEIVABLE

Effective July 1, 2005, the Association entered into an affiliation agreement with Global Alliance for Africa ("GAA"), an Illinois not-for-profit corporation headquartered in Chicago, Illinois. GAA provides health care and other services to HIV/AIDS affected individuals in Africa.

Effective July 31, 2006, the Association and GAA terminated the affiliation agreement. GAA agreed to reimburse the Association for certain expenses paid by the Association during the term of the agreement. On October 16, 2006, GAA signed a promissory note with the Association in the amount of \$115,000. The principal accrues interest at 5% until the sum has been reduced to 50% of the initial amount, after which time interest accrues at a rate of 2% and is due in September 2008.

**THE CHILDREN'S PLACE ASSOCIATION
AND ITS AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2007 and 2006**

NOTE 4 - NOTE RECEIVABLE (continued)

Note receivable at June 30 consists of the following:

	<u>2007</u>	<u>2006</u>
Note receivable	\$ 88,500	\$ 115,000
Less allowance for uncollectible note receivable	<u>57,500</u>	<u>57,500</u>
Total	31,000	57,500
Less current portion	<u>31,000</u>	<u>40,000</u>
Long-term portion	<u>\$ -</u>	<u>\$ 17,500</u>

Scheduled annual payments on the note receivable are as follows:

2008	\$ 72,500
2009	<u>16,000</u>
Total	<u>\$ 88,500</u>

NOTE 5 - MARKETABLE SECURITIES

The Association is holding marketable securities consisting of common stock received as a contribution from a donor. The securities have a fair market value of \$29,627 and \$23,772 at June 30, 2007 and 2006, respectively.

NOTE 6 - LINE OF CREDIT

The Association has a line of credit agreement, under which \$0 was outstanding at June 30, 2007 and 2006. The agreement provides for borrowings of up to \$600,000. Amounts drawn against the line of credit are payable on demand and bear interest at the local prime lending rate plus .25% (8.25% at June 30, 2007 and 2006). The line of credit agreement is collateralized by substantially all of the Association's assets and contained restrictive covenants all of which were met at June 30, 2007 and 2006. The line of credit agreement expires on June 1, 2008.

**THE CHILDREN'S PLACE ASSOCIATION
AND ITS AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2007 and 2006**

NOTE 7 - DEBT

Mortgage note payable

Mortgage note payable consists of the following:

	<u>2007</u>	<u>2006</u>
Illinois Housing Development Authority, term note, monthly payments of \$1,608 including interest at 1.00% per year, due December 2021, secured by property on Augusta Blvd. in Chicago, Illinois.	\$ 260,384	\$ 279,811
Less current portion	<u>16,757</u>	<u>16,591</u>
Long-term portion	<u>\$ 243,627</u>	<u>\$ 263,220</u>

Future maturities of the mortgage note are as follows:

2008	\$ 16,757
2009	16,926
2010	17,096
2011	17,267
2012	17,441
Later years	<u>174,897</u>
Total	<u>\$ 260,384</u>

Interest expense incurred on the mortgage note payable in 2007 and 2006 was \$2,541 and \$2,708, respectively.

**THE CHILDREN'S PLACE ASSOCIATION
AND ITS AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2007 and 2006**

NOTE 8 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes or periods:

	<u>2007</u>	<u>2006</u>
Restricted for programs and future periods	\$ 25,000	\$ 37,500
Restricted for purpose:		
For renovation of residence	15,000	-
For acquisition and improvement of property to accommodate day care and family care programs as well as funding of said programs	217,918	201,188
Southside Day Care program	51,088	51,088
Humboldt Day Care program	-	26,723
Family Care program	<u>-</u>	<u>8,769</u>
Total	<u>\$ 309,006</u>	<u>\$ 325,268</u>

NOTE 9 - NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions when payments were made satisfying the restricted purposes as follows:

	<u>2007</u>	<u>2006</u>
Payments for property acquisition, renovation, building, and related equipment costs	\$ -	\$ 11,071
Payments for family care services	20,299	10,000
Payments for day care	26,723	7,500
Write off of pledges for Southside Day Care program	<u>-</u>	<u>31,250</u>
Total	<u>\$ 47,022</u>	<u>\$ 59,821</u>

NOTE 10 - CASH FLOW DISCLOSURES

Cash paid for interest during 2007 and 2006 was \$2,541 and \$2,708, respectively. No cash was paid for income taxes during either year.

There were no non-cash investing and financing transactions for the years ended June 30, 2007 and 2006.

**THE CHILDREN'S PLACE ASSOCIATION
AND ITS AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2007 and 2006**

NOTE 11 - LEASE COMMITMENTS

The Association leases miscellaneous equipment and vehicles under operating leases expiring in 2011. Future minimum lease payments under these leases are as follows:

2008	\$ 37,200
2009	37,200
2010	35,370
2011	<u>12,700</u>
Total	<u>\$ 122,470</u>

Total rental expense on these leases for the years ended June 30, 2007 and 2006 was \$35,193 and \$21,984, respectively.

NOTE 12 - COMPLIANCE WITH GRANTOR RESTRICTIONS

Financial assistance from governmental entities in the form of grants is subject to special audit. Such audits could result in claims against the Association for disallowed costs or noncompliance with grantor restrictions. As a result of certain grantor proceedings, a provision of \$102,815 and \$51,163 has been made for any liabilities that may arise from such audits as of June 30, 2007 and 2006, respectively, and is included as part of other accrued liabilities on the Consolidated Statements of Financial Position.

NOTE 13 - SIGNIFICANT CONCENTRATIONS

Approximately 58% of the Association's unrestricted revenues for the year ended June 30, 2007 were from two departments of the State of Illinois. Approximately 60% of the Association's unrestricted revenues for the year ended June 30, 2006 were from two departments of the State of Illinois.

Amounts due from these agencies represent 44% and 27% of the total outstanding accounts receivable balance as of June 30, 2007 and 2006, respectively.

NOTE 14 - RECLASSIFICATIONS

Certain amounts for the year ended June 30, 2006 presentation have been reclassified to conform with the June 30, 2007 presentation. These changes do not affect the financial position or the change in net assets for that year.

This information is an integral part of the accompanying consolidated financial statements.

SUPPLEMENTAL INFORMATION

**The Children's Place Association
Program Listing
Fiscal Year Ended 6/30/07**

PROGRAM DESCRIPTION	DCFS 10 digit	DHS Prog Name	U.S. Dept. Health & Human Services
Residential Care	1698994117		
Family Care	1929679017		90CB0142/03
Foster Care Adoption	1698994057		
Foster Care Specialized	1698994027		
Foster Care Traditional	1698994017		
Day Care Humboldt	1929679017	81X7058000	
International			

Agency Name: The Children's Place Association
Schedule of Program Costs
For Period Ended: 06-30-2007

Line #	Account Title	Agency Total	Residential Care	Family Care	Foster Care Adoption	Foster Care Specialized	Foster Care Traditional	Day Care Humboldt	International
	Program Expenses:								
1	Program Staff Salaries	2,045,673	359,832	402,150	660	419,917	97,201	718,519	47,394
2	Program Clerical Staff Salaries	-	-	-	-	-	-	-	-
3	Programs Payroll Taxes & Fringe	381,638	79,583	78,470	90	63,655	13,724	140,880	5,236
4	Program Consultants	772,093	375,571	80,989	-	142,681	15,436	142,599	14,817
5	Consumer Wage & Fringe Benefits	-	-	-	-	-	-	-	-
6	Medicine & Drugs	21,063	13,553	763	-	555	118	6,002	72
7	All Other Direct Service Equipment & Supplies	57,364	13,196	12,441	-	5,661	1,676	23,901	489
8	Staff Transportation	41,385	294	7,515	-	15,659	3,914	2,068	11,935
9	Client Transportation	119,942	12,250	17,806	-	908	676	88,302	-
10	Transportation to & from School	-	-	-	-	-	-	-	-
11	Direct Service Staff Conferences & Conventions	21,386	4,114	2,899	-	1,564	591	11,958	260
12	Program Insurance	9,172	-	-	-	9,172	-	-	-
13	Direct Client Specific Assistance	18,452	720	8,881	-	3,486	2,729	2,636	-
14	Telecommunication Costs Assigned to Program	51,277	12,203	9,126	-	9,643	2,411	16,820	1,074
15	Foster Care Payments	376,091	-	-	-	277,220	98,871	-	-
16	Other (specify): Moving, Client File Storage, Misc.	6,665	306	476	-	325	274	5,284	-
17	Total Program Expenses (sum 1-16)	3,922,201	871,622	621,516	750	950,446	237,621	1,158,969	81,277
	Support Expenses:								
18	Support Salaries	64,986	16,068	13,497	-	2,056	514	32,529	322
19	Support Payroll Taxes & Fringe Benefits	12,924	3,534	2,632	-	308	72	6,343	35
20	Dietary Supplies	82,198	15,103	5,474	-	2,046	511	58,521	543
21	Housekeeping & Laundry Supplies	53	18	-	-	32	-	3	-
22	Other (specify)	-	-	-	-	-	-	-	-
23	Total Support Expenses (sum 18-22)	160,161	34,723	21,603	-	4,442	1,097	97,396	900
	Occupancy Expenses:								
24	Occupancy Salaries	38,537	8,652	8,602	-	1,196	307	19,607	173
25	Occupancy Payroll Taxes & Fringe Benefits	7,644	1,903	1,677	-	179	43	3,823	19
26	Building & Equip. Operations & Maintenance	190,516	72,106	26,393	-	5,155	3,581	82,171	1,110
27	Vehicle Depreciation & Amortization	4,276	4,276	-	-	-	-	-	-
28	All Other Depreciation & Amortization	97,885	25,429	19,921	-	4,346	1,093	46,649	447
29	Vehicle Rent	-	-	-	-	-	-	-	-
30	All Other Lease / Rent / Taxes	-	-	-	-	-	-	-	-
31	Equipment under \$ 500	-	-	-	-	-	-	-	-
32	Mortgage & Installment Interest	2,384	673	566	-	86	22	1,024	13
33	Operating Interest	5,378	-	5,378	-	-	-	-	-
34	Other (specify)	-	-	-	-	-	-	-	-
35	Total Occupancy Expenses (sum 24-34)	346,620	113,039	62,537	-	10,962	5,046	153,274	1,762
	Administrative & Office Expenses:								
36	Administrative Salaries	176,872	40,716	28,185	-	38,578	9,736	56,304	3,353
37	Administrative Payroll Taxes & Fringe Benefits	29,016	6,679	4,624	-	6,329	1,597	9,237	550
38	Administrative Consultants	116,886	26,908	18,626	-	25,494	6,434	37,208	2,216
39	Telecommunication Costs Not Assigned to Program	15,473	3,562	2,465	-	3,375	852	4,926	293
40	Office Supplies & Equipment	30,571	7,037	4,872	-	6,668	1,683	9,732	579
41	Allocation of Management & General (G & A)	145,298	33,448	23,154	-	31,691	7,999	46,252	2,754
42	Other (specify)	-	-	-	-	-	-	-	-
43	Total Administrative Expenses (sum 36-42)	514,116	118,350	81,926	-	112,135	28,301	163,659	9,745
44	Total Expenses (sum 17,23,35,43)	4,943,098	1,137,734	787,582	750	1,077,985	272,065	1,573,298	93,684
	Non Reimbursable Expenses:								
45	Depr. On DMHDD Funded Capital Assets Incl Above	-	-	-	-	-	-	-	-
46	Cost of Prod & Workshop Client Wages Incl. Above	-	-	-	-	-	-	-	-
47	Other (specify) Bad Debt Expense	13,914	3,203	2,217	-	3,035	766	4,429	264
48	Total Non Reimbursable Expenses (sum 45-47)	13,914	3,203	2,217	-	3,035	766	4,429	264
49	Net Expenses (line 44 minus line 48)	4,929,184	1,134,531	785,365	750	1,074,950	271,299	1,568,869	93,420

Agency Name: The Children's Place Association
Schedule of Program Revenues
For Period Ended: 06-30-2007

Line #	Account Title	Agency Total	Not Allocated	Residential Care	Family Care	Foster Care Adoption	Foster Care Specialized	Foster Care Traditional	Day Care Humboldt	International
	Fees & Purchase of Service:									
1	Department of Aging	-	-	-	-	-	-	-	-	-
2	Department of Children & Family Services	2,485,935	-	966,870	63,885	-	1,141,552	263,816	49,812	-
3	Department of Corrections	-	-	-	-	-	-	-	-	-
4	Medicaid Rehab Option(MRO) Payments	-	-	-	-	-	-	-	-	-
5	Department of Human Services	753,571	-	-	-	-	-	-	753,571	-
6	Department of Public Aid	-	-	-	-	-	-	-	-	-
7	Department of Public Health	-	-	-	-	-	-	-	-	-
8	Local Education Agency / School District	-	-	-	-	-	-	-	-	-
9	Local Government	527,747	-	129,565	219,301	-	-	-	178,881	-
10	Federal Government	166,589	-	-	-	-	-	-	166,589	-
11	Other Government Agencies	-	-	-	-	-	-	-	-	-
12	Client/Family Prgm Fees (incl. SSI, SSA, pensions)	9,824	-	-	8,794	750	-	-	280	-
13	Special Service Fees for Individual Clients	-	-	-	-	-	-	-	-	-
14	Diagnostic Service Fees	-	-	-	-	-	-	-	-	-
15	Other (specify) - Provision for Excess Revenue & Bad Debts	-	-	-	-	-	(66,594)	(2,962)	-	-
16	Total Fees & Purchase of Service (sum1-15)	3,874,110	-	1,096,435	291,980	750	1,074,958	260,854	1,149,133	-
	Grant Revenues:									
17	Department of Aging	-	-	-	-	-	-	-	-	-
18	Department of Children & Family Services	-	-	-	-	-	-	-	-	-
19	Department of Corrections	-	-	-	-	-	-	-	-	-
20	Donated / Certified Funds Initiative (DFI/CFI)	-	-	-	-	-	-	-	-	-
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	235,675	-	-	-	-	-	-	235,675	-
26	Federal Government Awards	450,000	-	-	450,000	-	-	-	-	-
27	Other Government Awards	-	-	-	-	-	-	-	-	-
28	JTPA / CETA	-	-	-	-	-	-	-	-	-
29	Other (specify)	-	-	-	-	-	-	-	-	-
30	Total Grant Revenues (sum 17-29)	685,675	-	-	450,000	-	-	-	235,675	-
	Contribution Other:									
31	Restricted to Operations	96,659	-	-	36,046	-	-	-	60,613	-
32	Restricted to Capital	15,000	-	15,000	-	-	-	-	-	-
33	Unrestricted	208,260	208,260	-	-	-	-	-	-	-
34	Contributions - Goods & Services	-	-	-	-	-	-	-	-	-
35	Child / Adult Food Pgms (school meals, commodities)	-	-	-	-	-	-	-	-	-
36	School Transportation Payments (to/from school)	-	-	-	-	-	-	-	-	-
37	Sales of Goods & Services	-	-	-	-	-	-	-	-	-
38	Rent Income	-	-	-	-	-	-	-	-	-
39	Gain on Sale of Assets	-	-	-	-	-	-	-	-	-
40	Cafeteria & Vending Machine	-	-	-	-	-	-	-	-	-
41	Other (specify) Gala Fundraiser and Other Income	571,875	571,875	-	-	-	-	-	-	-
42	Total Contribution & Other (sum 31-41)	891,794	780,135	15,000	36,046	-	-	-	60,613	-
	Investment Income:									
43	Income on Restricted Assets / Investments	26,736	26,736	-	-	-	-	-	-	-
44	Income on Unrestricted Assets / Investments	73,612	73,612	-	-	-	-	-	-	-
45	Total Investment Income (sum 43-44)	100,347	100,347	-	-	-	-	-	-	-
46										
47	TOTAL REVENUES: (sum lines 16,30,42,45,46)	5,551,926	880,482	1,111,435	778,026	750	1,074,958	260,854	1,445,421	-

Agency Name: The Children's Place Association
Report of Service Units/Days/Nights (Unaudited)
For Period Ended: 06-30-2007

PLEASE COMPLETE ALL ROWS OF DATA FOR ALL TYPES	Residential Care	Family Care	Foster Care Adoption	Foster Care Specialized	Foster Care Traditional	Day Care Humboldt	International
Define Service Unit Type (DAY / NIGHT / HRS)							
# of Client Units Of Enrollment							
# of Client Units Delivered / Provided	2314			9149	8947		
Number of Days Program Operated	365	365	365	365	365	365	174
Lic. Capacity Beginning of Report Period (1)	10						
Lic. Capacity End of Report Period (1)	10						
Dates of Change, if any (MM-DD-YYYY)							
NOTES:							

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

Agency Name: The Children's Place Association
 FEIN: 36-3641017

Schedule of Program Personnel (Unaudited)
 For Period Ended: 06-30-2007

Line #	Program Staff Positions <small>(do not use for program consultants or contractual workers)</small>	Agency Total			Residential Care			Family Care			Foster Care Adoption		
		Total Hours	Total Amt Paid	Total Headcount	% Allocated	Total Amt Paid	Total Headcount	% Allocated	Total Amt Paid	Total Headcount	% Allocated	Total Amt Paid	Total Headcount
1	Audiologist		-	-									
2	Behavior Therapist		-	-									
3	Dietary Technician		-	-									
4	Dietician		-	-									
5	Habilitation Aids / Child Care Aide	33,546	345,523	36	68%	233,813	12	9%	30,606	8			
6	Habilitation Prof. or Supervisory Staff		-	-									
7	LPN		-	-									
8	Occupational Therapist		-	-									
9	Physical Therapist		-	-									
10	Physician		-	-									
11	Principal		-	-									
12	Program Director	9,360	287,242	11	4%	9,993	1	23%	64,506	2	0%	660	1
13	Program Clerical Staff		-	-									
14	Psychiatrist		-	-									
15	Psychologist	2,257	41,751	1				95%	39,795	1			
16	Recreation Staff		-	-									
17	Registered Nurse		-	-									
18	Social Worker	27,583	455,119	19	9%	39,784	2	30%	138,686	5			
19	Speech Therapist		-	-									
20	Substance Abuse Counselor / Professional		-	-									
21	Substance Abuse Paraprofessional		-	-									
22	Teacher	8,889	160,008	4					1,586				
23	Teacher Aide	14,496	159,460	4					2,030				
24	Voc. Staff (incl. Job Coach, workshop staff, etc.)		-	-									
25	Other Academic Instruction		-	-									
26	Other Medical Care		-	-									
27	Other Habilitation / Rehabilitation		-	-									
28	Other Substance Abuse		-	-									
29	All Other Program Staff Not Requiring Specification	41,080	596,570	49	13%	76,242	7	21%	124,941	10	0%	-	
30	TOTAL ALL POSITIONS	137,211	2,045,673	124	23%	359,832	22	16%	402,150	26	0%	660	1

Total must equal sum of lines 1 & 2 of the schedule of Program Costs

REQUIRED MEDICAID REPORTING

number of hours in a standard work week 40

From among the positions classified above, give the details for staff which function in the categories according to the definitions.

31	Mental Health Professional (MHP)	-	-	12			1			1			
32	Qualified Mental Health Prof. (QMHP)	-	-	3			6			6			1
33	Qualified Mental Retardation Prof. (QMRP)	-	-	-									
34	Rehabilitative Services Associate (RSA)	-	-	-									
35	SEP Job coach - for DHS Reporting Only	-	-	-									
36	TOTAL ALL POSITIONS	-	-	15	-	-	7	-	-	7	-	-	1

Agency Name: The Children's Place Association
 FEIN: 36-3641017

Schedule of Program Personnel (Unaudited)
 For Period Ended: 06-30-2007

Line #	Program Staff Positions <small>(do not use for program consultants or contractual workers)</small>	Foster Care Specialized			Foster Care Traditional			Day Care Humboldt			International		
		% Allocated	Total Amt Paid	Total Headcount	% Allocated	Total Amt Paid	Total Headcount	% Allocated	Total Amt Paid	Total Headcount	% Allocated	Total Amt Paid	Total Headcount
1	Audiologist												
2	Behavior Therapist												
3	Dietary Technician												
4	Dietician												
5	Habilitation Aids / Child Care Aide	20%	71,841	8	3%	9,263	8						
6	Habilitation Prof. or Supervisory Staff												
7	LPN												
8	Occupational Therapist												
9	Physical Therapist												
10	Physician												
11	Principal												
12	Program Director	25%	71,734	2	6%	17,275	2	26%	75,680	2	16%	47,394	1
13	Program Clerical Staff												
14	Psychiatrist												
15	Psychologist							5%	1,956				
16	Recreation Staff												
17	Registered Nurse												
18	Social Worker	36%	161,966	5	9%	40,492	5	16%	74,191	2			
19	Speech Therapist												
20	Substance Abuse Counselor / Professional												
21	Substance Abuse Paraprofessional												
22	Teacher							99%	158,422	4			
23	Teacher Aide							99%	157,430	4			
24	Voc. Staff (incl. Job Coach, workshop staff, etc.)												
25	Other Academic Instruction												
26	Other Medical Care												
27	Other Habilitation / Rehabilitation												
28	Other Substance Abuse												
29	All Other Program Staff Not Requiring Specification	19%	114,376	10	5%	30,171	7	42%	250,840	15			
30	TOTAL ALL POSITIONS	15%	419,917	25	6%	97,201	22	29%	718,519	50	0	47,394	1

Total must equal sum of lines 1 & 2 of the schedule of Program Costs

REQUIRED MEDICAID REPORTING

From among the positions classified above, give the details for staff which function in the categories according to the definitions.

31	Mental Health Professional (MHP)			2			2			2			
32	Qualified Mental Health Prof. (QMHP)			6			6			5			
33	Qualified Mental Retardation Prof. (QMRP)												
34	Rehabilitative Services Associate (RSA)												
35	SEP Job coach - for DHS Reporting Only												
36	TOTAL ALL POSITIONS	-	-	8	-	-	8	-	-	7	-	-	-

Agency Name: The Children's Place Association
 FEIN: 36-3641017

Schedule of Program Consultant and Contractual (Unaudited)
 For Period Ended: 06-30-2007

Line #	Program Contract Positions	Agency Total			Residential Care			Family Care			Foster Care Adoption		
		Total Hours	Total Amt Paid	Total Headcount	% Allocated	Total Amt Paid	Total Headcount	% Allocated	Total Amt Paid	Total Headcount	% Allocated	Total Amt Paid	Total Headcount
1	Audiologist	-	-	-									
2	Behavior Therapist	-	-	-									
3	Dietary Technician	-	-	-									
4	Dietician	-	-	-									
5	Habilitation Aids / Child Care Aide	-	-	-									
6	Habilitation Prof. or Supervisory Staff	-	-	-									
7	LPN	-	-	-									
8	Occupational Therapist	-	-	-									
9	Physical Therapist	-	-	-									
10	Physician	-	-	-									
11	Principal	-	-	-									
12	Program Director	-	-	-									
13	Program Clerical Staff	-	46,733	-	3%	1,289		3%	1,392				
14	Psychiatrist	-	-	-									
15	Psychologist	-	-	-									
16	Recreation Staff	-	-	-									
17	Registered Nurse	-	544,343	-	68%	369,075							
18	Social Worker	-	25,632	-	10%	2,548		27%	6,844				
19	Speech Therapist	-	-	-									
20	Substance Abuse Counselor / Professional	-	-	-									
21	Substance Abuse Paraprofessional	-	-	-									
22	Teacher	-	-	-									
23	Teacher Aide	-	-	-									
24	Voc. Staff (incl. Job Coach, workshop staff, etc.)	-	-	-									
25	Other Academic Instruction	-	-	-									
26	Other Medical Care	-	-	-									
27	Other Habilitation / Rehabilitation	-	-	-									
28	Other Substance Abuse	-	-	-									
29	All Other Program Staff Not Requiring Specification	-	155,385	-	2%	2,659		46%	72,753				
30	TOTAL ALL POSITIONS	-	772,093	-	51%	375,571	-	10%	80,989	-	0%	-	-

Total must equal sum of line 4 of the schedule of Program Costs

From among the positions classified above, give the details for staff which function in the categories according to the definitions.

31	Mental Health Professional (MHP)	-	-	-									
32	Qualified Mental Health Prof. (QMHP)	-	-	-									
33	Qualified Mental Retardation Prof. (QMRP)	-	-	-									
34	Rehabilitative Services Associate (RSA)	-	-	-									
35	SEP Job coach - for DHS Reporting Only	-	-	-									
36	TOTAL ALL POSITIONS	-	-	-	0%	-	-	0%	-	-	0%	-	-

Agency Name: The Children's Place Association
 FEIN: 36-3641017

Schedule of Program Consultant and Contractual (Unaudited)
 For Period Ended: 06-30-2007

Line #	Program Contract Positions	Foster Care Specialized			Foster Care Traditional			Day Care Humboldt			International		
		% Allocated	Total Amt Paid	Total Headcount	% Allocated	Total Amt Paid	Total Headcount	% Allocated	Total Amt Paid	Total Headcount	% Allocated	Paid	Total Headcount
1	Audiologist												
2	Behavior Therapist												
3	Dietary Technician												
4	Dietician												
5	Habilitation Aids / Child Care Aide												
6	Habilitation Prof. or Supervisory Staff												
7	LPN												
8	Occupational Therapist												
9	Physical Therapist												
10	Physician												
11	Principal												
12	Program Director												
13	Program Clerical Staff	70%	32,607		17%	8,152		19%	3,293				
14	Psychiatrist												
15	Psychologist												
16	Recreation Staff												
17	Registered Nurse	16%	87,634					16%	87,634				
18	Social Worker	46%	11,763		12%	3,117		5%	1,360				
19	Speech Therapist												
20	Substance Abuse Counselor / Professional												
21	Substance Abuse Paraprofessional												
22	Teacher												
23	Teacher Aide												
24	Voc. Staff (incl. Job Coach, workshop staff, etc.)												
25	Other Academic Instruction												
26	Other Medical Care												
27	Other Habilitation / Rehabilitation												
28	Other Substance Abuse												
29	All Other Program Staff Not Requiring Specification	7%	10,677		3%	4,167		32%	50,312		10%	14,817	
30	TOTAL ALL POSITIONS	18%	142,681	-	2%	15,436	-	18%	142,599	-	0	14,817	-

Total must equal sum of line 4 of the schedule of Program Costs

From among the positions classified above, give the details for staff which function in the categories according to the definitions.

31	Mental Health Professional (MHP)												
32	Qualified Mental Health Prof. (QMHP)												
33	Qualified Mental Retardation Prof. (QMRP)												
34	Rehabilitative Services Associate (RSA)												
35	SEP Job coach - for DHS Reporting Only												
36	TOTAL ALL POSITIONS	0%	-	-	0%	-	-	0%	-	-	-	-	-