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Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0052

2009

For calendar year 2009, or tax year beginning 07-01-2009 , and ending 06-30-2010

G Check all that apply ☐ Initial return ☐ Initial return of a former public charity ☐ Final return
☐ Amended return ☐ Address change ☐ Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.

Name of foundation
Professional Contract Services Inc

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
718 FM 1626 West

City or town, state, and ZIP code
Austin, TX 78748

A Employer identification number
74-2786094

B Telephone number (see page 10 of the instructions)
(512) 358-8887

C If exemption application is pending, check here ☐
D 1. Foreign organizations, check here ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ☐
E If private foundation status was terminated under section 507(b)(1)(A), check here ☐
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

H Check type of organization ☑ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶$ 32,756,948

J Accounting method ☐ Cash ☑ Accrual
☐ Other (specify)
(Part I, column (d) must be on cash basis.)

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))*

	Line	Description	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)	5,000			
	2	Check ▶ ☐ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	15,978	15,978	15,978	
	4	Dividends and interest from securities				
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	52,978			
	b	Gross sales price for all assets on line 6a 74,333				
	7	Capital gain net income (from Part IV, line 2)		52,978		
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)	53,524,889	0	53,524,889	
	12	**Total.** Add lines 1 through 11	53,598,845	68,956	53,540,867	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	1,244,006	0	1,244,006	0
	14	Other employee salaries and wages	25,799,609	0	25,799,609	0
	15	Pension plans, employee benefits	10,174,948	0	10,174,948	0
	16a	Legal fees (attach schedule)	145,228	0	145,228	0
	b	Accounting fees (attach schedule)	260,584	0	260,584	0
	c	Other professional fees (attach schedule)	68,374	0	68,374	0
	17	Interest	7,891	0	7,891	0
	18	Taxes (attach schedule) (see page 14 of the instructions)	57,707	0	57,707	0
	19	Depreciation (attach schedule) and depletion	613,452	0	613,452	
	20	Occupancy	701,313	0	701,313	0
	21	Travel, conferences, and meetings	388,260	0	388,260	0
	22	Printing and publications				
	23	Other expenses (attach schedule)	10,726,431	0	10,726,431	0
	24	**Total operating and administrative expenses.** Add lines 13 through 23	50,187,803	0	50,187,803	0
	25	Contributions, gifts, grants paid	18,850			24,850
	26	**Total expenses and disbursements.** Add lines 24 and 25	50,206,653	0	50,187,803	24,850
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	3,392,192			
	b	**Net investment income** (if negative, enter -0-)		68,956		
	c	**Adjusted net income** (if negative, enter -0-)			3,353,064	

Part II **Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

			Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing	3,968,914	4,809,285	4,809,285
	2	Savings and temporary cash investments	12,274,633	10,512,363	10,512,363
	3	Accounts receivable ▶ 11,665,385 Less allowance for doubtful accounts ▶	6,118,412	11,665,385	11,665,385
	4	Pledges receivable ▶ Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges	209,622	369,375	369,375
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)			
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	544,101	765,879	765,879
	14	Land, buildings, and equipment basis ▶ 7,030,191 Less accumulated depreciation (attach schedule) ▶ 2,412,584	4,294,805	4,617,607	4,617,607
	15	Other assets (describe ▶)	41,238	17,054	17,054
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	27,451,725	32,756,948	32,756,948
Liabilities	17	Accounts payable and accrued expenses	4,135,577	5,310,184	
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)	33,273	665,919	
	22	Other liabilities (describe ▶)	746,187	862,187	
	23	**Total liabilities** (add lines 17 through 22)	4,915,037	6,838,290	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here** ▶ ☑ **and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted	22,536,688	25,918,658	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☐ **and complete lines 27 through 31.**			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see page 17 of the instructions)	22,536,688	25,918,658	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	27,451,725	32,756,948	

Part III **Analysis of Changes in Net Assets or Fund Balances**

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	22,536,688
2	Enter amount from Part I, line 27a	2	3,392,192
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	25,928,880
5	Decreases not included in line 2 (itemize) ▶	5	10,222
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	25,918,658

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1 a	AUTOMOBILES	P		
b	EQUIPMENT	P		
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	66,406		25,223	41,183
b	17,471		5,676	11,795
c				
d				
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
a				41,183
b				11,795
c				
d				
e				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7; If (loss), enter -0- in Part I, line 7 }	2	52,978
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8	3	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☑ No
If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2008	1,053,001	0	0 0
2007	1,577,309	0	0 0
2006	1,728,628	0	0 0
2005	770,763	0	0 0
2004	944,979	0	0 0

2	**Total** of line 1, column (d).	2	0 0
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years . . .	3	0 0
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5.	4	
5	Multiply line 4 by line 3.	5	0
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	690
7	Add lines 5 and 6.	7	690
8	Enter qualifying distributions from Part XII, line 4.	8	992,270

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions on page 18

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1				
	Date of ruling or determination letter ______ **(attach copy of letter if necessary–see instructions)**				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☑ and enter 1% of Part I, line 27b			1	690
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)				
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			2	
3	Add lines 1 and 2			3	690
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			4	
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-			5	690
6	Credits/Payments				
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	2,564		
b	Exempt foreign organizations—tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c			
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	2,564
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached			8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	1,874
11	Enter the amount of line 10 to be **Credited to 2010 estimated tax** ▶ 1,874	**Refunded** ▶		11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		No
	If the answer is "Yes" to ***1a*** *or* ***1b,*** *attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ 0 **(2)** On foundation managers ▶ $ 0			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ 0			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		No
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3	Yes	
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		No
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ CO, IL, OK, TX, UT, VA, WA			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? *If "No," attach explanation*	8b	Yes	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? *If "Yes," complete Part XIV*	9	Yes	
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		No

Part VII-A Statements Regarding Activities (continued)

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		No
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶N/A

14 The books are in care of ▶TRINA BAUMGARTEN Telephone no ▶(512) 615-8454

Located at ▶718 FM 1626 WEST BLDG 100 AUSTIN TX ZIP+4 ▶78748

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** —Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ | 15 |

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

			Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☑ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☑ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☑ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☑ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☑ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). ☐ Yes ☑ No			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?	1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?	1c		No
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? ☐ Yes ☑ No			
	If "Yes," list the years ▶ 20____, 20____, 20____, 20____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see page 20 of the instructions)	2b		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☑ No			
b	If "Yes," did it have excess business holdings in 2009 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009.)*	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?	4b		No

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☑ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☑ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☑ No			
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☑ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☑ No			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)?	**5b**		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No			
	If "Yes," attach the statement required by Regulations section 53.4945–5(d).			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☑ No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	**6b**		No
	If "Yes" to 6b, file Form 8870.			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☑ No			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	**7b**		

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
See Additional Data Table				

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than $50,000	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
EDWARD G BOERST 718 FM 1626 WEST BLDG 100 AUSTIN, TX 78748	QC MANAGER 40 0	103,885	0	5,052
BLUE CLARK 718 FM 1626 WEST BLDG 100 AUSTIN, TX 78748	DIRECTOR OF IT 40 0	96,376	19,489	0
SUSAN KRIEGER 718 FM 1626 WEST BLDG 100 AUSTIN, TX 78748	DIRECTOR REHA PLCMT 40 0	95,329	19,489	2,997
TERRY SCHMILLE 718 FM 1626 WEST BLDG 100 AUSTIN, TX 78748	OPERATIONS MANAGER 40 0	93,873	19,290	2,051
JAMES VOLLMER 718 FM 1626 WEST BLDG 100 AUSTIN, TX 78748	OPERATIONS MANAGER 40 0	92,566	198	3,835
Total number of other employees paid over $50,000 ▶				54

Part VIII **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** (continued)

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE".

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
THE LAW OFFICE OF DULSKE & GLUYS PC 10500 HERITAGE BLVD STE 107 AUSTIN, TX 78216	ATTORNEYS	90,905
Total number of others receiving over $50,000 for professional services		

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 PCSI HAS TWO PRIMARY CUSTOMERS THE FEDERAL GOVERNMENT AND THE STATE OF TEXAS WE ARE A NONPROFIT AGENCY WHICH PROVIDES SERVICES UNDER THE ABILITY-ONE (FORMERLY JWOD) AND	50,206,653
2	
3	
4	

Part IX-B **Summary of Program-Related Investments** (see page 23 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments See page 24 of the instructions 3	
Total. Add lines 1 through 3	

Part X **Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities.	1a	0
b	Average of monthly cash balances.	1b	14,762,695
c	Fair market value of all other assets (see page 24 of the instructions).	1c	0
d	**Total** (add lines 1a, b, and c).	1d	14,762,695
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation). 1e		
2	Acquisition indebtedness applicable to line 1 assets.	2	0
3	Subtract line 2 from line 1d.	3	14,762,695
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions).	4	14,762,695
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	0
6	**Minimum investment return.** Enter 5% of line 5.	6	0

Part XI **Distributable Amount** (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ ☑ and do not complete this part.)

1	Minimum investment return from Part X, line 6.	1	
2a	Tax on investment income for 2009 from Part VI, line 5. 2a		
b	Income tax for 2009 (This does not include the tax from Part VI). 2b		
c	Add lines 2a and 2b.	2c	
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	
6	Deduction from distributable amount (see page 25 of the instructions).	6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1.	7	

Part XII **Qualifying Distributions** (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26.	1a	24,850
b	Program-related investments—total from Part IX-B.	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes.	2	967,420
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required).	3a	0
b	Cash distribution test (attach the required schedule).	3b	0
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	992,270
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 26 of the instructions).	5	690
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4.	6	991,580

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII **Undistributed Income** (see page 26 of the instructions)

		(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7					
2 Undistributed income, if any, as of the end of 2008					
a Enter amount for 2008 only.				0	
b Total for prior years 2007 , 2006 , 2005					
3 Excess distributions carryover, if any, to 2009					
a From 2004.	945,726				
b From 2005.	848,990				
c From 2006.	1,809,541				
d From 2007.	1,661,523				
e From 2008.	1,054,653				
f **Total** of lines 3a through e.		6,320,433			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ $ 992,270					
a Applied to 2008, but not more than line 2a				0	
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)					
c Treated as distributions out of corpus (Election required—see page 26 of the instructions). . .					
d Applied to 2009 distributable amount.					
e Remaining amount distributed out of corpus		992,270			
5 Excess distributions carryover applied to 2009 *(If an amount appears in column (d), the same amount must be shown in column (a).)*					
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		7,312,703			
b Prior years' undistributed income Subtract line 4b from line 2b					
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.					
d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions . . .					
e Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions				0	
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010					0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)					
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)		945,726			
9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a		6,366,977			
10 Analysis of line 9					
a Excess from 2005. . . .	848,990				
b Excess from 2006. . . .	1,809,541				
c Excess from 2007. . . .	1,661,523				
d Excess from 2008. . . .	1,054,653				
e Excess from 2009. . . .	992,270				

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling . . . . . . ▶

b Check box to indicate whether the organization is a private operating foundation described in section ☑ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2009	**(b)** 2008	**(c)** 2007	**(d)** 2006	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	0	0	0	0	0
b 85% of line 2a	0	0	0	0	0
c Qualifying distributions from Part XII, line 4 for each year listed	992,270	1,054,653	1,661,523	1,809,541	5,517,987
d Amounts included in line 2c not used directly for active conduct of exempt activities	24,850	171,534	104,955	93,673	395,012
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c	967,420	883,119	1,556,568	1,715,868	5,122,975
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter					
(1) Value of all assets	32,756,948	27,451,725	24,300,288	20,164,263	104,673,224
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)	32,756,948	27,451,725	24,300,288	20,164,263	104,673,224
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0
(3) Largest amount of support from an exempt organization					0
(4) Gross investment income					0

Part XV Supplementary Information (Complete this part only if the organization had $5,000 or more in assets at any time during the year—see page 27 of the instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000) (See section 507(d)(2))

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ▶☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed

ACE BURT
718 FM 1626 WEST BLDG 100
AUSTIN,TX 78748
(512) 358-8887

b The form in which applications should be submitted and information and materials they should include

WRITTEN

c Any submission deadlines

NONE

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

NONE

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year* See Additional Data Table				
Total . . . . ▶ **3a**				24,850
b *Approved for future payment*				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
1 Program service revenue	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					53,432,573
2 Membership dues and assessments. . . .					
3 Interest on savings and temporary cash investments			14	15,978	
4 Dividends and interest from securities. . . .					
5 Net rental income or (loss) from real estate					
a Debt-financed property.					
b Not debt-financed property.					
6 Net rental income or (loss) from personal property					
7 Other investment income.					
8 Gain or (loss) from sales of assets other than inventory			18	52,978	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory. .					
11 Other revenue a SETTLEMENTS AND OTHER INCOME	900099				77,281
b EARLY PAYMENT DISCOUNTS	900099				15,035
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e). .				68,956	53,524,889

13 Total. Add line 12, columns (b), (d), and (e). **13** 53,593,845

(See worksheet in line 13 instructions on page 28 to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No.	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes) (See page 28 of the instructions)
1G	THE ORGANIZATION CONTRACTS WITH STATE AND FEDERAL AGENCIES
11AB	OTHER INCOME ITEMS ARE GENERATED IN THE PERFORMANCE

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

		Yes	No
1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a Transfers from the reporting foundation to a noncharitable exempt organization of			
(1) Cash	1a(1)		No
(2) Other assets	1a(2)		No
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization	1b(1)		No
(2) Purchases of assets from a noncharitable exempt organization	1b(2)		No
(3) Rental of facilities, equipment, or other assets	1b(3)		No
(4) Reimbursement arrangements	1b(4)		No
(5) Loans or loan guarantees	1b(5)		No
(6) Performance of services or membership or fundraising solicitations	1b(6)		No
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		No

d If the answer to any of the above is "Yes," complete the following schedule Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received

(a) Line No	**(b)** Amount involved	**(c)** Name of noncharitable exempt organization	**(d)** Description of transfers, transactions, and sharing arrangements

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☑ No

b If "Yes," complete the following schedule

(a) Name of organization	**(b)** Type of organization	**(c)** Description of relationship

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 taxpayer or fiduciary) is based on all information of which preparer has any knowledge

Signature of officer or trustee

2010-11-09
Date

Title

Paid Preparer's Use Only

		Date	Check if self-employed ☐	Preparer's identifying number (see **Signature** on page 30 of the instructions)
Preparer's Signature				
Firm's name (or yours if self-employed), address, and ZIP code	ERNST & YOUNG US LLP 2 NORTH CENTRAL AVENUE SUITE 2300 PHOENIX, AZ 85005		EIN	
			Phone no (602) 322-3000	

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Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, 990-EZ, or 990-PF.

OMB No 1545-0047

2009

Name of organization	Employer identification number
Professional Contract Services Inc	74-2786094

Organization type (check one)

Filers of:	**Section:**
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☑ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule See instructions

General Rule—

☑ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor Complete Parts I and II

Special Rules

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1 Complete Parts I and II

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or 990-EZ, that received from any one contributor, during the year, aggregate contributions of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals Complete Parts I, II, and III

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or 990-EZ, that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc , purposes, but these contributions did not aggregate to more than $1,000 If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc , purpose Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc , contributions of $5,000 or more during the year . . . . ▶ $ ____________

Caution. An Organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer “No” on Part IV, line 2 of its Form 990, or check the box in the heading of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization
Professional Contract Services Inc

Employer identification number
74-2786094

Part I **Contributors** (see Instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	NISH 8401 OLD COURTHOUSE ROAD 110 VIENNA, VA 221823820	$ 5,000	Person ☑ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)

Name of organization	Employer identification number
Professional Contract Services Inc	74-2786094

Part II **Noncash Property** (see Instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

Name of organization
Professional Contract Services Inc

Employer identification number
74-2786094

Part III ***Exclusively* religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than $1,000 for the year.** (Complete columns **(a)** through **(e) and** the following line entry)
For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc , contributions of **$1,000 or less** for the year (Enter this information once See instructions) ▶ $

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP 4	Relationship of transferor to transferee

Additional Data

Software ID: 09000054
Software Version: 09-8.5
EIN: 74-2786094
Name: Professional Contract Services Inc

Form 990PF Part VIII Line 1 - List all officers, directors, trustees, foundation managers and their compensation

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
ACE L BURT 718 FM 1626 West Austin, TX 78748	PRESIDENT/CEO 40 0	435,931	119,507	10,920
KEVIN CLOUD 718 FM 1626 West Austin, TX 78748	VICE PRESIDENT 40 0	175,051	72,182	2,418
CARROLL SCHUBERT 718 FM 1626 West Austin, TX 78748	EXEC VP / GENERAL COUNSEL 40 0	281,761	91,507	9,438
KEITH WALKER 718 FM 1626 West Austin, TX 78748	VP MARKETING & OPERATION 40 0	167,794	6,339	0
TRINA BAUMGARTEN 718 FM 1626 West Austin, TX 78748	CFO 40 0	152,061	6,339	8,632
SUSAN BLACKIE 718 FM 1626 West Austin, TX 78748	BOARD OF DIRECTOR 0	0	0	0
JAMES WARD 718 FM 1626 West Austin, TX 78748	BOARD OF DIRECTOR 0	0	0	0
CRAIG LUSK 718 FM 1626 West Austin, TX 78748	BOARD OF DIRECTOR 0	0	0	0

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
SAN MARCOS EVENING LIONS CLUBPO BOX 1645 san marcos,TX 78667	NONE	501(c)(8)	DONATED 20 PURCHASED PASSES	160
SAN ANTONIO LIVESTOCKPO BOX 200230 SAN ANTONIO,TX 78220	NONE	509(a)(2)	GENERAL SUPPORT	2,000
EASTER SEAL CENTRAL1611 HEADWAY CIR AUSTIN,TX 78754	NONE	509(a)(1)	GENERAL SUPPORT	2,400
SUNSHINE KIDS2814 VIRGINIA HOUSTON,TX 77098	NONE	509(A)(1)	GENERAL SUPPORT	5,000
SAN ANTONIO PARASPORTSPO BOX 33394 SAN ANTONIO,TX 78265	NONE	509(A)(2)	GENERAL SUPPORT	1,500
SPECIAL OLYMPICS TEXASPOST OFFICE 131567 HOUSTON,TX 77219	NONE	509(A)(2)	GENERAL SUPPORT	540
TEXAS SCHOOL FOR THE DEAF FOUNDATION1102 SOUTH CONGRESS AUSTIN,TX 78704	NONE	509(A)(2)	GENERAL SUPPORT	2,000
ATHLETE RECOVERY FUND18685-101 Maint Street PMB 361 Huntington Beach,CA 92648	NONE	509 (a)(2)	GENERAL SUPPORT	5,000
Goodwill Industries of Central VA 6301 Midlothlan Turnpike Richmond,VA 23325	NONE	509 (a)(1)	GENERAL SUPPORT	250
FISHER HOUSE (BAMC AUXILLIARY) 4826 IMPALA PARK SAN ANTONIO,TX 78251	NONE	509(A)(2)	GENERAL SUPPORT	1,000
SPECIAL OLYMPICS TEXASPO BOX 131567 HOUSTON,TX 77219	NONE	509(A)(2)	GENERAL SUPPORT	5,000
Total . . . . ▶ **3a**				24,850

TY 2009 Accounting Fees Schedule

Name: Professional Contract Services Inc

EIN: 74-2786094

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	260,584	0	260,584	0

TY 2009 Cash Deemed Charitable Explanation Statement

Name: Professional Contract Services Inc

EIN: 74-2786094

Explanation: IN ACCORDANCE WITH REG. 53.4942(A)-2(C)(3)(IV),THE ABOVE REFERENCED FOUNDATION IS EXCLUDING FROM ITS MINIMUM INVESTMENT OF RETURN (MIR) CALCULATION A TOTAL OF $14,762,695 IN CASH IT DEEMS HELD FOR CHARITABLE ACTIVITIES. THIS AMOUNT IS IN EXCESS OF THE 1.5% OF THE FAIR MARKET VALUE OF THE FOUNDATION'S ASSETS. THE FOLLOWING INFORMATION IS SUBMITTED IN SUPPORT OF THE EXCLUSION FROM MIR OF THIS AMOUNT: 1. FAIR MARKET VALUE OF THE FOUNDATION'S NON-CHARITABLE ASSETS: $0 2. 1.5% OF LINE 1: $0 3. FACTS AND CIRCUMSTANCE JUSTIFYING THE EXCLUSION OF AN AMOUNT IN EXCESS OF THE AMOUNT OF LINE 2: THE FOUNDATION CONSIDERS ALL ITS ASSETS, INCLUDING CASH, AS BEING HELD TO ACHIEVE THE FOUNDATION'S CHARITABLE PURPOSE. OPERATING EXPENSE OF THE FOUNDATION FOR THE YEAR ENDED 6/30/2010 WERE $50,187,803. PROPERTY AND EQUIPMENT TO BE USED BY THE FOUNDATION FOR ITS CHARITABLE ACTIVITIES. THE FOUNDATION PURCHASED $967,420 OF PROPERTY AND EQUIPMENT TO BE USED BY THE FOUNDATION FOR ITS CHARITABLE ACTIVITIES.

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2009 Depreciation Schedule

Name: Professional Contract Services Inc

EIN: 74-2786094

Description of Property	Date Acquired	Cost or Other Basis	Prior Years' Depreciation	Computation Method	Rate / Life (# of years)	Current Year's Depreciation Expense	Net Investment Income	Adjusted Net Income	Cost of Goods Sold Not Included

TY 2009 General Explanation Attachment

Name: Professional Contract Services Inc

EIN: 74-2786094

Identifier	Return Reference	Explanation
FORM 990-PF, PART II, LINE 14	FORM 990-PF, PART I, LINE 19	LAND, BUILDINGS, AND EQUIPMENT (PPE) BASIS SERVICE & TRANSPORTATION EQUIPMENT 3,242,893 FURNITURE & OFFICE EQUIPMENT 628,021 CIP - BUILDING 2,778,261 CIP - LAND 381,016 --------- TOTAL BASIS 7,030,191 LESS ACCUMULATED DEPRECIATION (2,412,584) --------- NET PPE 4,617,607 ========= DEPRECIATION EXPENSE CURRENT YEAR 613,452 DEPRECIATION EXPENSE IS CALCULATED USING THE STRAIGHT LINE METHOD

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TY 2009 Investments - Land Schedule

Name: Professional Contract Services Inc

EIN: 74-2786094

Category/ Item	Cost/Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value

TY 2009 Investments - Other Schedule

Name: Professional Contract Services Inc

EIN: 74-2786094

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
LIFE INSURANCE POLICIES AND	FMV	765,879	765,879
ANNUITIES RECORDED AT			
CASH SURRENDER VALUE			

TY 2009 Land, Etc. Schedule

Name: Professional Contract Services Inc

EIN: 74-2786094

Category / Item	Cost / Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value

TY 2009 Legal Fees Schedule

Name: Professional Contract Services Inc

EIN: 74-2786094

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
LEGAL FEES	145,228	0	145,228	0

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TY 2009 Other Assets Schedule

Name: Professional Contract Services Inc

EIN: 74-2786094

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
SECURITY DEPOSIT	600	2,755	2,755
OTHER ASSET	40,638	14,299	14,299

TY 2009 Other Decreases Schedule

Name: Professional Contract Services Inc

EIN: 74-2786094

Description	Amount
UNREALIZED LOSS ON INVESTMENTS	10,222

TY 2009 Other Expenses Schedule

Name: Professional Contract Services Inc

EIN: 74-2786094

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
AUTOMOBILE EXPENSES	293,452	0	293,452	0
DUES & SUBSCRIPTIONS	24,225	0	24,225	0
FREIGHT & POSTAGE	43,674	0	43,674	0
INSURANCE	754,941	0	754,941	0
MARKETING & JOB POSTING	32,435	0	32,435	0
REPAIRS & MAINTENANCE	208,704	0	208,704	0
SMALL TOOLS & EQUIPMENT	144,397	0	144,397	0
SUBCONTRACT	5,907,529	0	5,907,529	0
SUPPLIES	2,761,982	0	2,761,982	0
TELEPHONE	247,131	0	247,131	0
UNIFORMS/SAFETY EXPENSE	286,811	0	286,811	0
BANK CHARGES	13,279	0	13,279	0
MISCELLANEOUS	7,871	0	7,871	0

TY 2009 Other Income Schedule

Name: Professional Contract Services Inc

EIN: 74-2786094

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
GOVERNMENT SERVICE CONTRACTS	53,432,573	0	53,432,573
OTHER INCOME	92,316	0	92,316

TY 2009 Other Liabilities Schedule

Name: Professional Contract Services Inc

EIN: 74-2786094

Description	Beginning of Year - Book Value	End of Year - Book Value
LONG-TERM DEFERRED COMPENSATION LIABILITY	746,187	862,187

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TY 2009 Other Professional Fees Schedule

Name: Professional Contract Services Inc

EIN: 74-2786094

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
OTHER PROFESSIONAL FEES	68,374	0	68,374	0

BYLAWS

PROFESSIONAL CONTRACT SERVICES, INC

ARTICLE I

NAME

The name of the corporation (the "Corporation") is Professional Contract Services, Inc

ARTICLE 2

OFFICES

2 1 Registered Office The registered office of the Corporation shall be located at 718 FM 1626 West, Bldg 100, Austin, Texas 78748

2 2 Other Offices The Corporation may also have offices at other places in or out of the State of Texas as the Board of Directors may determine or as the business of the Corporation may require

ARTICLE 3

ACTIVITIES

The Corporation's operations shall be confined to the purposes set forth in the Articles of Incorporation of the Corporation

ARTICLE 4

MEMBERS

The Corporation shall have no members

ARTICLE 5

BOARD OF DIRECTORS

5 1 Governing Body The Board of Directors of the Corporation shall constitute its governing body and shall have such powers and authority as shall be conferred upon the directors by the Articles of Incorporation, these Bylaws and the general law of the State of Texas

5 2 Composition of the Board of Directors The Board of Directors of the Corporation shall consist of not less than three (3) nor more than seven (7) members The directors shall be elected at a regular meeting to be held between June 1 and October 1 of each year for terms of one year and until their successors shall be elected and qualified The term of each director elected at said regular meeting begins on the day following the adjournment of said regular meeting Ifat any time the Board of Directors shall consist of less than seven (7) members, the current Board of Directors shall have the authority to elect additional directors at any duly called Board meeting of the Corporation, subject to the requisite notice being given pursuant to Article 6, Section 6 2 Any director so elected shall begin his/her term upon election, and shall serve until the regular election of the Board of Directors as described above Nothing in this Section shall prohibit a director from being elected for additional terms

5 3 Election Except as provided otherwise in these Bylaws, the Board of Directors shall be duly elected by the previous Board of Directors ofthe Corporation Vacancies on the Board of Directors shall be filled by a majority of the other directors who are then serving even though such directors may be less than a quorum of the Board of Directors

5 4 Resignation and Removal The Board of Directors may accept the resignation of any director which is submitted in writing at any meeting of the Board of Directors The Chairman is authorized to call a meeting of the board, pursuant to Section 6 2, to consider the removal of any member of the Board of Directors By a majority vote of the directors present, the Board of Directors may remove any director from membership on the Board of Directors for cause or no cause, at the discretion of the majority of the total number of Directors

5 5 Chairman of the Board The Board of Directors shall elect a Chairman from among the directors who shall preside at all meetings of the Board of Directors

ARTICLE 6

MEETINGS OF THE BOARD OF DIRECTORS

6 1 Number, Date and Place The Corporation shall hold at least one (1) regular meeting of the Board of Directors in each calendar year All meetings of the Board of Directors shall be held in Bexar County or Travis County, Texas, at a place and time designated by the Chairman of the Board or the President, or at any other location upon agreement ofa majority of the members of the Board of Directors

6 2 Notice Notice of all meetings of the Board of Directors, stating the time and place of such meeting, shall be given at least three (3) calendar days prior

to the date of the meeting by the President or Chairman of the Board by sending notice via U S mail, facsimile, commercial delivery service or hand delivery to each director at his address as the same shall appear on the records of the Corporation In addition, notice can be given via electronic mail to an electronic mail address as provided by each director, subject to verification that the electronic transmission has been received by the director No notice need be given to any director from whom a written waiver of notice has been received

6 3 Quorum A quorum of the Board of Directors shall be (i) a majority of the Board of Directors or (ii) three (3) members of the Board of Directors, whichever is less Directors present by proxy may not be counted towards a quorum

6 4 Action Without a Meeting Any action which mayor must be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all of the directors Such unanimous written consent shall have the same force and effect as a unanimous vote

6 5 Telephone Meeting Subject to the provisions of these Bylaws for notice of meetings, the Board of Directors may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this Section 6 5 shall constitute presence in person at such meeting, except for a person who participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened

6 6 Voting by Proxy A director may vote in person or by proxy All such proxies must be executed in writing by the director

ARTICLE 7

EXECUTIVE COMMITTEE

7 1 Designation The Board of Directors may, by resolution adopted by a majority of the whole Board, designate an Executive Committee

7 2 Authority Except to the extent limited by resolution of the Board of Directors, the Executive Committee shall have and may exercise all of the authority of the Board of Directors in the management of the business and affairs of the Corporation

7 3 Number, Qualification, Term The Executive Committee shall consist of at least two (2) or more persons, a majority of whom are directors Each Executive Committee member shall serve for the term of his/her position set forth

in these Bylaws and until his/her successor shall have been elected or appointed and qualified

7 4 Removal Any member of the Executive Committee may be removed from the Executive Committee by the affirmative vote of (i) a majority of the whole Board of Directors or (ii) a majority of the whole Executive Committee, whenever in their judgment the best interests of the Corporation will be served thereby

7 5 Vacancies A vacancy occurring in the Executive Committee (by death, resignation, removal or otherwise) may be filled by the Executive Committee, even though there may be less than a quorum of the Executive Committee, or by the Board of Directors

7 6 Meetings Time, place and notice (if any) of the Executive Committee meetings shall be determined by the Executive Committee as needed

7 7 Quorum, Majority Vote At meetings of the Executive Committee, (i) a majority of the number of members of the Executive Committee or (ii) three (3) members of the Executive Committee, whichever is less, shall constitute a quorum for the transaction of business The act of a majority of the members present at any meeting at which a quorum is present shall be the act of the Executive Committee, except as otherwise specifically provided by statute, the Articles of Incorporation or these Bylaws If a quorum is not present at a meeting of the Executive Committee,
the members present may adjourn the meeting from time to time, without notice other than an announcement at the meeting, unti I a quorum is present

7 8 Procedure The Executive Committee shall keep regular minutes of its proceedings and report the same to the Board of Directors when required The minutes of the proceedings of the Executive Committee shall be placed in the minute book of the Corporation

7 9 Action without Meeting Any action required or permitted to be taken at a meeting of the Executive Committee may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all the members of the Executive Committee Such consent shall have the same force and effect as a unanimous vote at a meeting The signed consent, or a signed copy, shall be placed in the minute book

7 10 Telephone and Similar Meetings Executive Committee members may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other Participation in such meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened

7 11 Responsibility The designation of an Executive Committee and the delegation of authority to it shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed upon it or him/her by law

ARTICLE 8

OTHER BOARD COMMITTEES

8 1 Designation The Board of Directors may, by resolution adopted by a majority of the whole Board, designate one (l) or more committees in addition to the Executive Committee

8 2 Number, Qualification, Term The committees shall consist of two (2) or more persons, a majority of whom are directors The committees shall serve at the pleasure of the Board of Directors

8 3 Authority The committees, to the extent provided in such resolution, shall have and may exercise all of the authority of the Board of Directors in the management of the business and affairs of the Corporation

8 4 Change in Number The number of committee members may be increased or decreased from time to time by resolution adopted by a majority of the whole Board of Directors

8 5 Removal Any member of the committee may be removed by the Board of Directors by the affirmative vote of a majority of the whole Board, whenever in its judgment the best interests of the Corporation will be served thereby

8 6 Vacancies A vacancy occurring on any committee (by death, resignation, removal or otherwise) may be filled by the Board of Directors in the manner provided for original designation by Section 8 2 of these Bylaws

8 7 Meetings Time, place and notice (if any) of any committee meetings shall be determined by each committee

8 8 Quorum, Majority Vote At meetings of any committee, (i) a majority of the number of members designated by the Board of Directors or (ii) three members of the committee, whichever is less, shall constitute a quorum for the transaction of business The act of a majority of the members present at any meeting at which a quorum is present shall be the act of the committee, except as otherwise specifically provided by statute, the Articles of Incorporation or these Bylaws If a quorum is not present at a meeting of the committee, the members present may adjourn the meeting from time to time, without notice other than an announcement at the meeting, until a quorum is present

8 9 Procedure Each committee shall keep regular minutes of its proceedings and report the same to the Board of Directors when required The minutes of the proceedings of each committee shall be placed in the minute book of the Corporation

8 10 Action without Meeting Any action required or permitted to be taken at a meeting of a committee may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all the members of the committee Such consent shall have the same force and effect as a unanimous vote at a meeting The signed consent, or a signed copy, shall be placed in the minute book

8 11 Telephone and Similar Meetings Committee members may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other Participation in such meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened

8 12 Responsibility The designation of a committee and the delegation of authority to it shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed upon it or him/her by law

ARTICLE 9

OFFICERS

9 1 Officers The officers of the Corporation shall consist of the President, the Secretary, and the Treasurer The Board of Directors may also appoint such other officers as the Board of Directors may deem necessary Any two (2) or more offices may be held by the same person, except for the offices of President and Secretary

9 2 Election, Term The Board of Directors also shall elect every two (2) years at one of their regular meetings the officers of the Corporation required by Section 9 1 above, and such persons shall hold office for two (2) years and until their successors have been elected and have qualified

9 3 Removal Any officer may be removed at any time, with or without cause, by resolution of the directors at any meeting of the Board of Directors

9 4 President The President shall be the chief operating officer of the Corporation, and shall perform all of the duties commonly incident to his office and such other duties as the Board of Directors shall designate from time to time

9 5 Secretary The Secretary shall keep accurate minutes of all meetings of the Board of Directors and the Executive Committee, shall perform all the duties commonly incident to such office, and shall perform such other duties and have such other powers as the Board of Directors shall designate from time to time

9 6 Treasurer The Treasurer shall keep or cause to be kept full and accurate records of all receipts and disbursements in the financial books of the Corporation, shall perform all the duties commonly incident to such office, and shall perform such other duties and have such other powers as the Board of Directors shall designate from time to time

9 7 Vacancy If any office shall become vacant by reason of death, resignation, removal or otherwise, the Board of Directors shall appoint a successor or successors for the unexpired term or terms

9 8 Delegation of Powers In the event of the absence or disability of any officer of the Corporation, the Board of Directors may delegate his or her powers and duties for the time being to any other officer or officers

ARTICLE 10

ADVISORY BOARD OF DIRECTORS

The Board of Directors may, by resolution adopted by a majority of the whole Board, designate an Advisory Board of Directors The Advisory Board of Directors shall provide advice to the Board of Directors of the Corporation, but shall not have and shall not exercise any authority of the Board of Directors in the management of the business and affairs of the Corporation The number of members of the Advisory Board of Directors may be increased or decreased from time to time by resolution adopted by a majority of the whole Board of Directors Any member ofthe Advisory Board of Directors may be removed by the Board of Directors by the affirmative vote of the majority of the whole Board, whenever in its judgment the best interest of the Corporation will be served thereby A vacancy occurring on the Advisory Board of Directors (by death, resignation, removal or otherwise) may be filled by the Board of Directors in the manner provided for original designation in this Article The time, place and notice (if any) of any meeting of the Advisory Board of Directors shall be determined by the Board of Directors

ARTICLE II

INDEMNIFICATION

11 1 Extent of Indemnification The Corporation shall indemnify its directors and officers, and may indemnify and insure and advance reasonable expenses to its directors, officers, employees, agents, and their heirs, executors and

administrators and other persons, to the maximum extent permitted under the Texas Non-Profit Corporation Act, as the Texas Non-Profit Corporation Act now exists or may hereafter be amended from time to time.

11.2. Other Remedies. Indemnification provided in this Article shall not be exclusive of any other rights to which a person who held a position identified in Section 11.1 may be entitled by law, agreement, vote of disinterested directors, or otherwise.

11.3 Insurance. The Corporation shall purchase and maintain insurance on behalf of any person (and may reimburse any such person for the reasonable and necessary cost of obtaining and maintaining personal insurance) against any liability which may be incurred by him/her arising out of his/her status as a director, officer, committee member or employee of the Corporation, whether or not the Corporation would have the power to indemnify him/her against any such liability in Section 11.1.

ARTICLE 12.

AMENDMENTS

These Bylaws may be amended at any meeting of the Board of Directors, provided that notice of the proposed amendment or amendments shall have been given in the notice of such meeting, by a majority vote of the directors present

These ByLaws were adopted as amended by the Board of Directors on the 22nd day of August, 2009.

Carroll W, Schubert
Chairman of the Board of Directors