

**HIRED**

FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT

June 30, 2006 and 2005

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**HIRED**  
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**Purpose**

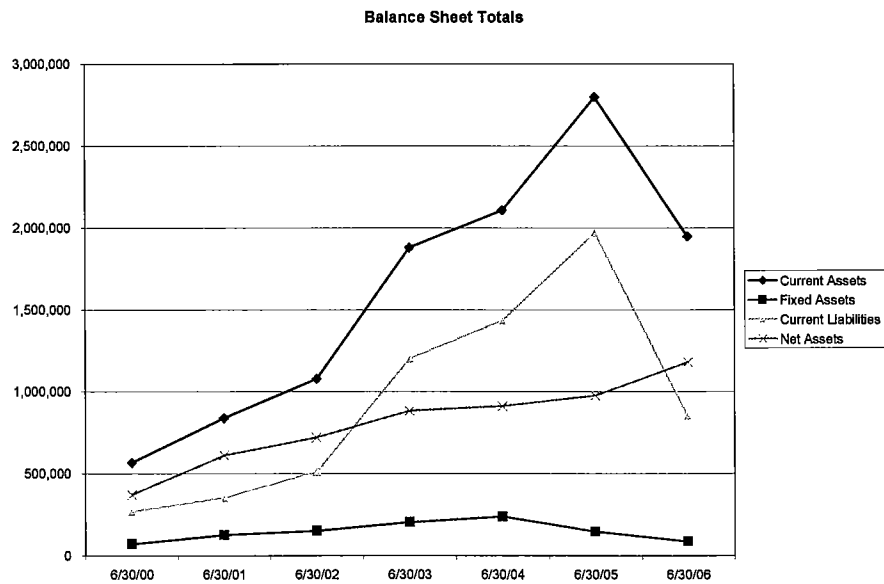
HIRED’s management has prepared this analysis of HIRED’s financial position to accompany our fiscal year 2006 audited financial statements. It is our intention to provide readers with the context for the statements and information about the economic, political and industry trends that affected our operations and financial outcomes for this year and will affect us in the future. This analysis contains forward-looking statements based on current information and expectations. While management believes the forward-looking statements to be reasonable assumptions based on current information, we cannot guarantee the statements’ accuracy.

**About HIRED**

HIRED is a Minnesota nonprofit corporation established in 1968. Our mission is to provide personalized and innovative work solutions. We are currently accomplishing our mission by providing employment and related programs to at-risk youth, low-income adults, dislocated workers, ex-offenders and individuals making the transition from welfare to work. In FY2006, HIRED assisted over 8,500 people. We had approximately 141 staff members working in 13 offices and four satellite service locations at Minneapolis public high schools and Hmong American Partnership.

**Financial Position**

Balance Sheet: HIRED has a healthy balance sheet. Although cash has decreased from the FY2005 level, our cash position remains strong. HIRED’s net assets have increased in each of the last seven years. Fiscal year 2006 is the first year HIRED’s net assets have exceeded \$1,000,000.



The balance sheet shows a decrease in cash and accounts receivable and other current assets and the corresponding decrease in current liabilities. These decreases are the result of our return to normalcy after we

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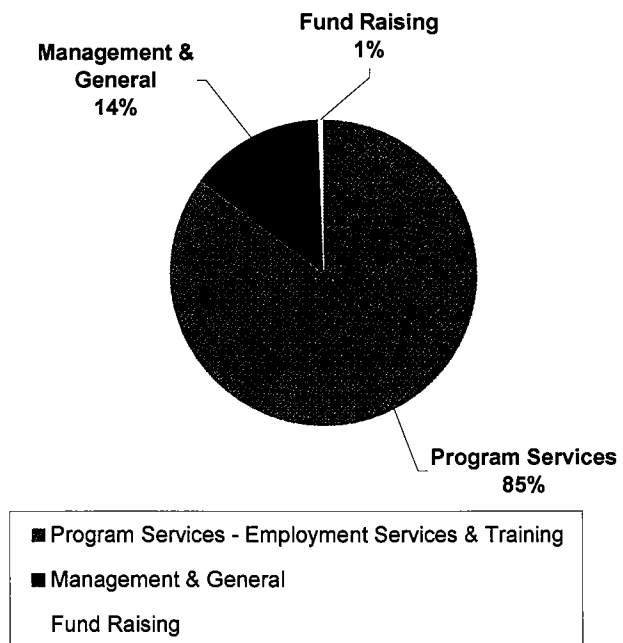
accelerated invoicing at the end of fiscal year 2005 in preparation for the Minnesota state government shut-down in July 2005.

Other changes in the balance sheet were the result of decreases in expenses. The decrease in prepaid expenses is attributable to decreases in workers' compensation premiums. Fixed assets decreased because having invested in our infrastructure and technology in fiscal 2005, HIRED did not have a need for new capital equipment in fiscal year 2006. The timing of our payroll cycles led to a decrease in accrued payroll expenses.

Financial Activities/Functional Expenses:

HIRED devotes a high percentage of its revenue—85%—to direct client services, including client training, client support services and program operating costs (space, supplies, postage, mileage, etc). The remaining revenue supports management and general expenses, including accounting, marketing, information technology, communications and human resources. Overall, fiscal year 2006 revenue is down 9% from fiscal year 2005. While public support increased 8.4%, government contracts decreased 9.4% resulting in an 11% drop in program services and a 4.3% drop in management expenses. Management and fundraising expenses are only 14.8% of total expenses, well below the 30% maximum suggested by the Charities Review Council.

**Functional Expenses**



**Looking Forward**

There has been little change in HIRED's economic and political climate in the last year. While the economy and some sectors of the job market have improved, the benefits have not reached all members of our community. There are few opportunities for older workers who find themselves with outdated skills as a result of rapidly changing technology. Workers with limited education, including many recent high school graduates, immigrants and others have difficulty qualifying for jobs that pay wages sufficient for individual and family self-sufficiency. At the same time, public policy at both the state and federal levels has not focused

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on workforce development issue for several years and substantive investments have not been made in preparing workers. As a result, HIRED's grant revenue continues to decline.

HIRED continues to pursue the strategies in its long-term plans to diversify revenue and build infrastructure. We have made incremental progress toward the goals in our plan in fiscal year 2006. We developed a long-term plan to increase the capacity of our development department in order to increase revenue from individual and institutional donors. HIRED secured a contract from the Minnesota Department of Corrections, a department that had not previously contracted with HIRED. In addition, we began providing fee-based services through our new Career Crossroads program. We also continued to upgrade our technical systems, especially our job development system, to maximize efficiency. In the coming year, we will expand our earned income venture and invest in additional staff to focus on securing contributions from individuals.





**Tautges Redpath, Ltd.**

Certified Public Accountants and Consultants

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of HIRED  
Minneapolis, Minnesota

We have audited the accompanying statements of financial position of HIRED as of June 30, 2006 and 2005, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of HIRED's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* as issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of HIRED's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of HIRED as of June 30, 2006 and 2005, 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 September 27, 2006 on our consideration of HIRED's internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts and grants, 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 audits.

4810 White Bear Parkway	White Bear Lake, Minnesota	55110	651 426 7000	651 426 5004 Fax	www.hlbtr.com
1303 South Frontage Road	Suite 13 Hastings, Minnesota	55033	651 480 4990	651 426 5004 Fax	

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Our audits were made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying information listed as supplemental information and Management Discussion and Analysis in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The supplemental information has been subjected to the auditing procedures applied in the audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements, taken as a whole. The Management Discussion and Analysis has not been subjected to the auditing procedures applied in the audits of the financial statements and accordingly we express no opinion on it.

*HLB Tautges Redpath, Ltd.*

HLB TAUTGES REDPATH, LTD.  
White Bear Lake, Minnesota

September 27, 2006

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## **FINANCIAL STATEMENTS**

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**HIRED**

## STATEMENTS OF FINANCIAL POSITION

June 30, 2006 and 2005

**Statement 1**

	<u>2006</u>	<u>2005</u>
Assets		
Current assets:		
Cash	\$852,221	\$1,334,713
Contracts receivable - billed (see Note 3)	916,018	1,055,308
Contracts receivable - unbilled	4,211	203,222
Other receivables	(4,630)	7,029
Prepaid expenses	183,240	203,586
Total current assets	<u>1,951,060</u>	<u>2,803,858</u>
Property and equipment:		
Office equipment and leasehold improvements	1,098,803	1,098,803
Less: accumulated depreciation and amortization	<u>(1,007,703)</u>	<u>(947,525)</u>
Total property and equipment	<u>91,100</u>	<u>151,278</u>
Total assets	<u><u>\$2,042,160</u></u>	<u><u>\$2,955,136</u></u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$324,164	\$370,591
Accrued payroll, vacation and related taxes	312,605	594,573
Deferred revenue	221,344	1,008,500
Total current liabilities	<u>858,113</u>	<u>1,973,664</u>
Net assets:		
Unrestricted	919,452	808,609
Temporarily restricted (see Note 2)	<u>264,595</u>	<u>172,863</u>
Total net assets	<u>1,184,047</u>	<u>981,472</u>
Total liabilities and net assets	<u><u>\$2,042,160</u></u>	<u><u>\$2,955,136</u></u>

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

**HIRED**

## STATEMENTS OF ACTIVITIES

For The Years Ended June 30, 2006 and 2005

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	<b>2006</b>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Support and revenue:			
Governmental contracts	\$9,917,948	\$ -	\$9,917,948
Contributions	65,241	287,345	352,586
Other	17,260	-	17,260
Net assets released from restrictions:			
Satisfaction of program restrictions	195,613	(195,613)	-
Total support and revenue	<u>10,196,062</u>	<u>91,732</u>	<u>10,287,794</u>
Expenses:			
Program services - employment services, and training	8,586,482	-	8,586,482
Supporting services:			
Management and general	1,429,152	-	1,429,152
Fundraising	69,585	-	69,585
Total expenses	<u>10,085,219</u>	<u>0</u>	<u>10,085,219</u>
Change in net assets	110,843	91,732	202,575
Net assets - beginning of year	<u>808,609</u>	<u>172,863</u>	<u>981,472</u>
Net assets - end of year	<u><u>\$919,452</u></u>	<u><u>\$264,595</u></u>	<u><u>\$1,184,047</u></u>

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

Statement 2

<b>2005</b>		
<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
\$10,941,274	\$ -	\$10,941,274
11,263	314,044	325,307
22,076	-	22,076
290,974	(290,974)	-
<u>11,265,587</u>	<u>23,070</u>	<u>11,288,657</u>
9,688,801	-	9,688,801
1,493,140	-	1,493,140
40,590	-	40,590
<u>11,222,531</u>	<u>0</u>	<u>11,222,531</u>
43,056	23,070	66,126
<u>765,553</u>	<u>149,793</u>	<u>915,346</u>
<u>\$808,609</u>	<u>\$172,863</u>	<u>\$981,472</u>

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

**HIRED**

## STATEMENTS OF FUNCTIONAL EXPENSES

For The Years Ended June 30, 2006 and 2005

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	<b>2006</b>			
	Program Services - Employment Services and Training	Management and General	Fundraising	Total
Participant services	\$1,965,218	\$ -	\$ -	\$1,965,218
Salaries and wages	4,464,943	838,565	35,281	5,338,789
Space costs (see Note 5)	473,156	49,896	3,077	526,129
Payroll taxes	423,803	66,770	2,535	493,108
Supplies	154,839	48,057	1,096	203,992
Fringe benefits	678,787	106,839	2,134	787,760
Telephone	193,369	60,844	927	255,140
Depreciation and amortization (see Note 1H)	-	60,176	-	60,176
Equipment rent and maintenance	70,651	30,134	701	101,486
Small equipment	40,454	25,589	-	66,043
Travel	43,588	2,755	101	46,444
Postage	50,661	4,234	1,001	55,896
Insurance	12,839	7,188	99	20,126
Payroll processing	-	14,636	-	14,636
Consulting	7,611	82,449	3,613	93,673
Other	6,563	31,020	19,020	56,603
	<u>\$8,586,482</u>	<u>\$1,429,152</u>	<u>\$69,585</u>	<u>\$10,085,219</u>

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

Statement 3

2005

Program Services - Employment Services and Training	Management and General	Fundraising	Total
\$2,509,975	\$ -	\$ -	\$2,509,975
4,821,869	831,630	28,308	5,681,807
441,920	32,038	806	474,764
447,334	69,295	2,467	519,096
184,394	34,855	3,582	222,831
812,553	114,104	1,795	928,452
249,026	69,154	1,178	319,358
-	112,525	-	112,525
62,424	38,461	892	101,777
36,070	14,258	37	50,365
46,751	1,147	66	47,964
53,363	8,288	410	62,061
11,977	5,733	49	17,759
-	20,477	-	20,477
11,145	53,379	-	64,524
-	87,796	1,000	88,796
<u>\$9,688,801</u>	<u>\$1,493,140</u>	<u>\$40,590</u>	<u>\$11,222,531</u>

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

**HIRED**

## STATEMENTS OF CASH FLOWS

For The Years Ended June 30, 2006 and 2005

Statement 4

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	<u>2006</u>	<u>2005</u>
Cash flows from operating activities:		
Increase in net assets	\$202,575	\$66,126
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	60,176	112,525
Changes in assets and liabilities:		
Receivables	349,961	(140,079)
Prepaid expenses	20,347	9,554
Accounts payable and accrued liabilities	(328,395)	275,711
Deferred revenue	(787,156)	130,064
Net cash provided by operating activities	<u>(482,492)</u>	<u>453,901</u>
Cash flows from investing activities:		
Capital expenditures	<u>-</u>	<u>(21,426)</u>
Net increase (decrease) in cash and cash equivalents	(482,492)	432,475
Cash and cash equivalents - beginning of year	<u>1,334,713</u>	<u>902,238</u>
Cash and cash equivalents - end of year	<u><u>\$852,221</u></u>	<u><u>\$1,334,713</u></u>

## Supplemental disclosure of cash flow information:

No cash was paid for interest or income taxes in 2006 and 2005.

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

**Note 1 SUMMARY OF ACCOUNTING POLICIES**

HIRED (the Organization) provides employment assistance to those suffering from economic injury. Funded primarily through contracts from federal and state sources, the Organization's specific goals are determined by the objectives and restrictions of the individual contracts and program operations.

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

**A. BASIS OF PRESENTATION**

Net assets, revenues, expenses, gains, and losses of the Organization are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

- Unrestricted net assets – net assets that are not subject to donor-imposed restrictions.
- Temporarily restricted net assets – net assets subject to donor-imposed restrictions that may or will be met either by actions of the Organization and/or the passage of time.

**B. BASIS OF ACCOUNTING**

Support and revenue and expenses are recorded on the accrual basis of accounting. Revenues from cost reimbursement governmental contract are recognized as costs are incurred. Governmental contract expenditures in excess of the related contract monies drawn result in the recording of governmental contract receivable.

Revenues from other sources including "performance based contracts" are recognized when they become earned. Expenses are recognized when the related liability is incurred.

**C. CONTRIBUTIONS RECEIVED**

Contributions received are measured at fair value and reported as an increase in net assets. The Organization reports gifts of cash and other assets as temporarily restricted support if they are received with donor stipulations that limit their use. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**D. CONTRIBUTED PROPERTY AND EQUIPMENT**

Contributed property and equipment is recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support. In 2005 and 2006 there were no contributions of property or equipment.

**HIRED****NOTES TO FINANCIAL STATEMENTS**June 30, 2006 and 2005

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**E. CONTRIBUTED SERVICES AND MATERIALS**

Contributed professional services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair market value when received.

**F. CASH**

The Organization maintains cash balances at one financial institution located in Minnesota. Accounts at this institution are secured by the Federal Deposit Insurance Corporation up to \$100,000. The Organization's cash balances at times may exceed the insured limit. At June 30, 2006 and 2005, the Organization's bank balances at Wells Fargo exceeded the insured limit by approximately \$750,000 and \$1,200,000, respectively. The Organization has not experienced any losses in such accounts in the past.

**G. RECEIVABLES**

Most of the receivables of the Organization relate to governmental contracts as disclosed in Note 3. Credit is also granted to local businesses and organizations as part of certain program services. The Organization considers contracts and other receivables to be fully collectible; accordingly, no allowance for doubtful accounts is provided. If amounts become uncollectible, they will be charged to operations when that determination is made.

**H. PROPERTY AND EQUIPMENT**

The Organization generally capitalizes property and equipment acquisitions in excess of \$5,000. Property and equipment acquired are capitalized and carried at cost, if purchased, or at fair market value on date of donation, if donated. Depreciation is provided in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives of between three to eight years using the straight-line method.

Property and equipment acquired with governmental contracts, which remain the property of the Organization upon termination of the contracts, are capitalized and carried at cost. Property and equipment acquired with governmental contracts, which revert to the funding government upon termination of the program, are treated as expenses for the year in which the liability is incurred. As such, depreciation is not provided. Title to these assets remains with the funding government.

**I. INCOME TAXES**

The Internal Revenue Service, in a letter dated August 2, 1991, has determined that the Organization is exempt from federal income tax under Section 501(a) of the Internal Revenue Code, as a public charity as described in Section 501(c)(3). Similar exemptions exist under Minnesota statutes.

**HIRED**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2006 and 2005

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**J. ACCRUED VACATION PAY**

Employees accrue vacation time throughout the year and any unused amounts at an employee's anniversary date are not carried forward. Most employees' vacation pay is reimbursable through various governmental contracts.

**K. FUNCTIONAL ALLOCATION OF EXPENSES**

The costs of providing program services and other activities have been summarized on a functional basis in the accompanying financial statements. Accordingly, certain expenses have been allocated among the programs and the supporting services that received benefit.

**L. USE OF ESTIMATES**

In preparing the financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Note 2 TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following purposes at June 30:

	<u>2006</u>	<u>2005</u>
Donations to be used for employment and training programs	<u>\$264,595</u>	<u>\$172,863</u>

**HIRED**  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2006 and 2005

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**Note 3    CONTRACTS RECEIVABLE - BILLED**

Contracts receivable – billed consist of the following at June 30:

	<u>2006</u>	<u>2005</u>
Hennepin County	\$232,837	\$169,452
City of Minneapolis	73,513	336,078
State of Minnesota	36,990	(1,057)
Ramsey County	454,277	483,452
Washington County	65,282	37,998
Dakota County	4,900	7,518
Anoka County	2,603	18,707
Minneapolis Public Schools	38,053	-
Other	<u>7,563</u>	<u>3,160</u>
Total	<u><u>\$916,018</u></u>	<u><u>\$1,055,308</u></u>

**Note 4    LINE OF CREDIT**

The Organization has \$240,000 available under a line of credit agreement with a bank, which expires on March 19, 2007. The interest rate is 1.00% over the bank's base lending rate. The line of credit is collateralized by the assets of the Organization. Borrowings are due on demand. There were no amounts outstanding under this line of credit as of June 30, 2006 and 2005.

**HIRED**

NOTES TO FINANCIAL STATEMENTS

June 30, 2006 and 2005

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**Note 5**    **COMMITMENTS AND CONTINGENCIES**

PROGRAM COMPLIANCE

Federal and state contracts are subject to financial and compliance regulation. To the extent that any expenditures are disallowed, a liability to the respective funding government could result.

LEASES

The Organization leases certain office facilities and equipment at several locations with options to renew. Lease agreements include provisions for termination should government funding become unavailable. Under current agreements, the minimum future lease commitments for the Organization for the years ended June 30 are as follows:

2007	\$395,671
2008	326,872
2009	36,579
2010	6,520

Rent expense for the Organization was \$486,325 and \$474,764 in 2006 and 2005, respectively.

**Note 6**    **EMPLOYEE BENEFIT PLANS**

The Organization has a defined contribution plan for the benefit of all employees who meet certain service requirements. Contributions to the plan are made by the Organization and are equal to 4% of the participants' compensation. Total Organization contributions to the plan were \$181,692 and \$205,072 in 2006 and 2005, respectively.

The Organization also has a 403(b) plan that allows for employee contributions. The Organization does not contribute to the 403(b) plan.

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## **SUPPLEMENTAL INFORMATION**

**HIRED****OPERATIONS BY PROGRAM**

For The Year Ended June 30, 2006

				<u>Hennepin County</u>
	<u>Program Fund</u>	<u>Development</u>	<u>Career Crossroads</u>	<u>EIP</u>
Support and revenue:				
Governmental contracts	(\$4,972)	\$ -	\$ -	\$74,258
Contributions	352,586	-	-	-
Other	16,162	-	1,098	-
Total support and revenue	<u>363,776</u>	<u>0</u>	<u>1,098</u>	<u>74,258</u>
Expenses:				
Salaries, payroll taxes and fringe benefits	1,078,707	39,950	354	-
Participant services	71,698	-	-	65,872
General administration	323,343	8,572	95	-
Equipment rental and maintenance	31,208	701	-	-
Depreciation and amortization	60,176	-	-	-
Space costs	50,558	3,077	-	-
Other operating costs - net of miscellaneous reimbursements	(1,452,899)	17,285	-	8,386
Total expenses	<u>162,791</u>	<u>69,585</u>	<u>449</u>	<u>74,258</u>
Changes in net assets	<u>\$200,985</u>	<u>(\$69,585)</u>	<u>\$649</u>	<u>\$0</u>

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

<u>MN AID DW2</u>	<u>EJJ</u>	<u>WIA DW North</u>	<u>WIA DW South</u>	<u>State DW North</u>	<u>State DW South</u>	<u>WIA Adult North</u>
\$78,562	\$189,454	\$214,368	\$223,401	\$481,554	\$461,041	\$63,603
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>78,562</u>	<u>189,454</u>	<u>214,368</u>	<u>223,401</u>	<u>481,554</u>	<u>461,041</u>	<u>63,603</u>
26,121	142,264	88,731	88,194	169,260	173,803	23,189
40,110	13,204	65,578	75,752	199,157	177,711	24,103
2,799	19,393	13,193	14,189	22,030	24,446	3,772
62	1,271	2,620	985	4,651	1,642	198
-	-	-	-	-	-	-
3,776	5,177	13,810	12,341	30,500	29,235	3,700
5,694	15,367	30,436	31,940	55,956	54,204	8,641
<u>78,562</u>	<u>196,676</u>	<u>214,368</u>	<u>223,401</u>	<u>481,554</u>	<u>461,041</u>	<u>63,603</u>
<u>\$0</u>	<u>(\$7,222)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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

**HIRED****OPERATIONS BY PROGRAM**

For The Year Ended June 30, 2006

	Hennepin County	City of Minneapolis		
	MFIP	METP Fostering Connections	WIA Youth	Sabathani Project
Support and revenue:				
Governmental contracts	\$1,882,567	\$6,554	\$170,000	\$408,549
Contributions	-	-	-	-
Other	-	-	-	-
Total support and revenue	<u>1,882,567</u>	<u>6,554</u>	<u>170,000</u>	<u>408,549</u>
Expenses:				
Salaries, payroll taxes and fringe benefits	1,200,843	5,617	119,878	264,029
Participant services	160,403	-	8,754	(1,996)
General administration	142,292	441	20,416	27,139
Equipment rental and maintenance	17,433	-	-	6,725
Depreciation and amortization	-	-	-	-
Space costs	112,481	-	834	19,682
Other operating costs - net of miscellaneous reimbursements	247,515	496	20,118	52,374
Total expenses	<u>1,880,967</u>	<u>6,554</u>	<u>170,000</u>	<u>367,953</u>
Changes in net assets	<u>\$1,600</u>	<u>\$0</u>	<u>\$0</u>	<u>\$40,596</u>

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

City of Minneapolis				Mpls Public Schools - Special District No. 1			Ramsey County
Federal Referral DW	State Referral DW	NWA DW	Building Better Futures Title V	Broadway Title II	Broadway School	Broadway School MFIP	ARMHS & Adult
\$118,275	\$207,289	\$7,718	\$46,332	\$45,172	\$141,000	\$17,887	\$76,467
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>118,275</u>	<u>207,289</u>	<u>7,718</u>	<u>46,332</u>	<u>45,172</u>	<u>141,000</u>	<u>17,887</u>	<u>76,467</u>
75,085	128,638	-	38,197	38,706	119,662	13,781	42,891
11,049	24,845	7,100	2,008	500	4,916	-	-
5,150	12,137	-	2,309	2,763	4,674	1,256	4,100
733	1,339	-	9	35	59	-	-
-	-	-	-	-	-	-	-
5,984	10,671	-	-	-	149	-	-
20,274	29,659	618	3,809	2,868	11,540	2,850	29,476
<u>118,275</u>	<u>207,289</u>	<u>7,718</u>	<u>46,332</u>	<u>44,872</u>	<u>141,000</u>	<u>17,887</u>	<u>76,467</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$300</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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

**HIRED****OPERATIONS BY PROGRAM**

For The Year Ended June 30, 2006

	Ramsey County			
	MFIP Group 2	MFIP SJD	WIA Adult	State Workers DW
Support and revenue:				
Governmental contracts	\$1,210,676	\$435,711	\$250,000	\$310,000
Contributions	-	-	-	-
Other	-	-	-	-
Total support and revenue	<u>1,210,676</u>	<u>435,711</u>	<u>250,000</u>	<u>310,000</u>
Expenses:				
Salaries, payroll taxes and fringe benefits	751,517	309,048	110,724	89,226
Participant services	171,790	4,682	82,595	154,056
General administration	101,451	42,390	22,207	23,931
Equipment rental and maintenance	6,844	4,607	1,300	1,116
Depreciation and amortization	-	-	-	-
Space costs	62,087	32,095	5,220	8,449
Other operating costs - net of miscellaneous reimbursements	115,208	42,889	27,954	33,222
Total expenses	<u>1,208,897</u>	<u>435,711</u>	<u>250,000</u>	<u>310,000</u>
Changes in net assets	<u>\$1,779</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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

Ramsey County				State of Minnesota			
Ramsey Youthlead	MYP Youthlead	Building Lives	Mental Health	US Bank DW	Chart Industries DW	Best Buy DW	Seagate DW
\$466,257	\$75,000	\$50,000	\$1,937	\$33,243	\$43,631	\$24,405	\$148,812
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>466,257</u>	<u>75,000</u>	<u>50,000</u>	<u>1,937</u>	<u>33,243</u>	<u>43,631</u>	<u>24,405</u>	<u>148,812</u>
260,827	55,260	41,016	-	2,485	6,151	7,713	42,155
78,990	3,072	2,000	-	20,187	28,277	10,029	74,034
40,975	6,482	1,740	1,150	2,990	1,555	1,706	5,789
7,858	766	148	-	200	658	716	527
-	-	-	-	-	-	-	-
33,575	3,241	2,260	-	1,333	1,795	945	5,753
43,715	6,179	2,836	319	6,048	5,195	3,296	20,554
<u>465,940</u>	<u>75,000</u>	<u>50,000</u>	<u>1,469</u>	<u>33,243</u>	<u>43,631</u>	<u>24,405</u>	<u>148,812</u>
<u>\$317</u>	<u>\$0</u>	<u>\$0</u>	<u>\$468</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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

**HIRED**

## OPERATIONS BY PROGRAM

For The Year Ended June 30, 2006

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	State of Minnesota			
	Smuckers	Advantek	Tension	Innovex
	DW	DW	Envelope	DW
	<u>DW</u>	<u>DW</u>	<u>DW</u>	<u>DW</u>
Support and revenue:				
Governmental contracts	\$70,536	\$93,015	\$57,131	\$118,772
Contributions	-	-	-	-
Other	-	-	-	-
Total support and revenue	<u>70,536</u>	<u>93,015</u>	<u>57,131</u>	<u>118,772</u>
Expenses:				
Salaries, payroll taxes and fringe benefits	43,468	43,955	27,440	62,709
Participant services	10,201	18,602	11,532	25,697
General administration	4,644	7,539	4,806	7,583
Equipment rental and maintenance	789	1,225	227	1,504
Depreciation and amortization	-	-	-	-
Space costs	3,014	5,085	1,675	5,771
Other operating costs - net of miscellaneous reimbursements	8,420	16,609	11,451	15,508
Total expenses	<u>70,536</u>	<u>93,015</u>	<u>57,131</u>	<u>118,772</u>
Changes in net assets	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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

State of Minnesota

3M Auto Graphics DW	Four Points Sheraton ERAG	Four Points Sheraton DW	Cardiac Science ERAG	Cardiac Science DW	NWA DW	Old Home Foods ERAG	Old Home Foods DW
\$234,592	\$5,000	\$214,316	\$5,000	\$66,222	\$106,459	\$5,000	\$45,738
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>234,592</u>	<u>5,000</u>	<u>214,316</u>	<u>5,000</u>	<u>66,222</u>	<u>106,459</u>	<u>5,000</u>	<u>45,738</u>
90,950	4,455	84,639	4,750	23,273	35,911	4,500	14,692
79,476	-	75,784	-	23,937	50,197	-	21,990
21,390	295	18,230	-	5,120	6,019	-	2,682
496	-	505	-	664	-	-	-
-	-	-	-	-	-	-	-
3,542	-	4,497	-	3,513	86	-	-
<u>38,738</u>	<u>250</u>	<u>30,661</u>	<u>250</u>	<u>9,322</u>	<u>14,246</u>	<u>500</u>	<u>6,374</u>
<u>234,592</u>	<u>5,000</u>	<u>214,316</u>	<u>5,000</u>	<u>65,829</u>	<u>106,459</u>	<u>5,000</u>	<u>45,738</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$393</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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

**HIRED**

## OPERATIONS BY PROGRAM

For The Year Ended June 30, 2006

	State of Minnesota			Washington County
	Musicland ERAG	Musicland DW	MN DOC Changing Lives	Washington County MFIP
Support and revenue:				
Governmental contracts	\$5,000	\$33,480	\$94,830	\$361,128
Contributions	-	-	-	-
Other	-	-	-	-
Total support and revenue	<u>5,000</u>	<u>33,480</u>	<u>94,830</u>	<u>361,128</u>
Expenses:				
Salaries, payroll taxes and fringe benefits	3,600	13,829	51,704	260,401
Participant services	-	12,784	4,220	11,505
General administration	1,150	1,698	14,086	29,682
Equipment rental and maintenance	-	42	96	-
Depreciation and amortization	-	-	-	-
Space costs	-	579	3,046	13,520
Other operating costs - net of miscellaneous reimbursements	250	4,548	14,082	46,020
Total expenses	<u>5,000</u>	<u>33,480</u>	<u>87,234</u>	<u>361,128</u>
Changes in net assets	<u>\$0</u>	<u>\$0</u>	<u>\$7,596</u>	<u>\$0</u>

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

Dakota County				Anoka County	Other		Total
Qualex DW	Dakota County DW	NWA DW	Anchor Glass DW	Tiro DW	North Point Partnership	Tree Trust WIA Youth	
\$132	\$231,500	\$42,075	\$3,000	\$81,382	\$75,289	\$9,600	\$9,917,948
-	-	-	-	-	-	-	352,586
-	-	-	-	-	-	-	17,260
<u>132</u>	<u>231,500</u>	<u>42,075</u>	<u>3,000</u>	<u>81,382</u>	<u>75,289</u>	<u>9,600</u>	<u>10,287,794</u>
(121)	179,700	16,046	-	33,948	57,395	8,391	6,619,657
-	(960)	175	-	21,374	-	213	1,947,203
31	14,208	1,351	-	5,482	3,447	536	1,056,854
-	-	-	-	778	749	-	101,486
-	-	-	-	-	-	-	60,176
-	13,254	-	-	7,180	2,639	-	526,129
(40)	25,412	2,952	-	12,620	11,059	460	(226,286)
<u>(130)</u>	<u>231,614</u>	<u>20,524</u>	<u>0</u>	<u>81,382</u>	<u>75,289</u>	<u>9,600</u>	<u>10,085,219</u>
<u>\$262</u>	<u>(\$114)</u>	<u>\$21,551</u>	<u>\$3,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$202,575</u>

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

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