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ENVELOPE

MAY 25 2010

POSTMARK DATE

Return of Organization Exempt From Income Tax

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

2008

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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 07/01, 2008, and ending 06/30, 2009

Form 990 header section containing organization name (FRIENDLY HOUSE, INC.), address (802 SOUTH FIRST AVENUE PHOENIX, AZ 85003), principal officer (LUIS IBARRA), and other identifying information.

Part I Summary

Table with 3 columns: Description, Prior Year, Current Year. Rows include mission statement, governance activities, revenue (Total: 7,792,371), expenses (Total: 6,867,893), and net assets (Total: 8,054,377).

Part II Signature Block

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 block containing signatures of officer (Paul Faulkner) and preparer (Cynthia), along with dates and identifying numbers.

May the IRS discuss this return with the preparer shown above? (See instructions) [X] Yes [] No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions. Form 990 (2008)

SCANNED JUL 26 2010

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Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission.

FRIENDLY HOUSE IS DEDICATED TO PROMOTING SUCCESS AND INDEPENDENCE BY SERVING THE EDUCATIONAL AND HUMAN SERVICE NEEDS OF ARIZONA FAMILIES.

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

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

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 \$ 864,158. including grants of \$ 20,264.) (Revenue \$ 691,526.)

ADULT EDUCATION - THIS PROGRAM SERVICES SOUTH AND CENTRAL PHOENIX, WHICH HAS A HIGH DENSITY OF LIMITED ENGLISH PROFICIENT RESIDENTS WHO ARE FOR THE MOST PART UNDER OR UNSERVED IN THE AREAS OF EDUCATION AND EMPLOYMENT. THE PROGRAM SERVED APPROXIMATELY 1,813 PERSONS.

4b (Code) (Expenses \$ 1,605,098. including grants of \$ NONE) (Revenue \$ 1,950,822.)

PARENTING - THIS PROGRAM PROVIDES COUNSELING AND ASSISTANCE TO PARENTS TO LEARN TO DEAL WITH FAMILY CONFLICT, WORK-LIFE BALANCE ISSUES, AND BASIC PARENTING SKILLS. THE PROGRAM SERVED APPROXIMATELY 3,900 PERSONS.

4c (Code) (Expenses \$ 2,037,037. including grants of \$ NONE) (Revenue \$ 2,317,347.)

CHARTER SCHOOL - DUAL LANGUAGE & MULTICULTURAL PROGRAM WITH EMPHASIS IN MATH & SCIENCE DESIGNED TO MEET THE ACADEMIC, SOCIAL, INDIVIDUAL & CULTURAL NEEDS OF STUDENTS IN K-8. THIS EDUCATIONAL MODEL IS AIMED AT RECENTLY IMMIGRATED CHILDREN, OVERAGE, AT-RISK STUDENTS AND THOSE INTERESTED IN DUAL LANGUAGE PROGRAMS. THE PROGRAMS SERVED APPROXIMATELY 275 STUDENTS.

4d Other program services. (Describe in Schedule O)

(Expenses \$ 1,548,133. including grants of \$ 51,500.) (Revenue \$ 1,021,735.)

4e Total program service expenses \$ 6,054,426. (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	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	X	
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		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II		X
5 Sections 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		
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		X
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		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
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	X	
10 Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	X	
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	X	
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	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the U S ?		X
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		X
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		X
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		X
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I		X
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	X	
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		X
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H		X
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		X
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	X	
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J	X	
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		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
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?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
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		X
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		X
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		X
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		X

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)? <i>If "Yes," complete Schedule L, Part IV</i>		<input checked="" type="checkbox"/>
b	Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i>		<input checked="" type="checkbox"/>
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? <i>If "Yes," complete Schedule L, Part IV</i>		<input checked="" type="checkbox"/>
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		<input checked="" type="checkbox"/>
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		<input checked="" type="checkbox"/>
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		<input checked="" type="checkbox"/>
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		<input checked="" type="checkbox"/>
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		<input checked="" type="checkbox"/>
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	<input checked="" type="checkbox"/>	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		<input checked="" type="checkbox"/>
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		<input checked="" type="checkbox"/>
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? <i>If "Yes," complete Schedule R, Part VI</i>		<input checked="" type="checkbox"/>

Part V Statements Regarding Other IRS Filings and Tax Compliance

Table with columns for question numbers (1a-12a), sub-questions (a, b, c, etc.), and Yes/No columns. Contains various tax compliance questions and their corresponding answers.

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

Table with 3 columns: Question, Yes, No. Rows include questions about voting members, family relationships, management duties, organizational changes, and meeting documentation.

Section B. Policies

Table with 3 columns: Question, Yes, No. Rows include questions about conflict of interest policies, whistleblower policies, document retention, and compensation review processes.

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ARIZONA
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.
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: PAUL FAULKNER 802 SOUTH FIRST AVENUE, PHOENIX, AZ, 85003 (602) 257-1870

Part VIII Statement of Revenue

86-0120506

		(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 490,057.			
	b Membership dues	1b			
	c Fundraising events	1c 190,775.			
	d Related organizations	1d			
	e Government grants (contributions) . .	1e 50,186.			
	f All other contributions, gifts, grants, and similar amounts not included above .	1f 943,069.			
	g Noncash contributions included in lines 1a-1f \$				
	h Total. Add lines 1a-1f ▶		1,674,087.		
Program Service Revenue	Business Code				
	2a IMMIGRATION/LEGAL	900099	51,994.	51,994.	
	b CHILDCARE FEES	900099	60,574.	60,574.	
	c HEADSTART PROGRAM	900099	10,200.	10,200.	
	d GOVERNMENT FEES	900099	3,541,315.	3,541,315.	
	e CHARTER SCHOOL CONTRACT	900099	2,317,347.	2,317,347.	
	f All other program service revenue				
g Total. Add lines 2a-2f ▶		5,981,430.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ▶		111,908.		111,908.
	4 Income from investment of tax-exempt bond proceeds . . . ▶		NONE		
	5 Royalties ▶		NONE		
		(i) Real (ii) Personal			
	6a Gross Rents	11,105.			
	b Less rental expenses				
	c Rental income or (loss)	11,105.			
	d Net rental income or (loss) ▶		11,105.		11,105.
		(i) Securities (ii) Other			
	7a Gross amount from sales of assets other than inventory				
	b Less cost or other basis and sales expenses				
	c Gain or (loss)				
	d Net gain or (loss) ▶		NONE		
	8a Gross income from fundraising events (not including \$ 190,775. of contributions reported on line 1c) See Part IV, line 18 a	27,269.			
	b Less direct expenses b	118,721.			
c Net income or (loss) from fundraising events ▶		-91,452.		-91,452.	
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 ▶		NONE			
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 ▶		NONE			
Miscellaneous Revenue		Business Code			
11a OTHER INCOME	900099	105,293.		105,293.	
b					
c					
d All other revenue					
e Total. Add lines 11a-11d ▶		105,293.			
12 Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e ▶		7,792,371.	5,981,430.		136,854.

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	NONE			
2	Grants and other assistance to individuals in the U.S. See Part IV, line 22	71,764.	71,764.		
3	Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	NONE			
4	Benefits paid to or for members	NONE			
5	Compensation of current officers, directors, trustees, and key employees	454,660.	267,741.	186,919.	NONE
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	NONE			
7	Other salaries and wages	3,746,418.	3,520,780.	71,458.	154,180.
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions).	NONE			
9	Other employee benefits	448,463.	431,546.	NONE	16,917.
10	Payroll taxes	288,948.	266,903.	10,413.	11,632.
11	Fees for services (non-employees)				
a	Management	NONE			
b	Legal	NONE			
c	Accounting	80,954.	71,739.	5,637.	3,578.
d	Lobbying	NONE			
e	Professional fundraising services See Part IV, line 17	NONE			
f	Investment management fees	NONE			
g	Other	317,652.	215,357.	99,827.	2,468.
12	Advertising and promotion	NONE			
13	Office expenses	NONE			
14	Information technology	NONE			
15	Royalties	NONE			
16	Occupancy	248,693.	240,758.	7,935.	NONE
17	Travel	313,969.	311,201.	1,093.	1,675.
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	NONE			
19	Conferences, conventions, and meetings	15,259.	14,408.	NONE	851.
20	Interest	3,261.	NONE	3,261.	NONE
21	Payments to affiliates	NONE			
22	Depreciation, depletion, and amortization	176,691.	28,117.	148,574.	NONE
23	Insurance	45,793.	33,718.	12,075.	NONE
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	TELEPHONE _____	68,536.	56,892.	11,644.	NONE
b	RENTALS _____	49,774.	28,536.	21,238.	NONE
c	PROGRAM SUPPLIES _____	366,860.	358,948.	1,568.	6,344.
d	EQUIPMENT _____	46,352.	37,673.	8,641.	38.
e	POSTAGE _____	3,991.	2,510.	NONE	1,481.
f	All other expenses _____	119,855.	95,835.	20,430.	3,590.
25	Total functional expenses. Add lines 1 through 24f	6,867,893.	6,054,426.	610,713.	202,754.
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)		(B)	
		Beginning of year		End of year	
Assets	1	Cash - non-interest-bearing	986,942.	1	634,867.
	2	Savings and temporary cash investments	4,279,347.	2	5,325,131.
	3	Pledges and grants receivable, net	562,930.	3	537,084.
	4	Accounts receivable, net	1,353,012.	4	615,480.
	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 sales or use		8	
	9	Prepaid expenses and deferred charges	569.	9	20,319.
	10a	Land, buildings, and equipment cost basis	10a 4,219,893.		
	b	Less accumulated depreciation. Complete Part VI of Schedule D.	10b 2,160,684.	1,866,076.	10c 2,059,209.
	11	Investments - publicly traded securities	14,248.	11	4,208.
	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	-57,434.	15	-57,434.
16	Total assets. Add lines 1 through 15 (must equal line 34)	9,005,690.	16	9,138,864.	
Liabilities	17	Accounts payable and accrued expenses	1,195,726.	17	714,262.
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow account liability Complete Part IV of Schedule D	5,707.	21	7,604.
	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	82,675.	23	9,364.
	24	Unsecured notes and loans payable		24	
	25	Other liabilities Complete Part X of Schedule D	285,414.	25	353,257.
	26	Total liabilities. Add lines 17 through 25.	1,569,522.	26	1,084,487.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets	6,273,053.	27	6,785,610.
	28	Temporarily restricted net assets	1,163,115.	28	1,268,767.
	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	7,436,168.	33	8,054,377.
	34	Total liabilities and net assets/fund balances	9,005,690.	34	9,138,864.

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?	2a	X
b	Were the organization's financial statements audited by an independent accountant?	2b	X
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?	2c	X
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?	3a	X
b	If "Yes," did the organization undergo the required audit or audits?	3b	

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
 (Complete only if you checked the box on line 5, 7, or 8 of Part I)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")	1,270,482.	814,009.	1,252,664.	1,382,607.	1,674,087.	6,393,849.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1-3	1,270,482.	814,009.	1,252,664.	1,382,607.	1,674,087.	6,393,849.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						222,403.
6 Public support. Subtract line 5 from line 4						6,171,446.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4.	1,270,482.	814,009.	1,252,664.	1,382,607.	1,674,087.	6,393,849.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	55,354.	123,127.	180,486.	240,882.	123,013.	722,862.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)	37,279.	40,011.	52,386.	20,628.	105,293.	255,597.
11 Total support. Add lines 7 through 10						7,372,308.
12 Gross receipts from related activities, etc (See instructions)					12	27,259,623.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here ▶ <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f))	14	83.71 %
15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f	15	83.88 %
16a 33 1/3% support test - 2008. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input checked="" type="checkbox"/>		
b 33 1/3% support test - 2007. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>		
17a 10%-facts-and-circumstances test - 2008. If the organization did not check a box on line 13, 16a or 16b, and line 14 is 10% or more, and if the organization meets the "fact-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>		
b 10%-facts-and-circumstances test - 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ <input type="checkbox"/>		

Part III Support Schedule for Organizations Described in Section 509(a)(2)
 (Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1-5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
c Add lines 7a and 7b.						
8 Public support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 Total support. (Add lines 9, 10c, 11, and 12)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h	18	%

19a 33 1/3% support tests - 2008. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2007. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information (see instructions)

SCHEDULE A, PART II - OTHER INCOME

DESCRIPTION	2004	2005	2006	2007	2008	TOTAL
OTHER INCOME	37,279.	40,011.	20,064.	20,628.	105,293.	223,275.
RENTAL INCOME			32,322.			32,322.
TOTALS	37,279.	40,011.	52,386.	20,628.	105,293.	255,597.

**SCHEDULE D
(Form 990)**

Supplemental Financial Statements

OMB No 1545-0047

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

Name of the organization

Employer identification number

FRIENDLY HOUSE, INC.

86-0120506

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? Yes No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? Yes No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7

1 Purpose(s) of conservation easements held by the organization (check all that apply)

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? Yes No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? Yes No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8

- 1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items
- b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items
- (i) Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____
- (ii) Assets included in Form 990, Part X ▶ \$ _____
- 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items
- a Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____
- b Assets included in Form 990, Part X ▶ \$ _____

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2008

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Trust, Escrow and Custodial Arrangements. Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIV

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10

	(a) Current Year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	2,874,696.				
b Contributions	80,211.				
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	2,954,907.				

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment ▶ 100.0000 %
- b Permanent endowment ▶ _____ %
- c Term endowment ▶ _____ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

- (i) unrelated organizations
- (ii) related organizations

	Yes	No
3a(i)		X
3a(ii)		X
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		472,715.		472,715.
b Buildings		2,953,014.	1,507,159.	1,445,855.
c Leasehold improvements		NONE	NONE	NONE
d Equipment		783,683.	653,525.	130,158.
e Other		10,481.		10,481.
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c)				2,059,209.

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

Table with 10 rows for Part XI reconciliation. Line 1: Total revenue (7,792,371). Line 2: Total expenses (6,867,893). Line 3: Excess or (deficit) for the year (924,478). Line 10: Excess or (deficit) for the year per financial statements (924,478).

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Table with 5 main rows for Part XII reconciliation. Line 1: Total revenue, gains, and other support per audited financial statements (7,775,684). Line 3: Subtract line 2e from line 1 (7,739,684). Line 5: Total revenue Add lines 3 and 4c (7,792,371).

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

Table with 5 main rows for Part XIII reconciliation. Line 1: Total expenses and losses per audited financial statements (6,851,206). Line 3: Subtract line 2e from line 1 (6,815,206). Line 5: Total expenses Add lines 3 and 4c (6,867,893).

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b

SEE PAGE 5

Series of horizontal dashed lines provided for supplemental information input.

Part XIV Supplemental Information (continued)

FIN 48

PART X

THE ORGANIZATION EVALUATES ITS UNCERTAIN TAX POSITIONS, IF ANY, ON A CONTINUAL BASIS THROUGH REVIEW OF ITS POLICIES AND PROCEDURES, REVIEW OF ITS REGULAR TAX FILINGS, AND DISCUSSIONS WITH OUTSIDE EXPERTS.

PART IV: TRUST, ESCROW AND CUSTODIAL ARRANGEMENTS

LINE 2A:

GRANT PARK BOXING GYM AND GRANT PARK YOUTH SERVICES ARE BOTH COMMUNITY ORGANIZATIONS WITH MINIMAL FUNDING THAT DOES NOT ALLOW FOR STAFF TO DEPOSIT DONATIONS AND ISSUE CHECKS FOR NECESSARY EXPENDITURES. FRIENDLY HOUSE DOES THIS AS A PUBLIC SERVICE FREE OF CHARGE.

PART V: ENDOWMENT FUNDS

THE ORGANIZATION HAS SET ASIDE FUNDS DESIGNATED FOR DAY TO DAY OPERATIONS AND PROGRAMS OF FRIENDLY HOUSE, INC AND ACADEMIA DEL PUEBLO.

PART XII: RECONCILIATION OF REVENUE PER FINANCIALS WITH REVENUE PER RETURN

2D: OTHER AMOUNTS INCLUDED IN LINE 1 BUT NOT ON 990:

ELIMINATED CHARTER SCHOOL RENT 36,000

4B: OTHER AMOUNTS INCLUDED IN 990 BUT NOT ON LINE 1:

OTHER FUNDRAISING EXPENSES 1,187

SCHOLARSHIPS 51,500

Part XIV Supplemental Information (continued)

52,687

PART XIII: RECONCILIATION OF EXPENSES PER FINANCIALS WITH EXP PER RETURN

2D: OTHER AMOUNTS INCLUDED IN LINE 1 BUT NOT ON 990:

ELIMINATED CHARTER SCHOOL RENT 36,000

4B: OTHER AMOUNTS INCLUDED IN 990 BUT NOT ON LINE 1:

OTHER FUNDRAISING EXPENSES 1,187

SCHOLARSHIPS 51,500

52,687

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events (Add col (a) through col (c))	
		GOLF TOURNAMENT (event type)	TAMALE DINNER (event type)	<u>2</u> (total number)		
Revenue	1	Gross receipts	104,876.	52,470.	60,698.	218,044.
	2	Less Charitable contributions	93,449.	48,970.	48,356.	190,775.
	3	Gross revenue (line 1 minus line 2)	11,427.	3,500.	12,342.	27,269.
Direct Expenses	4	Cash prizes				
	5	Non-cash prizes				
	6	Rent/facility costs	5,779.	4,619.	13,824.	24,222.
	7	Other direct expenses	47,743.	8,926.	37,830.	94,499.
	8	Direct expense summary Add lines 4 through 7 in column (d)				(118,721.)
	9	Net income summary Combine lines 3 and 8 in column (d)				-91,452.

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col (a) through col (c))
Revenue	1	Gross revenue			
Direct Expenses	2	Cash prizes			
	3	Non-cash prizes			
	4	Rent/facility costs			
	5	Other direct expenses			
	6	Volunteer labor	Yes _____ % No	Yes _____ % No	Yes _____ % No
	7	Direct expense summary Add lines 2 through 5 in column (d)			()
	8	Net gaming income summary Combine lines 1 and 7 in column (d)			

	Yes	No
9 Enter the state(s) in which the organization operates gaming activities _____		
a Is the organization licensed to operate gaming activities in each of these states? _____	9a	
b If "No," Explain _____		
10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? _____	10a	
b If "Yes," Explain _____		
11 Does the organization operate gaming activities with nonmembers? _____	11	
12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? _____	12	

		Yes	No
13 Indicate the percentage of gaming activity operated in			
a The organization's facility	13a	%	
b An outside facility	13b	%	
14 Provide the name and address of the person who prepares the organization's gaming/special event books and records:			
Name ▶ _____			
Address ▶ _____			
15a Does the organization have a contract with a third party from whom the organization receives gaming revenue?	15a		
b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____			
c If "Yes," enter name and address			
Name ▶ _____			
Address ▶ _____			
16 Gaming manager information			
Name ▶ _____			
Gaming manager compensation ▶ \$ _____			
Description of services provided ▶ _____			
<input type="checkbox"/> Director/officer <input type="checkbox"/> Employee <input type="checkbox"/> Independent contractor			
17 Mandatory distributions:			
a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?	17a		
b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____			

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Use Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
SCHOLARSHIPS	51	51,500.			
REIMBURSEMENT FOR FOOD, CLOTHING, AND SHELTER	150	20,264.			

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information

GRANTS AND OTHER ASSISTANCE TO INDIVIDUALS WITHIN THE UNITED STATES

PART III

CASE MANAGERS DOCUMENT THE CLIENT'S NEED AND REQUEST FUNDS. PAYMENT IS

THEN MADE TO A THIRD PARTY (EX. A SCHOOL, UTILITY, OR APARTMENT COMPANY).

**SCHEDULE J
(Form 990)**

Compensation Information

OMB No 1545-0047

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ **Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 23.**

Name of the organization

Employer identification number

FRIENDLY HOUSE, INC.

86-0120506

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply

- | | |
|--|---|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a.

- | | | |
|--|-----------|-------------------------------------|
| a Receive a severance payment or change of control payment? | 4a | <input checked="" type="checkbox"/> |
| b Participate in, or receive payment from, a supplemental nonqualified retirement plan? | 4b | <input checked="" type="checkbox"/> |
| c Participate in, or receive payment from, an equity-based compensation arrangement? | 4c | <input checked="" type="checkbox"/> |
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

- | | | |
|--|-----------|-------------------------------------|
| a The organization? | 5a | <input checked="" type="checkbox"/> |
| b Any related organization? | 5b | <input checked="" type="checkbox"/> |
- If "Yes" to line 5a or 5b, describe in Part III

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of

- | | | |
|--|-----------|-------------------------------------|
| a The organization? | 6a | <input checked="" type="checkbox"/> |
| b Any related organization? | 6b | <input checked="" type="checkbox"/> |
- If "Yes" to line 6a or 6b, describe in Part III

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	<input checked="" type="checkbox"/>
--	----------	-------------------------------------

	Yes	No
1b		
2		
4a		<input checked="" type="checkbox"/>
4b		<input checked="" type="checkbox"/>
4c		<input checked="" type="checkbox"/>
5a		<input checked="" type="checkbox"/>
5b		<input checked="" type="checkbox"/>
6a		<input checked="" type="checkbox"/>
6b		<input checked="" type="checkbox"/>
7	<input checked="" type="checkbox"/>	
8		<input checked="" type="checkbox"/>

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2008

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

QUESTIONS REGARDING COMPENSATION

PART II: OFFICERS, DIRECTORS, TRUSTEES, KEY EMPLOYEE AND HIGHEST COMP

THE AMOUNT OF \$90,999 REPORTED IN "COLUMN F COMPENSATION REPORTED IN

PRIOR FORM 990 OR FORM 990-EZ" IS THE PORTION OF THE PRESIDENT'S SALARY

PREVIOUSLY REPORTED IN THE 2007 FORM 990 FOR THE PERIOD OF JANUARY 1,

2008 THROUGH JUNE 30, 2008. THIS AMOUNT IS ALSO INCLUDED IN THE AMOUNT

REPORTED IN COLUMN E OF \$258,133.

PART I: LINE 7:

THE BONUS IS BASED ON PERSONAL AND AGENCY PERFORMANCE AND IS MADE SOLELY

AT THE DISCRETION OF THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS.

**SCHEDULE J-2
(Form 990)**

Continuation Sheet for Form 990

OMB No 1545-0047

2008

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

Name of the Organization

Employer Identification number

FRIENDLY HOUSE, INC.

86-0120506

Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(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			
MIGUEL BRAVO DIRECTOR	1.	X						NONE	NONE	NONE
ANNA ALONZO DIRECTOR	1.	X						NONE	NONE	NONE
ILYA IUSSA DIRECTOR	1.	X						NONE	NONE	NONE
LAURA GARCIA DIRECTOR	1.	X						NONE	NONE	NONE
JOSEPH GUTIERREZ SECRETARY	1.	X		X				NONE	NONE	NONE
JOSE ESPARZA DIRECTOR	1.	X						NONE	NONE	NONE
ERNESTO LOPEZ TREASURER	1.	X		X				NONE	NONE	NONE
JESUS FLORES DIRECTOR	1.	X						NONE	NONE	NONE
ANTHONY MARTINEZ CHAIR	1.	X		X				NONE	NONE	NONE
RICARDO ROMERO VICE-CHAIR	1.	X		X				NONE	NONE	NONE
NINA SEGOVIA DIRECTOR	1.	X						NONE	NONE	NONE
TOM SWANSON DIRECTOR	1.	X						NONE	NONE	NONE
ADOLFO GAMEZ DIRECTOR	1.	X						NONE	NONE	NONE
STEPHANIE LOPEZ DIRECTOR	1.	X						NONE	NONE	NONE
JEANNE LUNA DIRECTOR	1.	X						NONE	NONE	NONE
GERI SOSA DIRECTOR	1.	X						NONE	NONE	NONE
ANNA MARIE TOVAR DIRECTOR	1.	X						NONE	NONE	NONE
SAM ALPERT DIRECTOR	1.	X						NONE	NONE	NONE
LUIS IBARRA PRESIDENT	40.			X				192,684.	NONE	65,449.
THERESA LEON COO	40.			X				114,160.	NONE	3,053.
RICHARD LUGO CFO	20.			X				60,000.	NONE	NONE

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J-2 (Form 990) 2008

JSA

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58-2110-10

34

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

Supplemental Information to Form 990

▶ **Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.**

OMB No 1545-0047

2008

**Open to Public
Inspection**

Employer identification number

FRIENDLY HOUSE, INC.

86-0120506

PROGRAM SERVICES

PART III

LINE 4D:

OTHER PROGRAM SERVICES INCLUDE IMMIGRATION, HOUSEKEEPING, COUNSELING, AND

YOUTH EDUCATION.

EXPENSES: \$1,548,133

GRANTS: \$51,500

REVENUE: \$1,021,735

Name of the organization

Employer identification number

FRIENDLY HOUSE, INC.

86-0120506

PART VI: SECTION A: GOVERNANCE, MANAGEMENT & DISCLOSURE

LINE 10:

THE 990 IS PREPARED BY AN OUTSIDE ACCOUNTING FIRM AND WAS REVIEWED BY THE CFO PRIOR TO BEING FILED. A COPY IS MADE AVAILABLE TO THE GOVERNING BODY AFTER FILING.

Name of the organization

Employer identification number

FRIENDLY HOUSE, INC.

86-0120506

PART VI: SECTION B: POLICIES

LINE 15A:

THE CEO'S COMPENSATION IS REVIEWED AND APPROVED ANNUALLY BY THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS. THEY CONSIDER THE INDIVIDUAL'S PERFORMANCE BASED ON ESTABLISHED GOALS, AGENCY PERFORMANCE, GENERAL MARKET CONDITIONS AND COMPENSATION PAID FOR SIMILAR POSITIONS IN SIMILAR ORGANIZATIONS TO DETERMINE ANY NECESSARY ADJUSTMENTS IN COMPENSATION. DECISIONS ARE DOCUMENTED BY THE EXECUTIVE COMMITTEE.

LINE 15B:

ALL OTHER COMPENSATION DECISIONS HAVE BEEN DELEGATED TO THE CEO FROM THE BOARD OF DIRECTORS AND FOLLOW A SIMILAR PROCESS TO THE CEO'S.

Name of the organization

Employer identification number

FRIENDLY HOUSE, INC.

86-0120506

PART VI: SECTION C: DISCLOSURE

LINE 19:

THE ORGANIZATION'S ARTICLES OF INCORPORATION, BY-LAWS, CONFLICT OF

INTEREST POLICY AND FINANCIAL STATEMENTS ARE MADE AVAILABLE TO THE PUBLIC

UPON REQUEST.

Part V Transactions With Related Organizations

Note. Complete line 1 if any entry is listed in Parts II, III, or IV

1 During the tax year did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

Table with columns for transaction types (1a-1r) and Yes/No checkboxes. Transaction types include receipt of interest, gift contributions, loans, sale of assets, purchase of assets, exchange of assets, lease of facilities, performance of services, reimbursement, and other transfers of cash or property.

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

Table with columns (A) Name of other organization(s), (B) Transaction type (a-r), and (C) Amount involved. Rows 1-6 are currently blank.

Application for Extension of Time To File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

► **File a separate application for each return.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box **X**
 - If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)
- Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T) However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868 For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*

Type or print File by the due date for filing your return See instructions	Name of Exempt Organization FRIENDLY HOUSE, INC.	Employer identification number 86-0120506
	Number, street, and room or suite no. If a P O box, see instructions. 802 SOUTH FIRST AVENUE	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions PHOENIX, AZ 85003	

Check type of return to be filed (file a separate application for each return)

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-T (corporation)	<input type="checkbox"/> Form 4720
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (sec 401(a) or 408(a) trust)	<input type="checkbox"/> Form 5227
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 8870

• The books are in the care of ► THE ORGANIZATION

Telephone No ► 602 257-1870 FAX No ► _____

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 02/15, 2010, to file the exempt organization return for the organization named above. The extension is for the organization's return for

► calendar year _____ or

► tax year beginning 07/01, 2008, and ending 06/30, 2009

2 If this tax year is for less than 12 months, check reason Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions.	3a	\$
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	3b	\$
c Balance Due. Subtract line 3b from line 3a Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

• If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box **X**

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

• If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Type or print File by the extended due date for filing the return See instructions	Name of Exempt Organization FRIENDLY HOUSE, INC.	Employer identification number 86-0120506
	Number, street, and room or suite no If a P O. box, see instructions 802 SOUTH FIRST AVENUE	For IRS use only
	City, town or post office, state, and ZIP code For a foreign address, see instructions PHOENIX, AZ 85003	

Check type of return to be filed (File a separate application for each return).

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust)	<input type="checkbox"/> Form 4720	<input type="checkbox"/> Form 8870
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 5227	

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

• The books are in the care of **THE ORGANIZATION**
 Telephone No. **602 257-1870** FAX No.

• If the organization does not have an office or place of business in the United States, check this box

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

- I request an additional 3-month extension of time until 05/17/2010
- For calendar year _____, or other tax year beginning 07/01/2008, and ending 06/30/2009
- If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period
- State in detail why you need the extension ADDITIONAL TIME IS NEEDED IN ORDER TO GATHER THE INFORMATION NECESSARY TO PREPARE A COMPLETE AND ACCURATE RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions.	8a \$
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b \$
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c \$

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature *Amy D. Grell* Title Date 1-14-2010

CBIZ MHM, LLC
 3101 N. CENTRAL AVE., STE 300
 PHOENIX, AZ 85012