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Form **990****Return of Organization Exempt From Income Tax**

OMB No. 1545-0047

2008**Open to Public Inspection**Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2008 calendar year, or tax year beginning July 1 , 2008, and ending June 30 , 20 09	
B Check if applicable: <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization Health Care Centers in Schools Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite 4336 North Blvd 201 City or town, state or country, and ZIP + 4 Baton Rouge, LA 70806
	D Employer identification number 72 1443935
	E Telephone number (225) 343-9505
	G Gross receipts \$ 4,099,499
	F Name and address of principal officer: Sue Catchings
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c) (3) (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	
J Website: ▶ N/A	
K Type of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶	
L Year of formation.	
M State of legal domicile:	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: Provides comprehensive health care to students in need by managing the parish school nurse program and operating eleven clinics located in public schools in the parish			
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.			
	3	Number of voting members of the governing body (Part VI, line 1a)	15	
	4	Number of independent voting members of the governing body (Part VI, line 1b)	15	
	5	Total number of employees (Part V, line 2a)	106	
	6	Total number of volunteers (estimate if necessary)	25	
	7a	Total gross unrelated business revenue from Part VIII, line 12, column (C)	0	
	7b	Net unrelated business taxable income from Form 990-T, line 34	0	
	Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year: 3,575,289 Current Year: 3,765,331
		9	Program service revenue (Part VIII, line 2g)	Prior Year: 308,126 Current Year: 334,168
10		Investment income (Part VIII, column (A), lines 3, 4, and 7d)		
11		Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		
12		Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	Prior Year: 3,883,415 Current Year: 4,099,499	
Expenses		13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	
		14	Benefits paid to or for members (Part IX, column (A), line 4)	
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	Prior Year: 3,197,159 Current Year: 3,146,298	
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	Prior Year: 65,949 Current Year: 65,949	
	b	Total fundraising expenses (Part IX, column (D), line 25)		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	Prior Year: 608,807 Current Year: 574,305	
	18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	Prior Year: 3,871,915 Current Year: 3,720,603	
19	Revenue less expenses. Subtract line 18 from line 12	Prior Year: 11,500 Current Year: 378,896		
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Year: 565,458 End of Year: 648,633	
	21	Total liabilities (Part X, line 26)	Beginning of Year: 396,484 End of Year: 699,363	
	22	Net assets or fund balances. Subtract line 21 from line 20	Beginning of Year: 168,974 End of Year: -50,730	

Part II Signature Block

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.	
	Signature of officer <i>Sue Catchings</i>	Date 5/17/10
Paid Preparer's Use Only	Preparer's signature <i>Sue Catchings</i>	Date
	Firm's name (or yours if self-employed), address, and ZIP + 4	Check if self-employed <input type="checkbox"/>
	Preparer's identifying number (see instructions)	EIN
May the IRS discuss this return with the preparer shown above? (see instructions)		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part III Statement of Program Service Accomplishments (see instructions)

- 1** Briefly describe the organization's mission:
Health Centers in Schools delivers innovative, quality, cost-effective school-based health services for children in the greater Baton Rouge Area.
-
- 2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No
 If "Yes," describe these new services on Schedule O.
- 3** Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No
 If "Yes," describe these changes on Schedule O.
- 4** Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: _____) (Expenses \$ **3,720,603** including grants of \$ _____) (Revenue \$ **4,099,499**)

see the attached Annual report

4b (Code: _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4c (Code: _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4d Other program services. (Describe in Schedule O.)
 (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4e Total program service expenses ► \$ **3,720,603** (Must equal Part IX, Line 25, column (B).)

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	✓
2 Is the organization required to complete Schedule B, Schedule of Contributors?	2	✓
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	✓
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	4	✓
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5	✓
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	✓
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	✓
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	✓
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	✓
10 Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	10	✓
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	11	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII	12	✓
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	✓
14a Did the organization maintain an office, employees, or agents outside of the U.S.?	14a	✓
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If "Yes," complete Schedule F, Part I	14b	✓
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II	15	✓
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III	16	✓
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I	17	✓
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	✓
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	✓
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20	✓
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	✓
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	✓
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J	23	✓
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25.	24a	✓
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	✓
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	✓
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	✓
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I	25b	✓
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26	✓
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27	✓

Part IV Checklist of Required Schedules (continued)

	Yes	No
28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? If "Yes," complete Schedule L, Part IV	28a	✓
b Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV	28b	✓
c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? If "Yes," complete Schedule L, Part IV	28c	✓
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29	✓
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30	✓
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31	✓
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32	✓
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	33	✓
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	34	✓
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35	✓
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36	✓
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37	✓

Part V Statements Regarding Other IRS Filings and Tax Compliance

	Yes	No
1a Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable	1a	
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	2b	✓
3a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	✓
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	✓
b If "Yes," enter the name of the foreign country: ▶ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	✓
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	✓
c If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c	
6a Did the organization solicit any contributions that were not tax deductible?	6a	✓
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7 Organizations that may receive deductible contributions under section 170(c).		
a Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?	7a	✓
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	
d If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	✓
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	✓
g For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g	✓
h For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h	
8 Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	
9 Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.		
a Did the organization make any taxable distributions under section 4966?	9a	✓
b Did the organization make a distribution to a donor, donor advisor, or related person?	9b	✓
10 Section 501(c)(7) organizations. Enter:		
a Initiation fees and capital contributions included on Part VIII, line 12	10a	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11 Section 501(c)(12) organizations. Enter:		
a Gross income from members or shareholders	11a	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	

Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

Section A. Governing Body and Management

	Yes	No
<i>For each "Yes" response to lines 2–7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.</i>		
1a Enter the number of voting members of the governing body	1a	15
b Enter the number of voting members that are independent	1b	15
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	✓
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	✓
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4	✓
5 Did the organization become aware during the year of a material diversion of the organization's assets?	5	✓
6 Does the organization have members or stockholders?	6	✓
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	✓
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8a	✓
b Each committee with authority to act on behalf of the governing body?	8b	✓
9a Does the organization have local chapters, branches, or affiliates?	9a	✓
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	9b	
10 Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	10	✓
11 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	11	✓

Section B. Policies

	Yes	No
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	✓
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	✓
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	✓
13 Does the organization have a written whistleblower policy?	13	✓
14 Does the organization have a written document retention and destruction policy?	14	✓
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision:		
a The organization's CEO, Executive Director, or top management official?	15a	✓
b Other officers or key employees of the organization?	15b	✓
Describe the process in Schedule O. (see instructions)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	✓
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ **None**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☐ Own website ☐ Another's website ☐ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶ **Books and records are housed at the organizations site listed on page 1 and where accessible either through the CEO, Sue Catchings or the CFO, Crystal Posey (no longer with the company)**

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors
Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

• List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

• List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

• List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

• List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if the organization did not compensate any officer, director, trustee, or key employee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
Anne Marie Zima Board Member, Chair	0	✓		✓						
John Paul Funes Board Member, Chair of Finance & Personnel	0	✓		✓						
Genny Nadler Thomas Board Member, Chair of Planning & Development	0	✓		✓						
Margaret-Mary Sulentic Dowell Board Member, Past Chair	0	✓		✓			✓			
Rita Baillie Board Member	0	✓								
Krendenna Beverly Board Member	0	✓								
Herman Brister Board Member	0	✓								
Elizabeth Britton Board Member	0	✓					✓			
M. Aminthe Broussard Board Member	0	✓								
Errol Domingue Board Member	0	✓								
Stewart Gordon Board Member	0	✓					✓			
Wanda Hughes Board Member	0	✓								
Julia Lively Board Member	0	✓					✓			
Susan Pryor Board Member	0	✓								
Christina Stephens Board Member	0	✓								
Sue Catchings CEO					✓			\$68,435		

[illegible]

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization ▶ 0

- 3 Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*
- 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? *If "Yes," complete Schedule J for such individual.*
- 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? *If "Yes," complete Schedule J for such person*

	Yes	No
3	✓	
4		✓
5		✓

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation
Coventry Post Office Box 6483 Carol Stream, IL	Health Insurance	236092
NCDS 3155 Roswell Road Atlanta, GA	Development Strategy	135,872
Interactive E Solutions 6867 Blue Bonnett Baton Rouge, LA	EDI Support	108,628
McKessen P O. Box 742015 Cincinnati, OH	FluMIST	74,259
First Insurance PO Box 66468 Chicago, IL	Insurance	27,055
2 Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization ►		

Part VIII Statement of Revenue				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c	386,000				
	d Related organizations	1d					
	e Government grants (contributions).	1e	3,379,331				
	f All other contributions, gifts, grants, and similar amounts not included above	1f					
	g Noncash contributions included in lines 1a-1f: \$						
	h Total. Add lines 1a-1f			3,765,331			
Program Service Revenue	2a Medicaid	Business Code		334,168			
	b						
	c						
	d						
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f			334,168			
	Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)					
4 Income from investment of tax-exempt bond proceeds							
5 Royalties							
		(i) Real	(ii) Personal				
6a Gross Rents							
b Less: rental expenses							
c Rental income or (loss)							
d Net rental income or (loss)							
7a Gross amount from sales of assets other than inventory		(i) Securities	(ii) Other				
b Less: cost or other basis and sales expenses							
c Gain or (loss)							
d Net gain or (loss)							
8a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18		a					
b Less: direct expenses		b					
c Net income or (loss) from fundraising events							
9a Gross income from gaming activities. See Part IV, line 19		a					
b Less: direct expenses		b					
c Net income or (loss) from gaming activities							
10a Gross sales of inventory, less returns and allowances		a					
b Less: cost of goods sold		b					
c Net income or (loss) from sales of inventory							
Miscellaneous Revenue			Business Code				
11a							
b							
c							
d All other revenue							
e Total. Add lines 11a-11d							
12 Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e				4,099,499			

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	3,146,298	2,918,612	227,686	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees):				
a Management	243,104	243,104		
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other	58,023	58,023		
12 Advertising and promotion				
13 Office expenses	127,553	127,583		
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel	30,002	30,002		
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	9,441	9,441		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	38,413	38,413		
23 Insurance				
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a Other	67,769			
b				
c				
d				
e				
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	3,720,603	3,697,835	227,686	
26 Joint Costs. Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year	(B) End of year
Assets	1 Cash—non-interest-bearing		1
	2 Savings and temporary cash investments		2
	3 Pledges and grants receivable, net		3
	4 Accounts receivable, net		4
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6
	7 Notes and loans receivable, net		7
	8 Inventories for sale or use		8
	9 Prepaid expenses and deferred charges		9
	10a Land, buildings, and equipment: cost basis 10a		
	b Less: accumulated depreciation. Complete Part VI of Schedule D 10b		10c
	11 Investments—publicly traded securities		11
	12 Investments—other securities. See Part IV, line 11		12
	13 Investments—program-related. See Part IV, line 11		13
	14 Intangible assets		14
	15 Other assets. See Part IV, line 11		15
16 Total assets. Add lines 1 through 15 (must equal line 34)		16	
Liabilities	17 Accounts payable and accrued expenses		17
	18 Grants payable		18
	19 Deferred revenue		19
	20 Tax-exempt bond liabilities		20
	21 Escrow account liability. Complete Part IV of Schedule D		21
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22
	23 Secured mortgages and notes payable to unrelated third parties		23
	24 Unsecured notes and loans payable		24
	25 Other liabilities. Complete Part X of Schedule D		25
	26 Total liabilities. Add lines 17 through 25		26
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.		
	27 Unrestricted net assets		27
	28 Temporarily restricted net assets		28
	29 Permanently restricted net assets		29
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.		
	30 Capital stock or trust principal, or current funds		30
	31 Paid-in or capital surplus, or land, building, or equipment fund		31
	32 Retained earnings, endowment, accumulated income, or other funds		32
	33 Total net assets or fund balances		33
34 Total liabilities and net assets/fund balances		34	

Part XI Financial Statements and Reporting

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?	<input checked="" type="checkbox"/>	
b Were the organization's financial statements audited by an independent accountant?	<input checked="" type="checkbox"/>	
c If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		<input checked="" type="checkbox"/>
b If "Yes," did the organization undergo the required audit or audits?		

HEALTH CARE CENTERS IN SCHOOLS, INC.

FINANCIAL STATEMENTS

JUNE 30, 2009

HEALTH CARE CENTERS IN SCHOOLS, INC.

FINANCIAL STATEMENTS

JUNE 30, 2009

CONTENTS

	<u>Page</u>
<u>Independent Auditors' Report</u>	1
<u>Financial Statements</u>	
Statements of Financial Position	2
Statements of Activities	3 - 6
Statements of Functional Expenses	7 - 8
Statements of Cash Flows	9
Notes to Financial Statements	10 - 15
 <u>Independent Auditor's Report on Internal Control over Financial Reporting And on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i></u>	 16 - 17
<u>Summary Schedule of Findings and Questioned Costs - year ended June 30, 2009</u>	18
<u>Summary Schedule of Prior Year Audit Findings - year ended June 30, 2008</u>	19



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INDEPENDENT AUDITORS' REPORT

Board of Directors
Health Care Centers in Schools, Inc.
Baton Rouge, Louisiana

We have audited the accompanying statements of financial position of Health Care Centers in Schools, Inc. (a not-for-profit organization) as of June 30, 2009 and 2008, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Organization'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*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Health Care Centers in Schools, Inc. as of June 30, 2009 and 2008, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Organization will continue as a going concern. As discussed in note 3 to the financial statements, the Organization has had negative cash flows from operations for past two years and has a deficiency in its net assets that raises substantial doubt about its ability to continue as a going concern. Management's plans regarding these matters are also described in note 3. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 25, 2009, on our consideration of the Organization's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

Postlethwaite & Netterville

Baton Rouge, Louisiana
November 25, 2009

HEALTH CARE CENTERS IN SCHOOLS, INC.
BATON ROUGE, LOUISIANA

STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2009 AND 2008

ASSETS

	<u>2009</u>	<u>2008</u>
<u>CURRENT ASSETS</u>		
Cash and cash equivalents	\$ -	\$ 831
Cash and cash equivalents - restricted	68,943	57,260
Receivables	436,037	321,793
Prepaid insurance and other current assets	27,663	35,676
Total current assets	<u>532,643</u>	<u>415,560</u>
<u>FURNITURE AND EQUIPMENT, NET</u>		
Furniture and equipment, net	<u>115,990</u>	<u>149,898</u>
	<u>115,990</u>	<u>149,898</u>
Total assets	<u><u>\$ 648,633</u></u>	<u><u>\$ 565,458</u></u>

LIABILITIES AND NET ASSETS

<u>CURRENT LIABILITIES</u>		
Outstanding checks in excess of bank balance	\$ 23,133	\$ -
Line-of-credit	450,000	175,000
Accounts payable	18,918	39,607
Accrued salaries and payroll liabilities	138,369	124,617
Due to the Louisiana Assembly on School Based Health Care	68,943	57,260
Total current liabilities	<u>699,363</u>	<u>396,484</u>
<u>NET ASSETS</u>		
Unrestricted	(200,488)	8,241
Temporarily restricted	149,758	160,733
Total net assets	<u>(50,730)</u>	<u>168,974</u>
Total liabilities and net assets	<u><u>\$ 648,633</u></u>	<u><u>\$ 565,458</u></u>

*net assets
219,406.83
197*

The accompanying notes are an integral part of these statements.

HEALTH CARE CENTERS IN SCHOOLS, INC.
BATON ROUGE, LOUISIANA

STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2009 AND 2008

	2009		
	Unrestricted	Temporarily Restricted	Total
<u>SUPPORT AND REVENUE</u>			
Office of Public Health	\$ 1,158,352	\$ -	\$ 1,158,352
East Baton Rouge Parish School Board	1,700,063	-	1,700,063
Exceptional Student Services	-	383,220	383,220
Medicaid	334,168	-	334,168
Contributions and donated services	137,660	150,000	287,660
Baton Rouge Area Foundation	-	50,000	50,000
Our Lady of the Lake - flu vaccination	-	75,000	75,000
Amicares	-	20,000	20,000
Robert Wood Johnson Foundation	-	-	-
Other revenues and grants	36	91,000	91,036
	<u>3,330,279</u>	<u>769,220</u>	<u>4,099,499</u>
Net assets released from restrictions	780,195	(780,195)	-
Total support and revenue	<u>4,110,474</u>	<u>(10,975)</u>	<u>4,099,499</u>
 <u>PROGRAM SERVICE EXPENSES</u>			
Salaries and benefits	3,146,298	-	3,146,298
Professional fees	181,987	-	181,987
Contractual services	6,177	-	6,177
Medical supplies	114,972	-	114,972
Office supplies	12,581	-	12,581
Health education	596	-	596
Equipment and maintenance	54,940	-	54,940
Insurance	58,023	-	58,023
Interest	9,441	-	9,441
Depreciation	38,413	-	38,413
Travel and meetings	30,002	-	30,002
Other	67,173	-	67,173
Total program service expenses	<u>3,720,603</u>	<u>-</u>	<u>3,720,603</u>

The accompanying notes are an integral part of these statements.

2008		
Unrestricted	Temporarily Restricted	Total
\$ 1,199,993	\$ -	\$ 1,199,993
1,703,168	-	1,703,168
-	277,744	277,744
323,576	-	323,576
124,576	-	124,576
-	10,000	10,000
-	-	-
-	110,000	110,000
-	100,000	100,000
88,497	45,195	133,692
3,439,810	542,939	3,982,749
628,391	(628,391)	-
4,068,201	(85,452)	3,982,749
2,949,699	-	2,949,699
203,732	-	203,732
83,800	-	83,800
26,425	-	26,425
23,102	-	23,102
2,951	-	2,951
89,471	-	89,471
66,783	-	66,783
1,480	-	1,480
24,001	-	24,001
20,185	-	20,185
17,469	-	17,469
3,509,098	-	3,509,098

HEALTH CARE CENTERS IN SCHOOLS, INC.
BATON ROUGE, LOUISIANA

STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2009 AND 2008

	2009		
	Unrestricted	Temporarily Restricted	Total
<u>SUPPORT SERVICE EXPENSES</u>			
Salaries and benefits	\$ 334,144	\$ -	\$ 334,144
Professional fees	50,205	-	50,205
Office supplies	1,398	-	1,398
Travel and meetings	1,470	-	1,470
Other	5,460	-	5,460
Total support service expenses	<u>392,677</u>	<u>-</u>	<u>392,677</u>
<u>FUNDRAISING EXPENSES</u>			
Fundraising expenses	<u>205,923</u>	<u>-</u>	<u>205,923</u>
Total fundraising expenses	<u>205,923</u>	<u>-</u>	<u>205,923</u>
Total expenses	<u>4,319,203</u>	<u>-</u>	<u>4,319,203</u>
<u>CHANGE IN NET ASSETS</u>	(208,729)	(10,975)	(219,704)
Net assets - beginning of year	<u>8,241</u>	<u>160,733</u>	<u>168,974</u>
<u>Net assets - end of year</u>	<u>\$ (200,488)</u>	<u>\$ 149,758</u>	<u>\$ (50,730)</u>

The accompanying notes are an integral part of these statements.

2008		
<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
\$ 346,794	\$ -	\$ 346,794
37,766	-	37,766
2,567	-	2,567
3,298	-	3,298
5,777	-	5,777
<u>396,202</u>	<u>-</u>	<u>396,202</u>
65,949	-	65,949
<u>65,949</u>	<u>-</u>	<u>65,949</u>
3,971,249	-	3,971,249
96,952	(85,452)	11,500
<u>(88,711)</u>	<u>246,185</u>	<u>157,474</u>
<u>\$ 8,241</u>	<u>\$ 160,733</u>	<u>\$ 168,974</u>

HEALTH CARE CENTERS IN SCHOOLS, INC.
BATON ROUGE, LOUISIANA

STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30, 2009 AND 2008

	2009			
	Program Service Expenses	Support Service Expenses	Fundraising Expenses	Total
Salaries and benefits	\$ 3,146,298	\$ 334,144	\$ 55,500	\$ 3,535,942
Professional fees	181,987	50,205	150,330	382,522
Contractual services	6,177	-	-	6,177
Medical supplies	114,972	-	-	114,972
Office supplies	12,581	1,398	-	13,979
Health education	596	-	-	596
Repairs and maintenance	54,940	-	-	54,940
Insurance	58,023	-	-	58,023
Interest	9,441	-	-	9,441
Depreciation	38,413	-	-	38,413
Travel and meetings	30,002	1,470	93	31,565
Other	67,173	5,460	-	72,633
Total expenses	<u>\$ 3,720,603</u>	<u>\$ 392,677</u>	<u>\$ 205,923</u>	<u>\$ 4,319,203</u>

The accompanying notes are an integral part of these statements.

2008

Program Service Expenses	Support Service Expenses	Fundraising Expenses	Total
\$ 2,949,699	\$ 346,794	\$ 40,195	\$ 3,336,688
203,732	37,766	245	241,743
83,800	-	-	83,800
26,425	-	-	26,425
23,102	2,567	-	25,669
2,951	-	-	2,951
89,471	-	-	89,471
66,783	-	-	66,783
1,480	-	-	1,480
24,001	-	-	24,001
20,185	3,298	148	23,631
17,469	5,777	25,361	48,607
<u>\$ 3,509,098</u>	<u>\$ 396,202</u>	<u>\$ 65,949</u>	<u>\$ 3,971,249</u>

HEALTH CARE CENTERS IN SCHOOLS, INC.
BATON ROUGE, LOUISIANA

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in net assets	\$ (219,704)	\$ 11,500
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	38,413	24,001
Change in accounts receivable	(114,244)	(225,635)
Changes in accounts payable	(9,006)	(124,492)
Change in accrued salaries and payroll liabilities	13,752	29,020
Change in prepaid insurance and other current assets	8,013	(13,007)
Net cash used in operating activities	<u>(282,776)</u>	<u>(298,613)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchases of furniture and equipment	<u>(4,505)</u>	<u>(99,912)</u>
Net cash used in investing activities	<u>(4,505)</u>	<u>(99,912)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Net increase in outstanding checks in excess of bank balance	23,133	-
Net advances on lines of credit	<u>275,000</u>	<u>175,000</u>
Net cash provided by financing activities	<u>298,133</u>	<u>175,000</u>
 Net increase (decrease) in cash and cash equivalents	 10,852	 (223,525)
 Cash and cash equivalents - beginning of year	 <u>58,091</u>	 <u>281,616</u>
 Cash and cash equivalents - end of year	 <u>\$ 68,943</u>	 <u>\$ 58,091</u>
 <u>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</u>		
Cash paid during the year for interest	<u>\$ 9,441</u>	<u>\$ 1,480</u>

The accompanying notes are an integral part of these statements.

HEALTH CARE CENTERS IN SCHOOLS, INC.
BATON ROUGE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

1. **The Organization**

Health Care Centers in Schools, Inc. (the Organization) is a private not-for-profit organization located in Baton Rouge, Louisiana. The Organization was created in an effort to provide comprehensive health care services to students in need at local schools. The Organization links education with physical and emotional health care to promote the overall well-being of the students. The Organization fulfills its objectives by operating clinics at several of the local schools and by coordinating the school nurse program for the East Baton Rouge Parish School Board. These programs are funded by grants received from the State of Louisiana Office of Public Health and various other revenues.

2. **Summary of significant accounting policies**

The accounting and reporting policies of the Organization conform to the accounting principles generally accepted in the United States of America. The significant accounting policies used by the Organization in preparing and presenting its financial statements are summarized as follows:

Basis of presentation

The 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*. In accordance with SFAS No. 117, the Organization 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. The Organization did not have any permanently restricted net assets at June 30, 2009 or 2008.

Use of estimates

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

Accounts receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end and are determined to be past due on the contractual terms of the agreement. Based on management's assessment of such amounts, it has concluded that realization losses, if any, on balances outstanding at year end will be immaterial.

HEALTH CARE CENTERS IN SCHOOLS, INC.
BATON ROUGE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

2. Summary of significant accounting policies (continued)

Furniture and equipment

Furniture and equipment are stated at historical cost. Donated property is recorded at its fair value on the date of receipt, which is then treated as cost. Additions, renewals, and betterments that extend the lives of assets are capitalized. Maintenance and repair expenditures are expensed as incurred.

Depreciation has been calculated using the straight-line method over the estimated useful lives of the related assets, which range from 5 to 7 years.

Temporarily and permanently restricted net assets

Temporarily restricted net assets are those whose use by the Organization has been limited by donors to a specific time or purpose. All 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 restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Donated services

The Organization recognizes revenue for certain services received at the estimated fair value of those services, provided those services create or enhance non-financial assets or require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased, if not provided by donation. The value of donated services provided by physicians was calculated based on the total compensation package of the physicians volunteering their time, and totalled approximately \$100,000 for the both the year ended June 30, 2009, and the year ended June 30, 2008.

Contributions

The Organization accounts for contributions in accordance with the requirements of Statement of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made*. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions.

Expense allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Statements of cash flows

For purposes of cash flow presentation, the Organization considers cash in operating bank accounts, cash on hand, and all short-term instruments having original maturities of three months or less to be cash and cash equivalents.

HEALTH CARE CENTERS IN SCHOOLS, INC.
BATON ROUGE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

2. Summary of significant accounting policies (continued)

Income taxes

The Organization is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes on related income pursuant to Section 501(a) of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the financial statements.

In June 2006, the FASB issued FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes* ("FIN No. 48"), an interpretation of FASB Statement No. 109. FIN No. 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with SFAS No. 109, *Accounting for Income Taxes* ("SFAS 109"). FIN No. 48 clarifies the application of SFAS No. 109 by defining a criterion that an individual tax position must meet for any part of the benefit of that position to be recognized in an enterprise's financial statements. Additionally, FIN No. 48 provides guidance on measurement, derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. In December of 2008, the FASB issued FASB Staff Position (FSP) FIN No. 48-3 which permits an entity within its scope to defer the effective date of FIN No. 48 to its annual financial statements for fiscal years beginning after December 15, 2008. The Organization has elected to defer the application of FIN No. 48 for the year ended June 30, 2009. The Organization evaluates its uncertain tax positions using the provisions of FASB No. 5, *Accounting for Contingencies*. Accordingly, a loss contingency is recognized when it is probable that a liability has been incurred as of the date of the financial statements and the amount of the loss can be reasonably estimated. The amount recognized is subject to estimate and management judgment with respect to the likely outcome of each uncertain tax position. The amount that is ultimately sustained for an individual uncertain tax position or for all uncertain tax positions in the aggregate could differ from the amount recognized. Management is unaware of any uncertain tax positions which would have a material impact to the financial statements.

Reclassifications

Certain amounts on the 2008 financial statements have been reclassified to conform with the 2009 financial statement presentation

HEALTH CARE CENTERS IN SCHOOLS, INC.
BATON ROUGE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

3. Liquidity

As shown in the accompanying financial statements, the Organization had current liabilities in excess of its current assets by approximately \$170,000 at June 30, 2009, had spent approximately \$150,000 of temporarily restricted funds for general operations as of June 30, 2009, and had negative cash flows from operations of approximately \$280,000 and \$300,000 for the years ended June 30, 2009 and 2008, respectively.

Management has established a line-of-credit with a financial institution (see note 5) to provide for operational flexibility on a short-term basis in an effort to insure that it can pay all of its obligations as they become due. Management also continues to search for additional sources of revenues, specifically contributions and grants that include reimbursement for administrative and overhead costs. In addition to these contributions and grants and the continued monitoring of costs, the Organization is working with the Department of Health and Hospitals (DHH) to bill for allowable Medicaid services, including vision and hearing screening, school nurse encounters, and immunizations. In addition to current billings, the organization has received written approval from DHH to bill for the previous two years of service. We believe these efforts, which already include the receipt of approximately \$300,000 of contributions and grants subsequent to June 30, 2009, will provide sufficient liquidity for the Organization for the coming year.

4. Furniture and equipment

Furniture and equipment consisted of the following at June 30, 2009 and 2008:

	<u>2009</u>	<u>2008</u>
Computer equipment	\$ 164,633	\$ 161,943
Medical equipment	41,617	39,802
Office equipment	<u>40,115</u>	<u>40,115</u>
	246,365	241,860
Less: accumulated depreciation	<u>(130,375)</u>	<u>(91,962)</u>
Property and equipment, net	<u>\$ 115,990</u>	<u>\$ 149,898</u>

5. Line-of-credit

The Organization had previously established a \$175,000 revolving line-of-credit with a regional financial institution. The outstanding balance on the line-of-credit was \$175,000 at June 30, 2008. The line-of-credit accrued interest at a variable rate based on prime (5.00% at June 30, 2008). The line-of-credit was secured by the accounts receivable of the Organization and was due on demand.

During the year ended June 30, 2009, the Organization refinanced the above line-of-credit with a \$450,000 revolving line-of-credit with a different financial institution. The outstanding balance on this line-of-credit was \$450,000 at June 30, 2009, was accruing interest at a variable rate based on prime (5.25% at June 30, 2009), and was schedule to mature on July 31, 2009. The Organization received extensions on the maturity date through November 30, 2009. This line-of-credit is secured by all of the accounts of the Organization and is due on demand. Subsequent to June 30, 2009, the financial institution increased the amount available to the Organization under this agreement to \$525,000.

HEALTH CARE CENTERS IN SCHOOLS, INC.
BATON ROUGE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

6. Temporarily restricted net assets

Temporarily restricted net assets were available for the following purposes at June 30, 2009 and 2008:

	<u>2009</u>	<u>2008</u>
Americares - Mental	\$ -	\$ 53,863
Baton Rouge Area Foundation - social workers	-	28,938
Baton Rouge Area Foundation - school renovations	21,750	21,750
Baton Rouge Area Foundation - electronic medical records	-	16,368
Blue Cross Blue Shield - electronic medical records	-	28,400
Blue Cross Blue Shield - expansion	50,000	-
Baton Rouge Area Foundation - Drama Teens	170	3,841
Baton Rouge Area Foundation - expansion	50,000	-
Capital Campaign - additional healthcare centers	-	1,750
Exceptional Students Program	23,010	-
MACRO Vision	4,368	-
Robert Wood Johnson Foundation	-	5,823
Tobacco Free Living	460	-
	<u>\$ 149,758</u>	<u>\$ 160,733</u>

7. Net assets released from restrictions

Net assets which were released from donor restrictions by incurring program related expenses satisfying the restricted purposes were as follows for the years ended June 30, 2009 and 2008:

	<u>2009</u>	<u>2008</u>
Americares - medical	\$ -	\$ 29,481
Americares - mental	73,861	39,090
Baton Rouge Area Foundation - social workers	28,938	30,545
Baton Rouge Area Foundation - electronic medical records	16,368	18,026
Baton Rouge Area Foundation - ADD	-	15,532
Blue Cross Blue Shield - electronic medical records	28,400	-
BRAF - capital campaign	-	10,000
Baton Rouge Area Foundation - drama teens	8,671	634
Capital Campaign - additional healthcare centers	151,750	25,000
Children's Trust Fund	7,500	5,000
Exceptional Student Services	360,210	277,744
Gulf Coast	-	14,300
Kellogg Foundation - summer	-	10,606
MACRO Vision	4,132	-
Our Lady of the Lake - flu vaccine	75,000	-
Pennington - capital campaign	-	25,000
Robert Wood Johnson Foundation - medical records	5,823	94,177
Save the Children	-	2,530
Tobacco Free Living	19,542	30,726
	<u>\$ 780,195</u>	<u>\$ 628,391</u>

HEALTH CARE CENTERS IN SCHOOLS, INC.
BATON ROUGE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

8. Concentration of revenues

The Organization receives a large amount of its revenues from two major sources - the State of Louisiana Office of Public Health and the East Baton Rouge Parish School Board. The revenues from these two sources represented approximately 80% of the Organization's total revenues during the years ended June 30, 2009 and 2008, respectively.

9. Concentration of Credit Risk

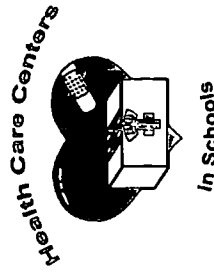
The Organization maintains several accounts at a local financial institution. The balances, at times, may exceed the Federal Deposit Insurance Corporation (FDIC) insured limits. Management believes the credit risk associated with these deposits is minimal.

10. Subsequent events

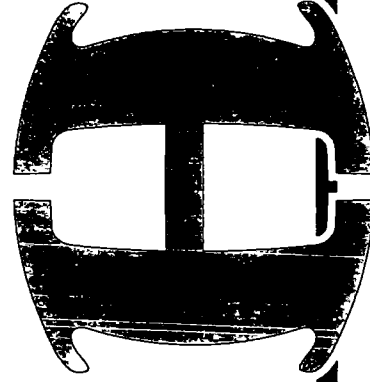
Management has evaluated subsequent events through November 25, 2009, the date that the financial statements were available to issued, and determined that no additional disclosures are necessary.

2008-2009 Annual Report

From Hearts...



to Heroes...



**Health Centers
in Schools**

Growing a Healthier Community. One child, one family, one school at a time.

Health Centers in Schools

Vision: The greater Baton Rouge area will have healthier children, healthier families, and be a healthier community.

Values: Service ~ Collaboration ~ Stewardship ~ Quality ~ Resilience



MISSION: Health Centers in Schools delivers innovative, quality, cost-effective school-based health services for children in the greater Baton Rouge area.

To achieve our mission, we:

- Ensure the health of students to enable them to thrive in all academic settings;
- Partner with other entities to create and promote healthy sustainable lifestyles for children and their families.
- Increase community awareness of health issues that impact children's lives.

Who We Are	page 4	Message from our Board Chair	page 13
Message from our CEO	page 5	Campaign for Children	page 14
Vision: A Clear Connection...	page 6	Sponsoring Partners	page 14
Dental Programs	page 7	Board Members	page 16
Seasonal Flu Project	page 8	Our First Health Hero	page 16
Mental Health and Academics	page 9	Administrative Staff	page 17
School-Based Health Centers	page 10	Program Partners	page 17
Pulse Plus	page 11	Working Partners & Sponsors	page 18
School Nurses	page 12	Donors & Supporters	page 19



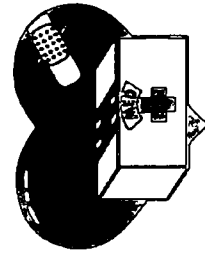
With origins from 1987, Health Centers in Schools is a 501(c)(3) non-profit organization that provides a range of health services that are conveniently located at the schools. Licensed professionals take care of daily maladies and return kids to the classroom. HCS professionals provide primary preventive care, immunizations, mental health counseling, vision and hearing screening. HCS currently operates eleven school-based health centers and manages the school nursing program at East Baton Rouge Parish and Recovery District public schools.

- HCS offers comprehensive primary physical and mental health services to 6600 students at 11 health centers in EBR public schools and the Recovery School District (RSD).
- HCS administers limited health services to 36,700 children on 79 school campuses in EBR parish public schools.
- About 80% of EBR public school children qualify for Medicaid. Many of them only receive medical or mental health services at school due to transportation or family issues preventing them from going to a physician's office.
- HCS employs over 90 people, including physicians, nurse practitioners, registered nurses, licensed clinical social workers, and support staff.

The EBR school board voted in July 2008 to build eight additional health centers in the four years following to total 16 health centers by 2012. The first two new centers opened in fall 2009 at Broadmoor High and Glasgow Middle Schools, and soon nearby schools will be able to send students to any of the centers to be treated. Eleven centers will be open year round to treat students, their siblings, as well as neighborhood children. The expansion will let us provide more services. HCS assumed administrative duties for the school nursing program in EBR public schools in 2004, in addition to the health centers. Wherever HCS school nurses, school health assistants or school-based health centers are located, minor emergency care, such as cuts and scrapes may be attended by the medical staff. For major emergency care, schools call 911 for emergency medical services.

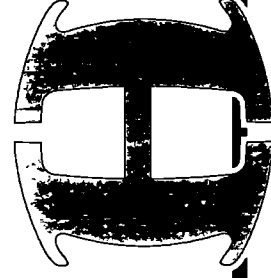
In conjunction with the opening of the new health centers, Health Centers in Schools, formerly Health Care Centers in Schools announced its new name. Adopting a new name provides a great opportunity for the organization to renew its marketing efforts and continue the expansion efforts positively. The re-brand launch comes complete with a new logo featuring a large red "H" and will soon include an updated look and feel across the website. Health Centers in Schools also developed a NEW MISSION STATEMENT (on page 2) to better describe what the organization does.

Health Care Centers



in Schools

Health Centers in Schools is the new name for Health Care Centers in Schools. Shown on the right is the new logo boasting a large "H" to emphasize the organization's health services.



**Health Centers
in Schools**

**From the CEO:
Sue Catchings**

Dear Friends and Colleagues:

Change has definitely been the word this year for Health Centers in Schools! Opening two new health centers, one at Broadmoor High and the other at Glasgow Middle School, has increased the size of the organization and all that goes with it. Changing the name to Health Centers in Schools has helped us streamline our marketing program and efforts as well as focus our mission on what is most important—improving access to children of preventive primary health services in East Baton Rouge public schools.

We are delighted and grateful that so many partners are working with us on programs and projects for area school children. With vision, dental and seasonal flu programs alone, HCS has collaborated with a great number of entities, both public and private. These programs and others have brought many challenges, but we have met them head-on and continue to work toward improving what we can provide for students in EBR schools.

For the second year in a row, HCS medical staff is vaccinating thousands of EBR public school children for the seasonal flu. Several Baton Rouge area nursing schools were again able to assist HCS with student and professional volunteers to help make this project a success. Seasonal flu reports last year from area hospitals showed that rates of flu-related illnesses were lower during the 2008-09 flu season. So, although it isn't truly scientific evidence, we can say that we think we had some effect on these decreased numbers through our school-wide vaccination project. That means fewer children contracted the seasonal flu virus during the last flu season, so they, their family members and teachers lost fewer school and work days due to illness or complications from the flu. As you know, the H1N1 flu has been forefront in the news, the seasonal flu continues to infect a greater number of individuals than H1N1, and vaccinating children is a start at reducing these infections and their complications.

As we work toward opening more health centers (five more and one remodel by 2012), we will continue to provide better access and a wider range of health services to students. The Campaign for Children is an opportunity for community members to invest on a corporate and individual basis to make a difference in children's lives. I am truly blessed to be part of an organization with the noble purpose of providing for students' health needs and help their chances of staying in school to get a good education!

Sincerely,

Sue Catchings



Vision: A Clear Connection between Health & Education

Health Centers in Schools

Health Centers in Schools conducts vision and hearing screening in East Baton Rouge parish public schools for grades Pre-K, K, 1, 3, 5, 7, and 10. Vision and hearing screening is mandated by Louisiana state law for these grades. If a child fails the screening, notices are then sent home and referral/consultation is available for any follow up exams needed.

For vision, HCS partners with *The Eyes Have It* and the *Luxottica Group Foundation* to provide eye exams and glasses for qualifying students in East Baton Rouge Parish public schools. Family consent is required for HCS to provide any available services to students. During the 2008-09 school year, HCS and The Eyes Have It partnered to provide:

20,485 students received vision screenings with 18% failing
(54% of those failing the screening were provided with glasses)

In the fall of 2009, more than 130 elementary school students in the East Baton Rouge Parish School System can see the chalkboard more clearly and read a book more easily today thanks to the *Luxottica Group Foundation*. Foundation representatives and eye professionals from its companies (such as LensCrafters, Pearle Vision, Sears Optical and Target Optical) examined students in need in the foundation's OneSight Vision Van, "SeeMore," November 16 and 17.

Children at six school sites who had been identified as recently failing the East Baton Rouge Parish School System/Health Centers in School in-school eye screening were examined for vision correction with eyeglasses. These are students, such as Ryon Williams of Winbourne Elementary School (seated in photo below) being helped by Millerville Road Target store volunteer Kristy Carlin (photo right), determined by the district to be in need of financial assistance.

The fully dilated eye exam and any lenses and glasses were free to students identified in need, but parental permission for the exam was required. In most cases, glasses were selected by students – with the assistance of a vision professional, created and fitted on site – at no cost to the parent or guardian. Students needing further vision exams were given a free appointment at a LensCrafters site on a different day. Students with more complicated lens issues may have the glasses mailed to their school at a later date – free of charge.

"Up to 94 percent of children nationally with vision problems have reduced reading skills. More than 80 percent of our students with vision issues have a financial need for exam and eyeglass assistance, as well," said Sue Catchings, CEO of Health Centers in Schools. "It is important to us to have all children in school -- healthy and with complete vision. This is one more way we can help children learn effectively and stay in school!"

Over the two days, selected students with vision issues from specific elementary school sites were examined. Those sites are: Broadmoor Elementary School, The Dufranco School, Bernard Terrace Elementary School, Howell Park Elementary School, Winbourne Elementary School and Melrose (upper and lower campuses) Elementary schools. Special thanks are extended to the doctors who donated their time for this cause: Dr. P.T. Dinh, Dr. Susan Jong, Dr. Patrick Tate, Dr. Charles DiLeo and Dr. Yvonne Major.

The Eyes Have It is a non-profit organization that works with licensed ophthalmologists or optometrists to provide eye exams and glasses at no cost or a reduced cost to EBR students, depending on their financial situation. Students go to local ophthalmologists for eye exams and prescribed glasses are delivered to their schools. Their mission is to provide early detection of potential eye diseases, increased academic performance, increased attention span, reduced absenteeism due to doctor's appointments, minimizing parent absenteeism from work, increased "adequate yearly progress" percentages, and increased awareness of good over all total body health care.



Dental Programs

ORAL HEALTH ACCESS: A COMMUNITY COLLABORATIVE

Health Centers in Schools has worked with the community to provide access to dental care in two very distinct ways: one is through participation in Give Kids A Smile Day, a national program of the American Dental Association and the other is to coordinate the entry of mobile dentists onto the campuses of EBR Parish Schools.

Give Kids A Smile Day (GKAS)

Local dentists have long attempted to provide a venue for children to receive preventive dental sealants during GKAS promoted by the American Dental Association. Since 2006-2007, Health Centers in Schools has successfully coordinated school children from nearby schools to dental offices that have voluntarily closed for business in order to provide dental sealants for public school students. Last year, in the largest event ever, local dentists provided dental sealants to 568 students from nine elementary and middle public schools. During the Give Kids A Smile visit, the local dentists found that forty-seven per cent of the children either needed to be seen by a dentist right away or had tooth decay that needed attention within the next few months.

Health Centers in Schools would like to thank the following dental offices for their participation in the GKAS event. We look forward to an even bigger program in 2010. A special thank you goes to the EBR Parish School System Transportation system without whom we could not have implemented this program.

LSU Dental School
Nelson Daly, DDS
Lance Fallon, DDS
Sherry Fallon, DDS

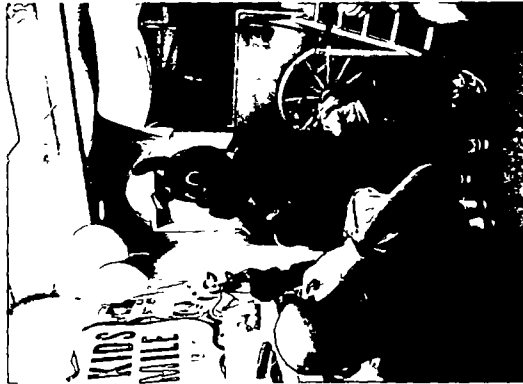
Johnnie Hunt, DDS
Lee Koschel, DDS
Aimee Russo-Mounger, DDS
Pediatric Dental Associates (Rob de la Rosa, DDS)



Mobile Dental Services at School

With an over-whelming number of children who need restorative dental services, the East Baton Rouge Parish School System welcomed the opportunity for comprehensive dental care to be provided on school campuses. Greg Folse, DDS became the first dentist to practice mobile dentistry on school campuses in Baton Rouge. His services have been provided since November 2008. He is now serving sixteen schools with mobile dentistry—there are two teams working every day in the school system bringing access to dental care to the students.

His data (November 2008 through October 2009) indicates that he has served 1,276 children and provided comprehensive dental plans including restorative care for all of the children. His services include X-rays, cleanings, fluoride treatments, sealants, fillings, and extractions. He has also found a total of 148 students whose oral health needs could not be completed in school and has referred these children to dental specialists in Baton Rouge.



Give Kids a Smile Day

Dentist Kredenna Beverly and her assistant provide dental sealants for children at Crestworth Elementary.



Seasonal Flu Vaccinations

During the fall of 2008, students in East Baton Rouge parish public schools were vaccinated for the influenza virus using one of two types of vaccines, either FluMist, an intranasal spray, or a traditional injection. HCS also gives other vaccinations as needed and verifies vaccination records for all students.

From November 5, 2008 through January 31, 2009, HCS conducted a large pilot program for the State of Louisiana, Vaccines For Children program. The goal was to immunize as many children as possible for seasonal influenza. In that short period of time, almost 8,000 children were immunized (roughly 18 % of the EBR student body). From this pilot, HCS learned and shared with a national audience the following lessons:

1. Vaccine should be delivered in waves so that the immunizations can be delivered over a longer period of time.
2. Provide students at middle/high school an incentive to return the form to the school—free dress days work well.
3. Think about potential partners and engage them in the project—the more nursing students, the better.

In school year 2009-2010, multiple school systems in Louisiana are engaged in performing school-based immunizations for influenza. The pilot was successful and demonstrated a mechanism to achieve outcomes for every community in the state. HCS is completing the seasonal flu project before students are dismissed for Christmas holidays and will begin H1N1 influenza immunizations in mid-January.

Yolanda Lastrapes, HCS director of nursing and Charlotte Placide, retired EBR school superintendent, look on as Carolyn Kothe, HCS nurse, administers FluMist to a student at South Boulevard Elementary School.



The Flu Project Coalition:

- Office of Public Health Vaccines for Children
- LA Department of Agriculture & Forestry
- Baton Rouge Emergency Medical Services
- Our Lady of the Lake Foundation
- Baton Rouge General School of Nursing
- Delta College—LPN Program
- OLOL Career Track Nursing
- OLOL College of Nursing
- Remington College—Medical Assistant Program & Database Entry Program
- Southeastern Louisiana University College of Nursing
- Southern University School of Nursing
- Woman's Hospital Career Track Nurses

Congressman Bill Cassidy, MD, was instrumental in the flu vaccine being administered in EBR schools. He supports Sue Catchings, HCS CEO, as she speaks at a flu press conference held at South Boulevard Elementary School in fall 2008. Student nurses from SLU look on.



Mental Health Professionals

Mental health therapists work with students on a one-to-one basis to help students explore their difficulties. Just having someone to talk to sometimes makes all the difference. Some group discussions are also formed to try to prevent potential problems, such as teen dating violence. In some cases, therapists also work with the student and his or her family, in a safe environment, to try out new ways of behaving and interacting with each other that is healthier and more constructive than previous interactions. HCS is also fortunate to work with Dr. Joseph Grizzaffi, a local psychiatrist (medical doctor specializing in mental health). He consults with students at the health centers upon recommendation from an HCS mental health therapist, primarily to determine if medication administration is necessary.

Academic Success and Access to Mental Health

Research and evaluations have demonstrated that school-based health centers greatly enhance children's access to health care. But research is also beginning to show the impact of medical and mental health professionals working in tandem on schools campuses is having impact on educational outcomes. Health Centers in Schools (HCS), a local 501(c)3 nonprofit agency, believes that improvement in academic outcomes is greatly enhanced with access to mental health therapy and support for students who have no other means of accessing mental health therapists and physicians with expertise in depression, anxiety, and trauma.

In school year 2008-2009, HCS mental health therapists worked with 110 middle and high school students in EBR public and Recovery School District schools who were referred by teachers and school administrators for academic problems. Of the 110 students, 91 completed the recommended therapy made by a child and adolescent psychiatrist with the support of on-site licensed clinical social workers. **Seventy-eight percent of the students showed improvement* in their academic work.** The table below highlights the clinical diagnoses of these students.

Mental health diagnoses	Number of students diagnosed	Percentage of the group
Depression	29	32
Anxiety	14	15
Interpersonal Conflict	13	14
Family conflict/exposure to violence	12	13
ADHD/ADD	9	10
Anger Management	9	10
Bereavement (Accidental, illness, murder)	5	6
TOTAL	91	100 %



While this is not empirical research, it is believed that the association between lack of access to mental health therapy and academic problems is profound. Evidence does support that many children and youth, especially those whose families live in poverty, can achieve at school with the integration of holistic health services on school campuses. Health Centers in Schools is committed to the provision of health services on school campuses and that our work is used to highlight ways in which young people who live in poverty can gain an education as well as practice healthy habits. Our goal is to improve the quality of life for everyone: the children, their families, and the community.

*Improvement in grades by one or two letters (i.e., F to a D or D to a B).

School-Based Health Centers

Health Centers in Schools

Health Centers

Many students in East Baton Rouge public schools do not have access to medical care, except at the school-based health centers operated by Health Centers in Schools. During the 2008-09 school year in EBR, there were nearly 18,000 visits to HCS medical/social work staff at nine schools with student health centers. In fall 2009, two new health centers opened at the Broadmoor High School and Glasgow Middle School campuses.

All HCS health centers are staffed with a clinic coordinator (administrative support), a registered nurse, a nurse practitioner, and a mental health therapist. Health education and medication administration (over the counter and prescriptions) are available at the health centers with proper consents in place. HCS staff are also trained in LaCHIP registration; parents are assisted to sign students up when they come to the health center. Physicians and specialists also visit the centers to see students when needed.

HCS currently has plans to build five new health centers in EBR schools and remodel an existing center by 2012. Ultimate goals are to have 16 school-based health centers in EBR parish public schools, with eleven open year-round with extended hours to care for students, their siblings and other children in the areas surrounding the centers.

The HCS expansion is being undertaken in partnership with the EBR School Board. Our Lady of the Lake Regional Medical Center and corporate community partners. In keeping with Governor Bobby Jindal's goal of providing affordable, effective primary medical services to Louisiana's children, HCS offers services based on the belief that children who are physically and mentally healthy will have a greater chance to improve academic achievement.

The EBR school system is investing \$3.8 million to build the new health centers, and has agreed to provide utilities, maintenance and janitorial services. HCS has raised \$1.2 million so far to provide startup funding for staffing and equipment for the new centers, and \$2.2 million is still needed. When in full operation, the centers are expected to be self-sustaining by billing Medicaid and private insurers for services provided. This service delivery system is unique to Baton Rouge, yet presents a model capable of being replicated throughout Louisiana and the nation.



Breaking ground in March 2009 on the Broadmoor High Health Center are (l-r) Jerry Arbour, president, East Baton Rouge Parish school board; Roger Moser, chair, HCS expansion campaign; Charlotte Placide, retired superintendent, EBR Public School System; Sue Catchings, HCS CEO; Anne Marie Zima, chair, HCS board of directors; Michael Pitts, vice president of tax, Arnedisys (Broadmoor sponsor); and Donna Collins-Lewis, city-parish council district 6.



Marcus LeBlanc of HCS readies the new Broadmoor Health Center for the Ribbon Cutting Ceremony in September 2009.

School-Based Health Centers

HCS opened two new health centers in the fall of 2009 at

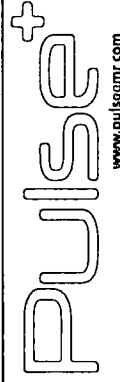
- Broadmoor High School
 - Glasgow Middle School
- Nine other health centers were opened in previous years at these schools:
- Istrouma High School (1987)
 - Westdale Middle School (1987)
 - Glen Oaks Middle School (1993)
 - Prescott Middle School (1993)
 - Glen Oaks High School (1997)
 - Northeast Elementary School (1997)
 - Northeast High School (1997)
 - Capitol High School (2001)
 - Scotlandville Elementary School (2006)

Within the next four years, five more centers will be built or remodeled by the East Baton Rouge Parish School Board to total 16 health centers in EBR public schools. In eleven of these, HCS will provide year-round health services to children in the clusters of parish schools around the health centers.



The new health center at Glasgow Middle School.

Electronic Health Record



Implementation of Pulse Plus, the electronic student health record of Health Centers in Schools, continues to move forward. All nurses, school health assistants, and clinic coordinators were trained on using Pulse Plus by Interactive E Solutions, the company that developed Pulse Plus. When school began in mid-August 2008, information on all students registered in the East Baton Rouge Parish School System was first downloaded from the EBR system's computer database into Pulse Plus to create an electronic record. For 2009 records continue to be updated into Pulse Plus from the school systems' databases.

In this first phase of implementation, medical staff keeps two charts on each student, both hard-copy and electronic, to ensure the information will be safeguarded while Pulse Plus is in the evaluation stage. Effectiveness of Pulse Plus continues to be tested and evaluated with selected staff involved in weekly conference calls to discuss the database and any revisions needed.

Pulse Plus is in the first phase of implementation on the physical health portion, while the social work/mental health portion is still under development by IE Solutions. This section of the electronic health record is still undergoing development, and plans are to implement it in 2010.

When implementation is completed, HCS medical staff will be able to access any child's health record from any location. The utmost security of computer data is maintained through password protection and monitoring of the system.

School Nurses

Health Centers in Schools

The School Nursing Program

Health Centers in Schools contracts with the East Baton Rouge Parish School System and some Recovery Schools to provide nursing services in EBR public schools. Schools with 500 or more students have a nurse on site full-time, while smaller schools have rotating nurses who travel to several schools in a day. Registered nurses work in conjunction with school health assistants (SHA) in some areas of the parish. SHA's help nurses by performing basic first aid and providing administrative support.

During the past school year 2008-09, there were over 17,000 visits to school nurses and support staff at 90 schools. Blood pressure and temperature checks are performed routinely, and sports and comprehensive physicals are also conducted. In some locations, nurses also administer required prescription medication and perform other medical procedures.



Ellen Richard, HCS RN, gives a Tdap vaccine at Kenilworth Middle School (above).



Felisa Carpenter, HCS nurse, talks to a student at Crestworth Elementary School (above).



Rewarding a child with a sticker after her flu vaccine at Brookstown Elementary School is Pam Gauthier, HCS school health assistant.



Erica Johnson, volunteer nurse from Woman's Hospital, administers FluMist to a student at Crestworth Elementary School (above).

A volunteer nurse works with Pam Gauthier, HCS school health assistant; Shirley Fontenot, HCS nurse; Yolanda Lastrapes, HCS nursing director; and Susan Fagan, HCS training coordinator at Brookstown Elementary School (below).



Message from our Board Chair

From the Board Chair:
Anne Marie Zima

Dear Friends:

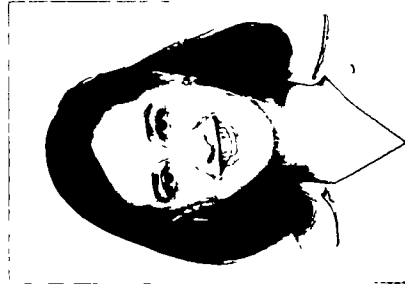
What a year this has been! A time of tremendous growth for Health Centers in Schools, the highlight was certainly the opening of the two new health centers at Broadmoor High School and Glasgow Middle School. Every step toward the opening of these new facilities has been amazing with the participation and teamwork of so many entities involved in making this happen!

The Campaign for Children is continuing with even more zeal than before. As community members learn more about the efforts to provide primary preventive health services for East Baton Rouge students and the positive impact made on school performance, many more want to get involved in these very worthwhile efforts. Two more health centers will be built in EBR schools to open in the fall of 2010, and then three more centers will be built or remodeled in the following two years. The EBR school system has invested funds for the buildings and other services, and HCS must still raise \$2.2 million to provide startup funding for staffing and equipment for the new centers. However, with the tremendous community support of entities such as our sponsoring partners shown in this report, we are confident that more community supporters will want to "get on the bus" and make their own commitments.

Changing the name to Health Centers in Schools from Health Care Centers in Schools made our organization more explainable to our clients. Additionally, modernizing the logo to include the bold red "H" has made HCS more recognizable to the public. As we face a still-recessed economy, a volatile health industry and the beginning of a new decade, these changes certainly strengthen the marketing face of our organization.

The work of Health Centers in Schools is such a primary and important need for all children in our parish, and I know that we will continue to grow and provide meaningful service to the community. It is with the support of all of you that Health Centers in Schools will be able to reach more students with each coming year. As always, on behalf of the Board of Directors and Staff of Health Centers in Schools, thank you for your commitment to the children of our community.

Sincerely,



Campaign for Children

Health Centers in Schools

Celebrating Opening of New Health Centers at Broadmoor High and Glasgow Middle Schools



(Above) Cutting the ribbon for the new health center at Broadmoor High School are (l-r) William Black, East Baton Rouge parish school board member; Daryl Glueck, Broadmoor High principal; Roger Moser, HCS expansion campaign chairman; Dr. Herman Brister, EBRPSS assistant superintendent; Sue Catchings, HCS CEO; Anne Marie Zima, chair of HCS board of directors; W. T. Winfield, EBR school board; Jill Dyason, EBR school board; and Jerry Arbour, EBR parish school board president.



(Right) Celebrating the opening of the new health center at Glasgow Middle School are (l-r) a Glasgow student; Judy O'Dell, Glasgow principal; Dr. Holley Galland-Haymaker, HCS volunteer; Patricia Fox, HCS LCSW; Susan Fagan, HCS nurse; Pam Stewart, HCS nurse; Gwen Britton, HCS LCSW; Beth Edwards, HCS nurse practitioner; (behind Beth) Yolanda Lastrapes, HCS director of nursing; Sue Catchings, HCS CEO; and another Glasgow student.

Sponsoring Partners

Amedisys, Inc.

Baton Rouge Area Foundation

Blue Cross and Blue Shield of Louisiana

Cajun Constructors/

Boo Grigsby Foundation

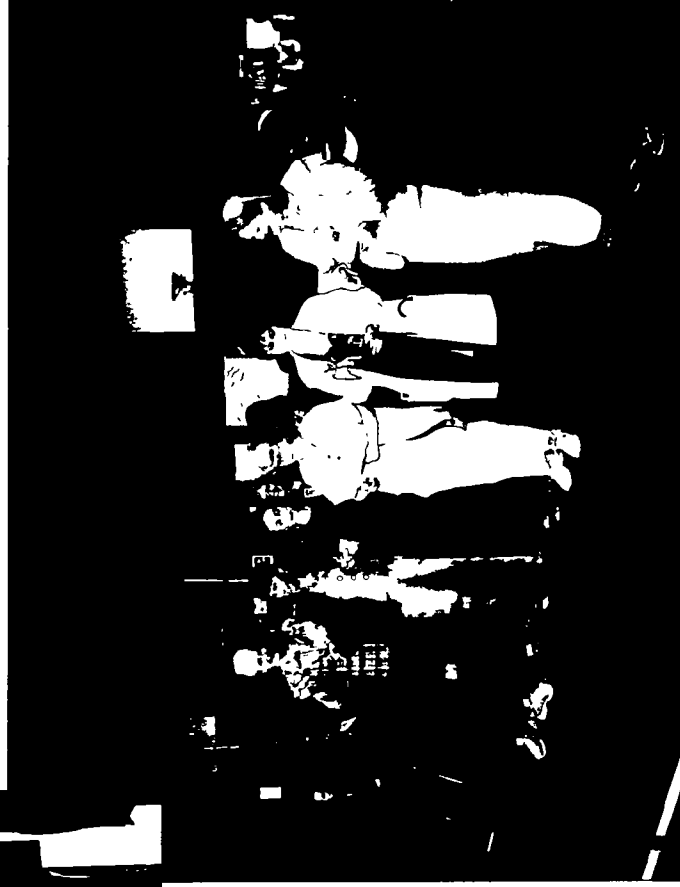
Foundation for the MidSouth

Huey J. and Angelina B. Wilson Foundation

Irene W. & C.B. Pennington Foundation

McMains Foundation

Roger and Marcia Moser

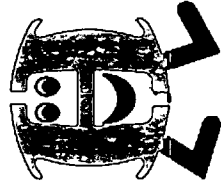


Board Members: 2008-09

Rita Baillie (2006), EBR Parish Health Unit
 Kredenna Beverly, DDS (2008), Smile Stars Dentistry
 Herman Brister, Ed.D. (2006), EBR Parish School System
 Elizabeth Britton (2001), LSU Health Sciences Center
 M. Aminthe Broussard (2005), Adams & Reese, LLP
 Errol Domingue (2008), Pastor, Elm Grove Baptist Church
 John Paul Funes (2007), OLOLRMC Foundation—**Chair, Finance & Personnel Committee**

Stewart Gordon, MD (2007), LSU Health Sciences Center
 Wanda Hughes, RN, MSN (2006), BR General Medical Center
 Julia Lively (2006), Woman's Hospital (retired)
 Susan Pryor, DNS, RN (2007), SLU School of Nursing
 Christina Stephens (2007), La. Recovery Authority
 Margaret-Mary Sulentice Dowell, PhD. (2003), LSU College of Education—**Past Chair**

Genny Nadler Thomas (2007), Louisiana Association of Museums—**Chair, Planning & Development Committee**
 Anne Marie Zima (2006), Capital One Bank—**Chair of Board**



Our First "Health Hero" — Mr. Roger Moser

As young children, all of us at one time or another look up to a hero—one who is, in our minds, larger than life and exhibits superhuman or ideal characteristics that we may only aspire to attain. Although in modern big or small screen stories, the main character or hero is usually a "normal" everyday person that prevails against unthinkable odds in life. Quite often the hero combats a villain, though that villain may just be the worst parts of life as we know it.



At Health Centers in Schools, we are honoring our first "Health Hero," Mr. Roger Moser who has combated some terrible odds in today's economy to help HCS and has committed much of his life to support Baton Rouge children. Mr. Moser has volunteered his time as chair of the HCS campaign expansion committee, and also pledged his and his wife Marcia's monetary support to the future of the organization and the health of children it serves. A hero for children in EBR public schools, he helps them wage war against health concerns.

Mr. Moser is an outstanding member of the Baton Rouge community and has been involved in numerous service organizations. After retiring from Albemarle (formerly Ethyl Corporation) where he had served several executive roles, he ran and was elected to the East Baton Rouge Parish School Board as a representative from District 8. Mr. Moser was later voted School Board President and served in that capacity for several years before retiring from the board in 2006.

Previously, Mr. Moser had served as a board member of HCS for several years. In 1983, he was named a Distinguished Engineering Alumni of Indiana's Purdue University, where he had attained a bachelor of science in engineering in 1951. Roger resides in Baton Rouge with his wife, Marcia.

Thank you, Mr. Roger Moser for being our first Health Hero!



"Let freedom ring..." A premise helping to found our nation is that everyone has a right to education. Ringing bells used to call students to class in small school houses, but as times changed, schools are larger and bells are now buzzes, beeps, music or even text messages on cell phones. While technology advanced, school is about education and more--much, much more.

Because of advanced technology and changing government policies, many children with severe medical challenges now attend school in wheelchairs, accompanied by breathing machines or feeding tubes. Schools must now have the capability to provide immediate medical attention to children like these on a daily basis.

In East Baton Rouge Parish public schools, Health Centers in Schools provides on-site medical and mental health services with health centers on 11 school campuses. The HCS health center is like a pediatrician's office, where medical doctors and nurse practitioners provide more extensive medical care. Social workers at the centers also provide behavior counseling and other mental health services. HCS also manages the traditional school nurse program at schools without health centers.

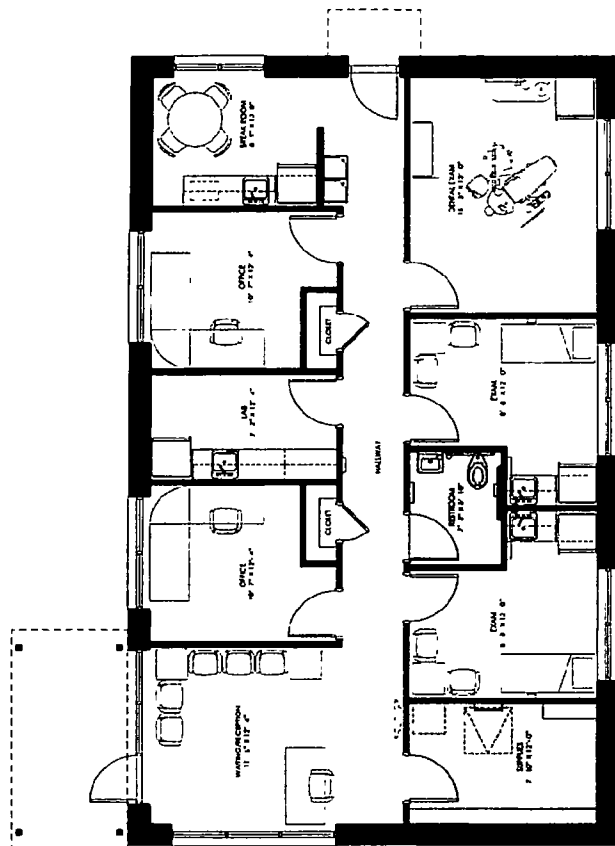
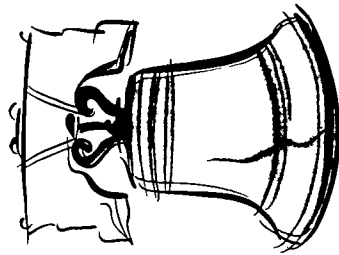
Most private schools do not have capability for medical care due to high costs. So, many of these children attend public schools where law requires that the school systems care for them. In fall 2009, 6092 children in EBR public schools had a chronic disease or required special health services. This included:

- 98 diabetics
- 2841 asthmatics
- 150 Sickle Cell patients
- 272 with seizure disorders
- 193/1860 with ADD/ADHD
- 58 requiring EpiPens (treats severe whole-body allergic reactions)
- 620 children required special medical support (ventilators, heart disease, tracheotomies, immunological disease, genetic disorders, etc.)

"... With liberty and justice for all." This short phrase ends our Pledge of Allegiance to the American flag, but with liberty also comes responsibility to ensure that children justly receive their right to education. Many children have greater obstacles to learning, so HCS is there to help the children remove or deal a little more easily with their challenges.

HCS brings specialists to schools--psychiatrists, as well as vision and dental providers. Begun in 1987, HCS is a 501(c) 3 non-profit organization that provides health care to approximately 45,000 children in all East Baton Rouge Parish Public Schools and the EBR Recovery School District schools. Expansion efforts are currently underway, so by 2013 HCS will provide services at 16 health centers geographically dispersed across the city, with 11 providing year-round care. The school system is building the structures and HCS is raising the \$3.8 million for start-up funding for staffing and equipment.

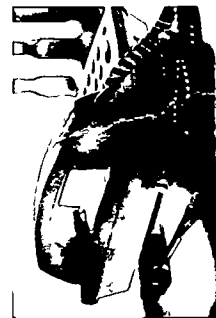
With parents' consent, HCS helps ALL children, regardless of income get the preventive and emergency health care they need to be able to stay in school. When primary needs are cared for, a child can concentrate on completing his or her education to be better prepared for the job market and to be a better contributor to society. The future of Baton Rouge is our children, and access to health care where children are is a primary need that allows our community to improve and grow in many other areas.



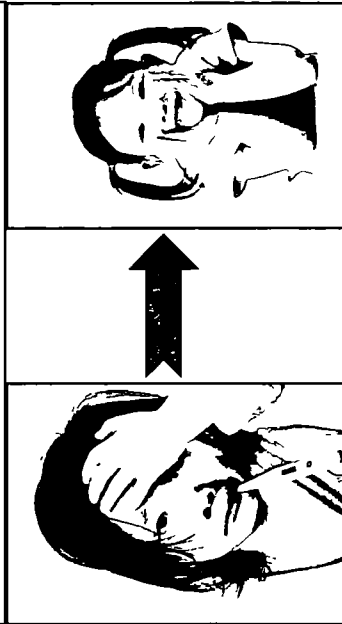
The approximately 1600 sq. ft. floor plan for the new health centers at Broadmoor High and Glasgow Middle Schools includes two exam rooms, a lab, offices, a break room and an all-purpose room.

Administrative Staff:

Sue Catchings, MS, CHE	Chief Executive Officer
Julia Lively, CHFP	Chief Finance Officer
Gerri Brewer	VP, Operations & Support
Tracy Parker, RN, FNP-BC	VP, Research & Quality
Charlotte B. Odom	VP, Communication & Development
Marcus LeBlanc	Associate, Marketing & Development
Kim Reed	Administrative Assistant/Office Manager
Yolanda Lastrapes, RN	Director, Nursing
Geneva Carter, RN	Regional Manager, Nursing
Jill Carwile, RN	Regional Manager, Nursing
Racine Green, RN	Regional Manager, Nursing
Debra Hutcherson, RN	Regional Manager, Nursing
Tara Franklin, LCSW	Manager, Mental Health Programs
Sheryl Miller, LCSW	Assistant Mgr., Mental Health Programs
Susan Fagan, RN	Training Coordinator
Yolanda Freeman	Inventory Coordinator
Yvette Royal	Billing Coordinator



If a child feels ill, HCS wants to change that!



Program Partners:

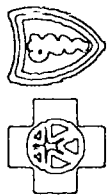
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Maringouin Lions Club
Delta Community College Student Nurses
Children's Coalition of Greater Baton Rouge
Dental Services:

LA Dental Association
EBR Parish School System Transportation Department
LSU Dental School—Baton Rouge campus
Johnnie Hunt, DDS
Nelson Daly, DDS
Lee Koschel, DDS
Aimee Russo Mounger, DDS
Greg Folse, DDS
Associates in Pediatric Dentistry
Lance and Shelly Fallon, DDS



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Health Centers in Schools



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Hospital**

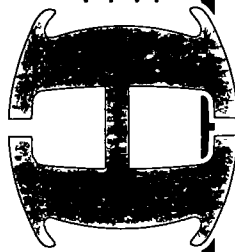
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Health Centers in Schools

**Growing a Healthier Community.
One child, one family, one school at a time.**

Health Centers in Schools

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62