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Return of Organization Exempt From Income Tax

2009

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

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

Form header section containing organization name (FRIENDLY HOUSE, INC.), EIN (86-0120506), address (802 SOUTH FIRST AVENUE, PHOENIX, AZ 85003), and principal officer (LUIS IBARRA).

Part I Summary

Table with 3 columns: Description, Prior Year, Current Year. Rows include mission statement, revenue (Total: 6,530,713), expenses (Total: 6,726,602), and net assets (Total: 8,390,428).

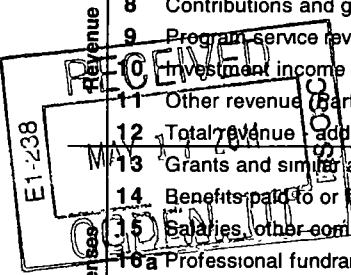
Part II Signature Block

Signature block containing signatures of Paul Faukner (CFO) dated 5/13/11 and Amy O'Keefe, along with firm name (CBIZ MHM, LLC) and EIN (34-1884125).

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.\*

SCANNED JUN 13 2011



Part III Statement of Program Service Accomplishments

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? If "Yes," describe these new services on Schedule O. [ ] Yes [X] No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? If "Yes," describe these changes on Schedule O. [ ] Yes [X] No

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 \$ 1,220,677. including grants of \$ 179,049 ) (Revenue \$ 1,334,084. ) 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 1,865 PERSONS.

4b (Code: ) (Expenses \$ 984,568. including grants of \$ ) (Revenue \$ 1,344,837. ) 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 2,690 PERSONS.

4c (Code: ) (Expenses \$ 2,228,123. including grants of \$ ) (Revenue \$ 2,296,337. ) CHARTER SCHOOL - HIGH ACADEMIC STANDARD 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 A CHALLENGING ACADEMIC ENVIRONMENT. THE PROGRAM SERVED APPROXIMATELY 375 STUDENTS.

4d Other program services. (Describe in Schedule O.) (Expenses \$ 1,286,312 including grants of \$ 94,500. ) (Revenue \$ 689,443 )

4e Total program service expenses 5,719,680.

Part IV Checklist of Required Schedules

Table with 3 main columns: Question, Yes, No. Rows 1-20 contain various questions about organizational activities and reporting requirements. Some rows have sub-questions (e.g., 12A, 14a, 14b). Pre-filled 'X' marks are present in the Yes/No columns for several items.

Part IV Checklist of Required Schedules (continued)

Table with 4 columns: Question ID, Question Text, Yes, No. Rows include questions 21 through 38 regarding grants, compensation, tax-exempt bonds, and organizational structure.

Part V Statements Regarding Other IRS Filings and Tax Compliance

1a Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable. 1a 5
1b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable. 1b 0
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? 1c X
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return. 2a 268
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? 2b X
3a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? 3a X
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O. 3b
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? 4a X
b If "Yes," enter the name of the foreign country: See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? 5a X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? 5b X
c If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction? 5c
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible? 6a X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? 6b
7 Organizations that may receive deductible contributions under section 170(c).
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? 7a X
b If "Yes," did the organization notify the donor of the value of the goods or services provided? 7b X
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? 7c X
d If "Yes," indicate the number of Forms 8282 filed during the year. 7d
e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? 7e X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? 7f X
g For all contributions of qualified intellectual property, did the organization file Form 8899 as required? 7g
h For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required? 7h
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? 8
9 Sponsoring organizations maintaining donor advised funds.
a Did the organization make any taxable distributions under section 4966? 9a
b Did the organization make a distribution to a donor, donor advisor, or related person? 9b
10 Section 501(c)(7) organizations. Enter:
a Initiation fees and capital contributions included on Part VIII, line 12. 10a
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities. 10b
11 Section 501(c)(12) organizations. Enter:
a Gross income from members or shareholders. 11a
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) 11b
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? 12a
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year. 12b

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body; 1b Enter the number of voting members that are independent; 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?; 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?; 4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?; 5 Did the organization become aware during the year of a material diversion of the organization's assets?; 6 Does the organization have members or stockholders?; 7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?; 7b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?; 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: a The governing body?; b Each committee with authority to act on behalf of the governing body?; 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include: 10a Does the organization have local chapters, branches, or affiliates?; 10b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?; 11 Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?; 11A Describe in Schedule O the process, if any, used by the organization to review this Form 990; 12a Does the organization have a written conflict of interest policy? If "No," go to line 13; 12b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?; 12c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done; 13 Does the organization have a written whistleblower policy?; 14 Does the organization have a written document retention and destruction policy?; 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?; 15a The organization's CEO, Executive Director, or top management official; 15b Other officers or key employees of the organization; 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?; 16b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?

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. Indicate how you make these available. Check all that apply.
[ ] Own website [ ] Another's website [X] Upon request
19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: PAUL FAULKNER 802 SOUTH FIRST AVENUE, PHOENIX, AZ, 85003 (602) 257-1870

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

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

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

(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	1.00	X					0.	0.	0.	
ANNA ALONZO DIRECTOR	1.00	X					0.	0.	0.	
ILYA IUSSA DIRECTOR	1.00	X					0.	0.	0.	
LAURA GARCIA VICE-CHAIR	1.00	X		X			0.	0.	0.	
JOSEPH GUTIERREZ DIRECTOR	1.00	X					0.	0.	0.	
ERNESTO LOPEZ DIRECTOR	1.00	X					0.	0.	0.	
ANTHONY MARTINEZ DIRECTOR	1.00	X					0.	0.	0.	
RICARDO ROMERO CHAIR	1.00	X		X			0.	0.	0.	
NINA SEGOVIA SECRETARY	1.00	X		X			0.	0.	0.	
ADOLFO GAMEZ DIRECTOR	1.00	X					0.	0.	0.	
STEPHANIE LOPEZ TREASURER	1.00	X		X			0.	0.	0.	
JEANNE LUNA DIRECTOR	1.00	X					0.	0.	0.	
GERI SOSA DIRECTOR	1.00	X					0.	0.	0.	
ANNA MARIE TOVAR DIRECTOR	1.00	X					0.	0.	0.	
SAM ALPERT DIRECTOR	1.00	X					0.	0.	0.	
ISRAEL TORRES DIRECTOR	1.00	X					0.	0.	0.	



**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	
<b>Contributions, gifts, grants and other similar amounts</b>	<b>1a</b> Federated campaigns . . . . .	<b>1a</b> 515,467					
	<b>b</b> Membership dues . . . . .	<b>1b</b>					
	<b>c</b> Fundraising events . . . . .	<b>1c</b> 251,268					
	<b>d</b> Related organizations . . . . .	<b>1d</b>					
	<b>e</b> Government grants (contributions) . . . . .	<b>1e</b>					
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above . . . . .	<b>1f</b> 164,882.					
	<b>g</b> Noncash contributions included in lines 1a-1f \$						
	<b>h Total.</b> Add lines 1a-1f . . . . .		931,617.				
<b>Program Service Revenue</b>	<b>Business Code</b>						
	<b>2a</b> IMMIGRATION/LEGAL	541900	64,846.	64,846			
	<b>b</b> CHILDCARE FEES	624410	46,738.	46,738			
	<b>c</b> HEADSTART PROGRAM	611710	9,350.	9,350			
	<b>d</b> GOVERNMENT FEES	611710	3,287,553.	3,287,553			
	<b>e</b> CHARTER SCHOOL CONTRACT	611710	2,245,894.	2,245,894			
	<b>f</b> All other program service revenue . . . . .	900099	320.	320			
<b>g Total.</b> Add lines 2a-2f . . . . .		5,654,701.					
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) . . . . .		83,672.			83,672.	
	<b>4</b> Income from investment of tax-exempt bond proceeds . . . . .		0.				
	<b>5</b> Royalties . . . . .		0.				
	<b>6a</b> Gross Rents . . . . .	(i) Real	12,348.				
		(ii) Personal					
		<b>b</b> Less: rental expenses . . . . .					
		<b>c</b> Rental income or (loss) . . . . .	12,348.				
	<b>d</b> Net rental income or (loss) . . . . .		12,348.			12,348.	
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities	1,627,679.				
		(ii) Other					
		<b>b</b> Less: cost or other basis and sales expenses . . . . .	1,627,679.				
		<b>c</b> Gain or (loss) . . . . .					
	<b>d</b> Net gain or (loss) . . . . .		0.				
	<b>8a</b> Gross income from fundraising events (not including \$ 251,268. of contributions reported on line 1c). See Part IV, line 18 . . . . .	<b>a</b>	34,834				
		<b>b</b> Less: direct expenses . . . . .	190,604				
<b>c</b> Net income or (loss) from fundraising events . . . . .			-155,770.			-155,770.	
<b>9a</b> Gross income from gaming activities See Part IV, line 19 . . . . .	<b>a</b>						
	<b>b</b> Less: direct expenses . . . . .						
	<b>c</b> Net income or (loss) from gaming activities . . . . .		0.				
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . .	<b>a</b>						
	<b>b</b> Less: cost of goods sold . . . . .						
	<b>c</b> Net income or (loss) from sales of inventory . . . . .		0.				
<b>Miscellaneous Revenue</b>		<b>Business Code</b>					
<b>11a</b> OTHER INCOME	900099	4,145.			4,145.		
<b>b</b>							
<b>c</b>							
<b>d</b> All other revenue . . . . .							
<b>e Total.</b> Add lines 11a-11d . . . . .		4,145.					
<b>12 Total Revenue.</b> See instructions . . . . .		6,530,713.	5,654,701		-55,605.		

**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 . . .	0.			
2	Grants and other assistance to individuals in the U.S. See Part IV, line 22 . . . . .	273,549.	273,549.		
3	Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16 . . . . .	0.			
4	Benefits paid to or for members . . . . .	0.			
5	Compensation of current officers, directors, trustees, and key employees . . . . .	437,894.	319,663.	118,231.	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . .	0.			
7	Other salaries and wages . . . . .	3,609,902.	3,150,784.	305,589.	153,529.
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . .	70,279.	57,923.	9,050.	3,306.
9	Other employee benefits . . . . .	144,675.	135,515.	6,677.	2,483.
10	Payroll taxes . . . . .	471,624.	415,029.	37,730.	18,865.
11	Fees for services (non-employees):				
a	Management . . . . .	0.			
b	Legal . . . . .	0.			
c	Accounting . . . . .	101,892.	77,079.	20,691.	4,122.
d	Lobbying . . . . .	0.			
e	Professional fundraising services See Part IV, line 17	0.			
f	Investment management fees . . . . .	0.			
g	Other . . . . .	249,674.	125,146.	119,755.	4,773.
12	Advertising and promotion . . . . .	0.			
13	Office expenses . . . . .	0.			
14	Information technology . . . . .	0.			
15	Royalties . . . . .	0.			
16	Occupancy . . . . .	167,570.	164,107.	3,463.	
17	Travel . . . . .	308,916.	306,865.	955.	1,096.
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19	Conferences, conventions, and meetings . . . .	23,701.	2,269.	21,157.	275.
20	Interest . . . . .	0.			
21	Payments to affiliates . . . . .	0.			
22	Depreciation, depletion, and amortization . . .	161,884.	23,339.	138,545.	
23	Insurance . . . . .	38,406.	28,687.	9,719.	
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 -----	61,080.	50,043.	11,037.	
b	RENTALS -----	40,006.	29,802.	10,204.	
c	PROGRAM SUPPLIES -----	396,516.	394,431.		2,085.
d	EQUIPMENT -----	108,243.	106,275.	1,968.	
e	PRINTING/PUBLICATION -----	10,591.	10,147.	124.	320.
f	All other expenses -----	50,200.	49,027.		1,173.
25	<b>Total functional expenses.</b> Add lines 1 through 24f	6,726,602.	5,719,680.	814,895.	192,027.
26	<b>Joint Costs.</b> 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
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing . . . . .	634,867.	<b>1</b>	1,645,475.
	<b>2</b> Savings and temporary cash investments . . . . .	5,325,131.	<b>2</b>	4,113,832.
	<b>3</b> Pledges and grants receivable, net . . . . .	537,084.	<b>3</b>	551,506.
	<b>4</b> Accounts receivable, net . . . . .	615,480.	<b>4</b>	968,745.
	<b>5</b> Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .		<b>5</b>	
	<b>6</b> 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 . . . . .		<b>6</b>	
	<b>7</b> Notes and loans receivable, net . . . . .		<b>7</b>	
	<b>8</b> Inventories for sale or use . . . . .		<b>8</b>	
	<b>9</b> Prepaid expenses and deferred charges . . . . .	20,319.	<b>9</b>	10,442.
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	<b>10a</b> 4,485,815.		
	<b>b</b> Less: accumulated depreciation . . . . .	<b>10b</b> 2,220,313.	2,059,209.	<b>10c</b> 2,265,502.
	<b>11</b> Investments - publicly traded securities . . . . .	4,208.	<b>11</b>	2,361.
	<b>12</b> Investments - other securities. See Part IV, line 11 . . . . .		<b>12</b>	
	<b>13</b> Investments - program-related. See Part IV, line 11 . . . . .		<b>13</b>	
	<b>14</b> Intangible assets . . . . .		<b>14</b>	
	<b>15</b> Other assets. See Part IV, line 11 . . . . .	-57,434.	<b>15</b>	-57,434.
<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	9,138,864.	<b>16</b>	9,500,429.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	714,262.	<b>17</b>	684,206.
	<b>18</b> Grants payable . . . . .		<b>18</b>	
	<b>19</b> Deferred revenue . . . . .		<b>19</b>	
	<b>20</b> Tax-exempt bond liabilities . . . . .		<b>20</b>	
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D	7,604.	<b>21</b>	1,640.
	<b>22</b> Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .	9,364.	<b>23</b>	0.
	<b>24</b> Unsecured notes and loans payable to unrelated third parties . . . . .		<b>24</b>	
	<b>25</b> Other liabilities. Complete Part X of Schedule D . . . . .	353,257.	<b>25</b>	424,155.
	<b>26 Total liabilities.</b> Add lines 17 through 25 . . . . .	1,084,487.	<b>26</b>	1,110,001.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets . . . . .	6,785,610.	<b>27</b>	7,363,966.
	<b>28</b> Temporarily restricted net assets . . . . .	1,268,767.	<b>28</b>	1,026,462.
	<b>29</b> Permanently restricted net assets . . . . .		<b>29</b>	
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds . . . . .		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund . . . . .		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds . . . . .		<b>32</b>	
<b>33</b> Total net assets or fund balances . . . . .	8,054,377.	<b>33</b>	8,390,428.	
<b>34</b> Total liabilities and net assets/fund balances . . . . .	9,138,864.	<b>34</b>	9,500,429.	

**Part XI Financial Statements and Reporting**

**1** Accounting method used to prepare the Form 990:  Cash  Accrual  Other \_\_\_\_\_  
 If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.

**2a** Were the organization's financial statements compiled or reviewed by an independent accountant? . . . . .

**b** Were the organization's financial statements audited by an independent accountant? . . . . .

**c** If "Yes" to line 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? . . . . .  
 If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.

**d** If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis

**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? . . . . .

**b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.

	Yes	No
<b>2a</b>		X
<b>2b</b>	X	
<b>2c</b>	X	
<b>3a</b>		X
<b>3b</b>		



**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) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") . . . . .	814,009	1,252,664	1,382,607	1,674,087	931,617	6,054,984
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 <b>Total.</b> Add lines 1 through 3. . . . .	814,009	1,252,664	1,382,607	1,674,087	931,617	6,054,984
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). . . . .						118,403
6 <b>Public support.</b> Subtract line 5 from line 4. . . . .						5,936,581

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4 . . . . .	814,009	1,252,664	1,382,607	1,674,087	931,617	6,054,984
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .	123,127	180,486	240,882	123,013	96,020	763,528
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.) . ATCH 1 . . . . .	40,011	52,386	20,628	105,293	4,145	222,463
11 <b>Total support.</b> Add lines 7 through 10 . . . . .						7,040,975
12 Gross receipts from related activities, etc. (see instructions) . . . . .					12	28,401,146
13 <b>First five years.</b> 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 <b>stop here</b> . . . . . <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f)) . . . . .	14	84.31%
15 Public support percentage from 2008 Schedule A, Part II, line 14 . . . . .	15	83.71%
16a <b>33 1/3% support test - 2009.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization . . . . . <input checked="" type="checkbox"/>		
b <b>33 1/3% support test - 2008.</b> 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 <b>stop here.</b> The organization qualifies as a publicly supported organization . . . . . <input type="checkbox"/>		
17a <b>10%-facts-and-circumstances test - 2009.</b> 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 "facts-and-circumstances" test, check this box and <b>stop here.</b> 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 <b>10%-facts-and-circumstances test - 2008.</b> 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 <b>stop here.</b> 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 <b>Private foundation.</b> 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

Table with 7 columns: (a) 2005, (b) 2006, (c) 2007, (d) 2008, (e) 2009, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Gross receipts from admissions, merchandise sold or services performed; 3 Gross receipts from activities that are not an unrelated trade or business; 4 Tax revenues levied for the organization's benefit; 5 The value of services or facilities furnished by a governmental unit; 6 Total; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 7c Add lines 7a and 7b; 8 Public support.

Section B. Total Support

Table with 7 columns: (a) 2005, (b) 2006, (c) 2007, (d) 2008, (e) 2009, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 10b Unrelated business taxable income; 10c Add lines 10a and 10b; 11 Net income from unrelated business activities not included in line 10b; 12 Other income; 13 Total support; 14 First five years.

Section C. Computation of Public Support Percentage

Table with 3 columns: Line number, Description, and Percentage. Rows: 15 Public support percentage for 2009; 16 Public support percentage from 2008 Schedule A, Part III, line 15.

Section D. Computation of Investment Income Percentage

Table with 3 columns: Line number, Description, and Percentage. Rows: 17 Investment income percentage for 2009; 18 Investment income percentage from 2008 Schedule A, Part III, line 17.

19a 33 1/3% support tests - 2009. 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 - 2008. 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

ATTACHMENT 1

SCHEDULE A, PART II - OTHER INCOME

DESCRIPTION	2005	2006	2007	2008	2009	TOTAL
OTHER INCOME	40,011.	20,064.	20,628.	105,293	4,145	190,141
RENTAL INCOME		32,322.				32,322
<b>TOTALS</b>	<u>40,011.</u>	<u>52,386.</u>	<u>20,628</u>	<u>105,293.</u>	<u>4,145.</u>	<u>222,463.</u>

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2009

Open to Public Inspection

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12. Attach to Form 990. See separate instructions.

Department of the Treasury Internal Revenue Service

Name of the organization

FRIENDLY HOUSE, INC.

Employer identification number

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.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 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... Yes/No, 6 Did the organization inform all grantees... Yes/No.

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

Form for Part II Conservation Easements. Includes checkboxes for purposes (land for public use, natural habitat, open space, historically important land area, certified historic structure), a table for 'Held at the End of the Year' (rows 2a-2d), and questions 3-9 regarding monitoring, expenses, and reporting.

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

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

- 3 Using the organization's acquisition, 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 Escrow and Custodial Arrangements. Complete if the 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 . . . . .	2,954,907.	2,874,696.			
b Contributions . . . . .		80,211.			
c Net investment earnings, gains, and losses . . . . .					
d Grants or scholarships . . . . .					
e Other expenditures for facilities and programs . . . . .					
f Administrative expenses . . . . .					
g End of year balance . . . . .	2,954,907.	2,954,907.			

- 2 Provide the estimated percentage of the year end balance held as:
- a Board designated or quasi-endowment  $\blacktriangleright$  100.0000 %
  - b Permanent endowment  $\blacktriangleright$  0.0000 %
  - c Term endowment  $\blacktriangleright$  0.0000 %
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- |                                       | Yes                      | No                                  |
|---------------------------------------|--------------------------|-------------------------------------|
| (i) unrelated organizations . . . . . | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (ii) related organizations . . . . .  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
- b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? . . . . .  Yes  No
- 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) Accumulated depreciation	(d) Book value
1a Land . . . . .		472,715.		472,715.
b Buildings . . . . .		2,964,194.	1,523,095.	1,441,099.
c Leasehold improvements . . . . .				
d Equipment . . . . .		731,506.	697,218.	34,288.
e Other . . . . .		317,400.		317,400.
<b>Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)</b> . . . . .				<b>2,265,502.</b>



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

Table with 10 rows and 3 columns: Line number, Description, and Amount. Total revenue is 6,530,713. Total expenses are 6,726,602. Excess or (deficit) for the year is -195,889. Net unrealized gains (losses) on investments are -4,940. Total adjustments (net) are -4,940. Excess or (deficit) for the year per audited financial statements is -200,829.

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

Table with 5 main rows and sub-rows (a-e) and 3 columns: Line number, Description, and Amount. Total revenue is 6,525,773. Amounts included on line 1 but not on Form 990, Part VIII, line 12: Net unrealized gains on investments (-4,940). Total revenue after adjustments is 6,530,713. Amounts included on Form 990, Part VIII, line 12, but not on line 1: Investment expenses not included on Form 990, Part VIII, line 7b. Total revenue after adjustments is 6,530,713.

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

Table with 5 main rows and sub-rows (a-e) and 3 columns: Line number, Description, and Amount. Total expenses and losses per audited financial statements are 6,726,602. Amounts included on line 1 but not on Form 990, Part IX, line 25: Donated services and use of facilities, Prior year adjustments, Other losses, Other (Describe in Part XIV.). Total expenses after adjustments are 6,726,602. Amounts included on Form 990, Part IX, line 25, but not on line 1: Investment expenses not included on Form 990, Part VIII, line 7b, Other (Describe in Part XIV.). Total expenses after adjustments are 6,726,602.

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, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

SEE PAGE 5

**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 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	
		TAMALE DINNER	GOLF TOURNAMENT	2	(add col. (a) through col. (c))	
		(event type)	(event type)	(total number)		
Revenue	1	Gross receipts . . . . .	71,827.	68,150.	146,125.	286,102.
	2	Less: Charitable contributions . . . . .	64,957.	60,086.	126,225.	251,268.
	3	Gross income (line 1 minus line 2) . . . . .	6,870.	8,064.	19,900.	34,834.
Direct Expenses	4	Cash prizes . . . . .				
	5	Noncash prizes . . . . .	825.			825.
	6	Rent/facility costs . . . . .	8,654.	22,055.	23,550.	54,259.
	7	Food and beverages . . . . .		2,413.		2,413.
	8	Entertainment . . . . .	1,250.		2,400.	3,650.
	9	Other direct expenses . . . . .	8,168.	667.	120,622.	129,457.
	10	Direct expense summary. Add lines 4 through 9 in column (d) . . . . .				( 190,604.)
11	Net income summary. Combine line 3, column (d), and line 10 . . . . .				-155,770.	

**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))
		1	Gross revenue . . . . .		
Direct Expenses	2	Cash prizes . . . . .			
	3	Noncash 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 line 1, column d, and line 7 . . . . .				

	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	

13 Indicate the percentage of gaming activity operated in:

- a The organization's facility . . . . . 

13a		%
-----	--	---
- b An outside facility . . . . . 

13b		%
-----	--	---

14 Enter the name and address of the person who prepares the organization's gaming/special events 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 of the third party:

Name ▶ -----

Address ▶ -----

16 Gaming manager information:

Name ▶ -----

Gaming manager compensation ▶ \$ -----

Description of services provided ▶ -----

Director/officer       Employee       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? . . . . .
- b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ -----

17a



**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 Part IV and 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	95	94,500.			
REIMBURSEMENT FOR FOOD, CLOTHING, AND SHELTER	1,200	179,049			

**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)**

Department of the Treasury  
Internal Revenue Service

**Compensation Information**

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

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

**2009**

**Open to Public Inspection**

Name of the organization

FRIENDLY HOUSE, INC.

Employer identification number

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 any of the boxes on 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, with respect to the filing organization or a related organization:

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

**Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.**

**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? . . . . .
- b** Any related organization? . . . . .
- 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? . . . . .
- b** Any related organization? . . . . .
- 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 . . . . .

**9** If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? . . . . .

	Yes	No
<b>1a</b>		
<b>1b</b>		
<b>2</b>		
<b>3</b>		
<b>4a</b>		X
<b>4b</b>		X
<b>4c</b>		X
<b>5a</b>		X
<b>5b</b>		X
<b>6a</b>		X
<b>6b</b>		X
<b>7</b>	X	
<b>8</b>		X
<b>9</b>		

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

Schedule J (Form 990) 2009



**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 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 O  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

FRIENDLY HOUSE, INC.

**Supplemental Information to Form 990**

Complete to provide information for responses to specific questions on  
Form 990 or to provide any additional information.

▶ Attach to Form 990.

OMB No 1545-0047

**2009**

**Open to Public  
Inspection**

Employer identification number

86-0120506

ATTACHMENT 2

PROGRAM SERVICES

PART III

LINE 4D:

OTHER PROGRAM SERVICES INCLUDE IMMIGRATION, HOUSEKEEPING, COUNSELING, AND  
YOUTH EDUCATION.

EXPENSES: \$ 1,286,312.

GRANTS: \$ 94,500.

REVENUE: \$ 689,443.

PART VI: SECTION A: GOVERNANCE, MANAGEMENT & DISCLOSURE

LINE 10:

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

PART VI: SECTION B: POLICIES

LINE 12:

ALTHOUGH THE ORGANIZATION DOES NOT REQUIRE BOARD MEMBERS AND OFFICERS TO  
ANNUALLY DISCLOSE INTERESTS THAT MAY GIVE RISE TO CONFLICTS, IT DOES  
REQUIRE BOARD MEMBERS TO COMPLY WITH THE ORGANIZATION'S CONFLICT OF  
INTEREST POLICY. EMPLOYEES AND BOARD MEMBERS MUST DISCLOSE ANY FINANCIAL  
INTEREST THEY OR THEIR IMMEDIATE FAMILY HAVE IN ANY FIRM THAT DOES  
BUSINESS WITH FRIENDLY HOUSE OR THAT COMPETES WITH FRIENDLY HOUSE.

Name of the organization

FRIENDLY HOUSE, INC.

Employer identification number

86-0120506

ATTACHMENT 2 (CONT'D)

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.

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 (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

Table with columns for transaction type (1a-1r), Yes/No checkboxes, and descriptions of transactions such as 'Receipt of interest', 'Gift, grant, or capital contribution', 'Lease of facilities', etc.

Table with columns for Name of other organization (e), Transaction type (a-r) (b), and Amount involved (c).



# 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](http://www.irs.gov/efile) and click on *e-file for Charities & Nonprofits*.

<b>Type or print</b>	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	
	File by the due date for filing your return. See instructions.	

### 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 ► PAUL FAULKNER

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, 2011, 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, 2009, and ending 06/30, 2010.

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

<b>3a</b> 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.	<b>3a</b>	\$
<b>b</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.	<b>3b</b>	\$
<b>c Balance Due.</b> 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.	<b>3c</b>	\$

**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.

**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 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	

Enter the Return code for the return that this application is for (file a separate application for each return)  0  1

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

**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  PAUL FAULKNER  
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.

4 I request an additional 3-month extension of time until 05/16, 2011.

5 For calendar year \_\_\_\_\_, or other tax year beginning 07/01, 2009, and ending 06/30, 2010.

6 If the tax year entered in line 5 is for less than 12 months, check reason:  Initial return  Final return

Change in accounting period

7 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 \$
8b 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 \$
8c <b>Balance Due.</b> Subtract line 8b from line 8a. Include your payment with this form, 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  *Amey Ozgofe* Title  \_\_\_\_\_ Date  2-11-11

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

Form 8868 (Rev. 1-2011)