

2010  
Audit

00000000000000000000

015432

**OLD COLONY ELDERLY SERVICES, INC.  
AND SUBSIDIARY**

**YEARS ENDED JUNE 30, 2010 AND 2009**



OLD COLONY ELDERLY SERVICES, INC. AND SUBSIDIARY

YEARS ENDED JUNE 30, 2010 AND 2009

CONTENTS

	Page
Independent Auditors' Report	1
Consolidated Financial Statements:	
Statements of Financial Position	2
Statements of Activities and Changes in Net Assets	3
Statements of Cash Flows	4
Notes to Financial Statements	5-15
Independent Auditors' Report on Supplementary Information – Schedule of Functional Expenses	16
Statement of Functional Expenses	17

11-01-2010 10:08:00 AM



Lefkowitz, Garfinkel, Champi & DeRienzo P.C.  
Certified Public Accountants / Business Consultants

2010  
Audit  
015432

11-17-10 09:00 AM

Independent Auditors' Report

Board of Directors  
Old Colony Elderly Services, Inc.  
Brockton, Massachusetts

We have audited the accompanying consolidated statement of financial position of Old Colony Elderly Services, Inc. and Subsidiary (the Organization) as of June 30, 2010, and the related consolidated statements of activities and changes in net assets, and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. The consolidated financial statements of Old Colony Elderly Services, Inc. and Subsidiary for the year ended June 30, 2009 were audited by other auditors whose report, dated October 27, 2009, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides 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 Old Colony Elderly Services, Inc. and Subsidiary as of June 30, 2010, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States.

In accordance with Government Auditing Standards, we have also issued our report dated November 12, 2010 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

*Lefkowitz, Garfinkel, Champi & DeRienzo P.C.*

November 12, 2010

OLD COLONY ELDERLY SERVICES, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION – JUNE 30, 2010 AND 2009

ASSETS

	<u>2010</u>	<u>2009</u>
Current assets		
Cash and cash equivalents	\$ 2,012,052	\$ 1,223,197
Cash – Board-designated	700,000	700,000
Accounts receivable, less allowance for doubtful accounts (2010, \$2,493; 2009, \$3,924)	2,290,801	3,083,800
Prepaid expenses and other	<u>56,965</u>	<u>56,646</u>
Total current assets	5,059,818	5,063,643
Investments	1,361,383	1,234,344
Property and equipment, less accumulated depreciation	<u>2,769,036</u>	<u>2,747,029</u>
Total assets	<u>\$ 9,190,237</u>	<u>\$ 9,045,016</u>

LIABILITIES AND NET ASSETS

Current liabilities:		
Current portion of long-term debt	\$ 48,536	\$ 46,738
Accounts payable	2,403,494	2,610,908
Accrued expenses	711,659	635,767
Deferred revenue	<u>41,168</u>	<u>58,968</u>
Total current liabilities	<u>3,204,857</u>	<u>3,352,381</u>
Long term debt, less current portion	<u>1,148,931</u>	<u>1,195,961</u>
Net assets		
Unrestricted:		
Board-designated	700,000	700,000
Undesignated	<u>4,130,827</u>	<u>3,790,896</u>
	4,830,827	4,490,896
Temporarily restricted	<u>5,622</u>	<u>5,778</u>
Total net assets	<u>4,836,449</u>	<u>4,496,674</u>
Total liabilities and net assets	<u>\$ 9,190,237</u>	<u>\$ 9,045,016</u>

See notes to consolidated financial statements.

OLD COLONY ELDERLY SERVICES, INC. AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

YEARS ENDED JUNE 30, 2010 AND 2009

	2010			2009		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Operating revenue and support:						
Grants and contracts	\$24,306,111	\$ 1,400	\$24,307,511	\$24,178,388	\$ 1,450	\$24,179,838
Investment income, net	154,011		154,011	159,028		159,028
Contributions	268,303		268,303	241,902		241,902
Fundraising	24,055		24,055	16,272		16,272
Net assets released from restrictions	1,556	(1,556)	- 0 -	508	(508)	- 0 -
Total operating revenue and support	<u>24,754,036</u>	<u>(156)</u>	<u>24,753,880</u>	<u>24,596,098</u>	<u>942</u>	<u>24,597,040</u>
Operating expenses:						
Program Management and general Fundraising	22,768,882		22,768,882	22,658,264		22,658,264
	1,638,508		1,638,508	1,618,067		1,618,067
	6,715		6,715	4,611		4,611
Total operating expenses	<u>24,414,105</u>		<u>24,414,105</u>	<u>24,280,942</u>		<u>24,280,942</u>
Increase (decrease) in net assets	339,931	(156)	339,775	315,156	942	316,098
Net assets, beginning of year	4,490,896	5,778	4,496,674	4,175,740	4,836	4,180,576
Net assets, end of year	<u>\$ 4,830,827</u>	<u>\$ 5,622</u>	<u>\$ 4,836,449</u>	<u>\$ 4,490,896</u>	<u>\$ 5,778</u>	<u>\$ 4,496,674</u>

See notes to consolidated financial statements.

OLD COLONY ELDERLY SERVICES, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Cash flows from operating activities:		
Change in net assets	\$ 339,775	\$ 316,098
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Loss on disposal of equipment	1,772	
Depreciation	225,788	179,652
Net gains on investments	(88,755)	(59,357)
Provision for (recovery of) losses on accounts receivable	9,451	(6,773)
Changes in assets and liabilities:		
Accounts receivable	783,548	43,711
Prepaid expenses and other	(319)	(11,840)
Accounts payable	(190,914)	233,740
Accrued expenses	75,892	(53,367)
Deferred revenue	(17,800)	6,957
Net cash provided by operating activities	<u>1,138,438</u>	<u>648,821</u>
Cash flows from investing activities:		
Increase in Board-designated cash		(700,000)
Proceeds from sales and maturities of investments	424,997	1,294,826
Purchase of:		
Investments and reinvested earnings	(463,281)	(1,345,808)
Property and equipment	(266,067)	(1,086,116)
Net cash used in investing activities	<u>(304,351)</u>	<u>(1,837,098)</u>
Cash used in financing activities, principal payments on long-term debt	<u>(45,232)</u>	<u>(40,713)</u>
Net increase (decrease) in cash and cash equivalents	788,855	(1,228,990)
Cash and cash equivalents, beginning of year	<u>1,223,197</u>	<u>2,452,187</u>
Cash and cash equivalents, end of year	<u>\$ 2,012,052</u>	<u>\$ 1,223,197</u>
Supplemental disclosure, cash paid for interest	<u>\$ 86,544</u>	<u>\$ 91,063</u>

See notes to consolidated financial statements.

OLD COLONY ELDERLY SERVICES, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2010 AND 2009

1. Description of organization and summary of significant accounting policies:

Principles of consolidation:

The consolidated financial statements include the accounts and transactions of Old Colony Elderly Services, Inc. (OCES) and its wholly-owned subsidiary, Brockton Main Street, LLC (BMS) (collectively referred to as the Organization). All significant intercompany accounts and transactions have been eliminated in consolidation.

Description of organization:

OCES is a private nonprofit organization and designated Massachusetts Home Care Corporation. OCES is also designated as an Aging Services Access Point (ASAP) by the Massachusetts Executive Office of Elder Affairs (EOEA). OCES' purpose is to implement federal and state programs in twenty-two towns and the City of Brockton in Massachusetts. OCES services Avon and Stoughton in Norfolk County, Easton in Bristol County, the City of Brockton and the towns of Abington, Rockland, Hanover, Marshfield, Pembroke, Hanson, Whitman, Bridgewater, East Bridgewater, West Bridgewater, Halifax, Duxbury, Kingston, Plympton, Plymouth, Carver, Middleboro, Lakeville and Wareham in Plymouth County.

Its various programs include:

*Home Care:*

Care management and coordinated social services are provided to frail and vulnerable elders through the State Home Care, Protective Services, Enhanced Community Options, Community Choices, Clinical Assessment and Eligibility, and Congregate and Supportive Housing programs.

*Title III C:*

Nutrition services are provided to eligible elders in congregate settings or through home delivery.

*Other:*

Shelter, meals, supervision, personal care and/or transportation are provided in a family setting to infirm or disabled individuals through the Adult Family Care and Personal Care Attendant programs. OCES also coordinates services under the Family Caregiver, Money Management and Senior Care Organization programs.

OLD COLONY ELDERLY SERVICES, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED JUNE 30, 2010 AND 2009

1. Description of organization and summary of significant accounting policies (continued):

Description of organization (continued):

The majority of OCES programs are funded by federal, state and local governments and are dependent upon continued funding. Management believes that there is sufficient bipartisan support for these programs to reasonably expect future funding to allow a continuation of such programs.

BMS was organized for the purpose of purchasing the building located at 144 Main Street, Brockton, Massachusetts, which serves as the OCES principal office.

Recent accounting pronouncement, investments:

Effective June 30, 2010, the Organization adopted newly effective accounting guidance which requires enhanced disclosure of the nature and risks of investments, and permits an entity to measure the fair value of certain investments using net asset value per share. The adoption of this newly effective accounting guidance did not have a material effect on the accompanying consolidated financial statements.

Basis of financial statement presentation:

The Organization's net assets and activities that increase or decrease net assets are classified as either unrestricted, temporarily restricted or permanently restricted:

Unrestricted net assets are those without any donor-imposed restrictions as to their use and are available for the general operations of the Organization.

Temporarily restricted net assets are those whose use by the Organization has been limited by donors to a specific time period or purpose. Temporarily restricted net assets consist of funds restricted for use with the Elder Education and Community Outreach (EECO) program. The EECO program is a collaborative effort of OCES and other local organizations to bring professional education, information services and health screenings to seniors.

Permanently restricted net assets have been restricted by donors to be maintained by the Organization in perpetuity. During the years ended June 30, 2010 and 2009, the Organization did not have any permanently restricted net assets.





OLD COLONY ELDERLY SERVICES, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED JUNE 30, 2010 AND 2009

OLD COLONY ELDERLY SERVICES, INC.

1. Description of organization and summary of significant accounting policies (continued):

Fair value measurements:

Accounting guidance pertaining to fair value measurements defines fair value, establishes a framework for measuring fair value and expands disclosures. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy are described as follows:

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

Cash and cash equivalents:

The Organization considers all highly-liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Cash is held in two financial institutions whose deposits are federally insured. At June 30, 2010 and 2009, the Organization had no amounts on deposit in excess of the amounts insured by the Federal Deposit Insurance Corporation under its revised limits.

Cash equivalents consist of overnight repurchase agreements with a bank that are supported by U.S. Treasury securities held in the name of the bank totaling \$2,383,534 and \$1,608,390 at June 30, 2010 and 2009, respectively. Under arrangements with the bank, excess cash balances are invested daily into overnight repurchase agreements.

Cash – board-designated:

The Board of Directors has designated \$700,000 of the Organization's unrestricted net assets at June 30, 2010 and 2009 to be set aside for future program expansion and funding of operations.

Accounts receivable:

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to bad debt expense and a credit to the allowance for doubtful accounts based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for doubtful accounts and a credit to accounts receivable. Changes in the allowance for doubtful accounts have not been material to the consolidated financial statements.

OLD COLONY ELDERLY SERVICES, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED JUNE 30, 2010 AND 2009

1 - 03/10/10 \ 003

1. Description of organization and summary of significant accounting policies (continued):

Revenue recognition:

The Organization's revenues are reported when the services are provided or when expenditures covered by a grant are incurred. Contracts are primarily billed based upon a unit rate reimbursement or actual costs incurred. The Organization's primary revenue source is the Commonwealth of Massachusetts (the Commonwealth), which subjects the Organization to various regulations promulgated by the Commonwealth of Massachusetts Operational Services Division (the Division), EOEA and the Executive Office of Health and Human Services.

Excess of revenues over expenses from the Commonwealth supported programs, up to certain defined amounts, are available for retention by the Organization. Amounts in excess of the defined amounts are payable back to the Commonwealth. No amounts were due back to the Commonwealth at June 30, 2010 or 2009.

Rental revenues are recorded when due, generally on the first day of the month.

Investments:

The Organization's investments are stated at fair value using Level 1 inputs.

The cost of investments sold is determined using the specific identification method.

Property and equipment:

Property and equipment are stated at cost. Depreciation is using the straight-line method over estimated useful lives of 39 years for the building and 4-5 years for equipment. Routine repairs and maintenance costs are charged to operations while those which materially improve or extend the lives of existing assets are capitalized.

The Organization evaluates long-lived assets held and used by the Organization for impairment whenever events or changes in circumstances indicate that the carrying amounts of the assets may not be recoverable. An impairment loss is recognized if the sum of the expected undiscounted future cash flows from the use and disposition of the asset is less than its carrying amount. Generally, the amount of the impairment loss is measured as the difference between the carrying amount of the asset and the estimated fair value of the asset. The Organization did not record any impairment losses during the years ended June 30, 2010 and 2009.

Retirement plan:

The Organization funds its defined contribution 401(k) plan as costs are accrued.

OLD COLONY ELDERLY SERVICES, INC. AND SUBSIDIARY  
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED JUNE 30, 2010 AND 2009

1. Description of organization and summary of significant accounting policies (continued):

Income taxes:

OCES is organized under the provisions of Chapter 180 of the Massachusetts General Laws, and qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

BMS is a single-member limited liability company and is considered a disregarded entity for income tax reporting purposes.

The Organization is no longer subject to U.S. federal and state examinations by tax authorities for years before 2007.

Subsequent events:

The Organization has evaluated subsequent events through November 12, 2010, the date that the accompanying consolidated financial statements were available to be issued.

Reclassifications:

Certain amounts in the 2009 consolidated financial statements have been reclassified to conform with the 2010 presentation.

2. Investments:

Investments consist of the following:

	2010	2009
Money market funds	\$ 51,067	\$ 33,849
U.S. Government agency obligations, rated Aaa	579,273	591,344
Corporate and foreign bonds:		
Rated:		
A	52,743	
A3	54,071	
Total corporate and foreign bonds	106,814	

(continued)

OLD COLONY ELDERLY SERVICES, INC. AND SUBSIDIARY  
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
 YEARS ENDED JUNE 30, 2010 AND 2009

OLD COLONY ELDERLY SERVICES, INC.

2. Investments (continued):

Investments consist of the following (continued):

	2010	2009
Equity securities:		
Materials	\$ 16,933	
Consumer	18,003	
Consumer staples	18,630	
Health care	17,225	
Energy	15,729	
Financials	18,003	
Industrials	17,630	
Information	17,459	
Telecommunication	19,231	
Utilities	18,787	
Total equity securities	177,630	\$ 178,876
Mutual funds:		
Domestic fixed income	137,820	
International fixed income	104,445	
Domestic equity	107,568	
International equity	96,766	
Total mutual funds	446,599	430,275
	\$ 1,361,383	\$ 1,234,344

Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements.

OLD COLONY ELDERLY SERVICES, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED JUNE 30, 2010 AND 2009

ESG 8/11/10 093

2. Investments (continued):

Net investment income is comprised of the following:

	2010	2009
Interest and dividends	\$ 73,663	\$ 100,913
Net gain on investments	88,755	63,248
Fees	(8,407)	(5,133)
	\$ 154,011	\$ 159,028

3. Property and equipment:

	2010	2009
Land	\$ 137,000	\$ 137,000
Building	1,456,018	1,456,018
Building improvements	1,059,209	890,174
Furniture and fixtures	659,094	613,927
Computer equipment	343,935	365,813
	3,655,256	3,462,932
Less accumulated depreciation	886,220	715,903
	\$ 2,769,036	\$ 2,747,029

4. Accrued expenses:

	2010	2009
Retirement plan	\$ 234,595	\$ 232,257
Payroll and benefits	162,486	128,486
Employee vacation benefits	264,566	243,700
Other	50,012	31,324
	\$ 711,659	\$ 635,767

OLD COLONY ELDERLY SERVICES, INC. AND SUBSIDIARY  
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED JUNE 30, 2010 AND 2009

5. Line of credit:

At June 30, 2010 and 2009, the Organization has a line of credit (line) with a financial institution. The line expires on December 31, 2010 and bears interest at the prime rate (3.25% at June 30, 2010) or the floor of 4%, whichever is greater. The Organization has a maximum borrowing amount of \$500,000 under the line, which is collateralized by all of the Organization's assets. The agreement relating to the line requires the Organization to meet certain covenants. At June 30, 2010 and 2009, no borrowings were outstanding under the line.

6. Long-term debt:

	2010	2009
Note payable, bank, amortized over twenty years, payable in monthly principal and interest installments of \$9,151 with a final balloon payment due on October 29, 2019. The note bears interest at 6.99% per annum and is collateralized by (a) a first lien mortgage, (b) assignment of leases and rents, and (c) various other financing documents, as defined in the loan agreement.	\$ 996,055	\$ 1,033,782
 Note payable, bank, amortized over twenty years, payable in monthly principal and interest installments of \$1,830 with a final balloon payment due on October 29, 2019. The note bears interest at 6.99% per annum and is collateralized by (a) substantially all assets, and (b) various other financing documents, as defined in the loan agreement.	 <u>201,412</u>	 <u>208,917</u>
 Less current portion	 1,197,467 <u>48,536</u>	 1,242,699 <u>46,738</u>
	 <u>\$ 1,148,931</u>	 <u>\$ 1,195,961</u>

Annual maturities of long-term debt are as follows:

<u>Year ending June 30,</u>	
2011	\$ 48,536
2012	53,227
2013	57,069
2014	61,189
2015	65,606
Thereafter	<u>911,840</u>
	 <u>\$ 1,197,467</u>

OLD COLONY ELDERLY SERVICES, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED JUNE 30, 2010 AND 2009

11-01-2010 10:08 AM

6. Long-term debt (continued):

The notes payable contain restrictive covenants relating to, among others, maintenance of certain financial ratios and compliance with certain laws and regulations.

7. Retirement plan:

The Organization maintains a 401 (k) retirement plan which covers all eligible employees who meet specified age and service requirements. The Organization's annual contribution is discretionary and is subject to annual approval by the Board of Directors. During the years ended June 30, 2010 and 2009, the Organization contributed 5% of eligible employees' salaries, which totaled \$234,595 and \$232,257, respectively.

8. Surplus revenue retention:

The Commonwealth of Massachusetts Not-For-Profit Provider Surplus Revenue Retention Policy pursuant to 808 CMR 1.19(3) of the Pricing, Reporting and Auditing for Social Programs, allows a provider to retain, for future use, a portion of annual net surplus. This net surplus, from the revenues and expenses associated with services provided to Purchasing Agencies which are subject to 808 CMR 1.00, may not exceed 5% of said provider's revenue annually. Furthermore, the cumulative amount of the provider's net surplus may not exceed 20% of the provider's prior years' revenues from Purchasing Agencies.

According to the Division's accounting and reporting policies, surplus revenue retention within the allowable limits is to be reported or disclosed as a component of unrestricted fund balance. Any surplus revenue retained in excess of the aforementioned limits is to be reported as an unrestricted liability.

Excess surplus revenues may be recouped by the Commonwealth via price reductions in future agreements, by the return of such funds to the Commonwealth, or by the Commonwealth stipulating the use of such funds.

The Division has authorized a waiver for EOEA to implement its own surplus revenue retention policy which provides, among other things, that the Home Care corporations provide EOEA with a plan detailing the proposed use of said surplus funds.



OLD COLONY ELDERLY SERVICES, INC. AND SUBSIDIARY  
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
 YEARS ENDED JUNE 30, 2010 AND 2009

OCES - OLD COLONY ELDERLY SERVICES, INC.

8. Surplus revenue retention (continued):

The Organization has no surplus revenue that would be required to be reported as a liability at June 30, 2010 and 2009. The following presents the components of unrestricted net assets:

	Unrestricted Net Assets	Commonwealth of Massachusetts Cumulative Revenue Surplus	Total
Balance at June 30, 2008	\$ 2,902,593	\$ 1,273,147	\$ 4,175,740
Change in net assets	<u>703,859</u>	<u>(388,703)</u>	<u>315,156</u>
Balance at June 30, 2009	3,606,452	884,444	4,490,896
Change in net assets	<u>774,004</u>	<u>(434,073)</u>	<u>339,931</u>
Balance at June 30, 2010	<u>\$ 4,380,456</u>	<u>\$ 450,371</u>	<u>\$ 4,830,827</u>

9. Financial instruments and concentrations:

OCES' financial instruments that may be subject to concentrations of credit risk consist of cash, accounts receivable and investments.

The Organization depends heavily on the Commonwealth for funding. Approximately \$15,689,000 (63%) and \$15,900,000 (65%) of revenues for the years ended June 30, 2010 and 2009, respectively, were from contracts with the Commonwealth.

Approximately \$767,000 (34%) and \$2,209,000 (72%) of accounts receivable at June 30, 2010 and 2009, respectively, is due from the Commonwealth.

10. Collective bargaining agreement:

The Organization has a collective bargaining agreement, which expires June 30, 2011, covering approximately 28% of the Organization's labor force at June 30, 2010.