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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2010

Open to Public Inspection

A For the 2010 calendar year, or tax year beginning 07-01-2010 and ending 06-30-2011

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
COMMUNITY HEALTH PROJECT INC

Doing Business As
CALLEN LORDE COMMUNITY HEALTH CENTER

Number and street (or P O box if mail is not delivered to street address) 356 WEST 18TH STREET | Room/suite

City or town, state or country, and ZIP + 4
NEW YORK, NY 10011

D Employer identification number
13-3409680

E Telephone number
(212) 271-7200

G Gross receipts $ 23,673,208

F Name and address of principal officer
WENDY STARK
356 WEST 18TH STREET
NEW YORK, NY 10011

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☑ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW CALLEN-LORDE ORG

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1998 | **M** State of legal domicile NY

Part I Summary

1 Briefly describe the organization's mission or most significant activities
PROVIDES SENSITIVE QUALITY HEALTH CARE TO AND RELATED SERVICES PRIMARILY TO NEW YORK'S LESBIAN, GAY, BISEXUAL AND TRANSGENDER COMMUNITIES IN ALL THEIR DIVERSITY REGARDLESS OF THEIR ABILITY TO PAY

2 Check this box ▶☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	13
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	13
5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	**5**	256
6	Total number of volunteers (estimate if necessary)	**6**	0
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	0
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	5,116,010	7,652,317
9	Program service revenue (Part VIII, line 2g)	10,982,272	15,755,039
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	5,154	1,176
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	216,541	79,407
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	16,319,977	23,487,939
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	0
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	9,977,203	13,295,366
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶338,791		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	6,105,691	9,250,492
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	16,082,894	22,545,858
19	Revenue less expenses Subtract line 18 from line 12	237,083	942,081

Revenue

Expenses

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	10,415,112	13,304,481
21	Total liabilities (Part X, line 26)	8,537,865	8,616,739
22	Net assets or fund balances Subtract line 21 from line 20	1,877,247	4,687,742

Net Assets or Fund Balances

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

****** | 2012-05-15
Signature of officer | Date

WENDY STARK EXECUTIVE DIRECTOR
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if self-employed ▶ ☐	PTIN
THOMAS LANNING	THOMAS LANNING			

Firm's name ▶ JH COHN LLP | Firm's EIN ▶

Firm's address ▶ 1212 6TH AVENUE
NEW YORK, NY 10036 | Phone no ▶ (212) 297-0400

May the IRS discuss this return with the preparer shown above? (see instructions) ☑ Yes ☐ No

Part III **Statement of Program Service Accomplishments**

Check if Schedule O contains a response to any question in this Part III . . . . . ☐

1 Briefly describe the organization's mission

PROVIDES SENSITIVE QUALITY HEALTH CARE TO AND RELATED SERVICES PRIMARILY TO NEW YORK'S LESBIAN, GAY, BISEXUAL AND TRANSGENDER COMMUNITIES IN ALL THEIR DIVERSITY REGARDLESS OF THEIR ABILITY TO PAY

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . . ☐ Yes ☑ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . . ☐ Yes ☑ No

If "Yes," describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses $ 18,673,716 including grants of $) (Revenue $ 15,922,615)

CALLEN-LORDE OFFERS A COMPREHENSIVE, INTEGRATED PROGRAM OF QUALITY MEDICAL AND MENTAL HEALTH SERVICES UNDER A PRIMMARY CARE MODEL, WHICH EMPHASIZES PREVENTIVE HEALTH AND WELLNESS ALL OF CLCHC'S SERVICES HAVE BEEN SHAPED BY COMMUNITY NEED, AND INCLUDE COMPREHENSIVE PRIMARY CARE, ADOLESCENT/ YOUNG ADULT SERVICES, URGENT/EPISODIC CARE, GINECOLOGY, FAMILY PLANNING, HIV AND SEXUALLY TRANSMITTED INFECTION SCREENING AND TREATMENT SERVICES, HEALTH EDUCATION/ TREATMENT ADHERENCE COUNSELING, DENTISTRY, PSYCHIATRY, INDIVIDUAL AND GROUP PSYCHOTHERAPY, COMMUNITY OUTREACH, AND CARE COORDINATION IN FY 2010, CLCHC PROVIDED OVER 58,571 PATIENT VISITS

4b (Code) (Expenses $ including grants of $) (Revenue $)

4c (Code) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O)

(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶ $ 18,673,716

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instruction)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		No
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in term, permanent,or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a	Yes	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b		No
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If "Yes," complete Schedule F, Parts I and IV*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Parts II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the U S ? *If "Yes," complete Schedule F, Parts III and IV*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18	Yes	
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**		No
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b–24d and complete Schedule K. If "No," go to line 25*	**24a**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**		No
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	**35**		No
a	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2* ☐ **Yes** ☑ **No**			
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V . . . . . .

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	71		
b	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	Yes	
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	256		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			2b	Yes	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			3a		No
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		No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for 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		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?			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		No
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	Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b	Yes	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .			7f		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			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				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O			13a		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b				
c	Enter the amount of reserves on hand	13c				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			14a		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .			14b		

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

Check if Schedule O contains a response to any question in this Part VI . . . . . ☑

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	13		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	13		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		5		No
6	Does the organization have members or stockholders?		6		No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		7a		No
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?		8a	Yes	
b	Each committee with authority to act on behalf of the governing body?		8b	Yes	
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		9		No

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

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

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed ▶ NY

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you make these available Check all that apply

☑ Own website ☐ Another's website ☑ Upon request

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

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶

ALESSANDRA DA CRUZ DIRECTOR OF FINANCE
39-47 W 19TH STREET ROOM 614
NEW YORK, NY 10011
(212) 721-7200

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

Check if Schedule O contains a response to any question in this Part VII . . . . . .☐

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

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any 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 neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(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			
(1) ARCHLEY PRUDENT BOARD MEMBER	1 00	X						0	0	0
(2) CARLOS RIOBO BOARD MEMBER	1 00	X						0	0	0
(3) CLAUDIA SLACIK CO-CHAIR	1 00	X		X				0	0	0
(4) DANIEL S DOKOS BOARD MEMBER	1 00	X						0	0	0
(5) DAVID SANDMAN BOARD MEMBER	1 00	X						0	0	0
(6) ELIZABETH BENJAMIN MSPH JD BOARD MEMBER	1 00	X						0	0	0
(7) ELIZABETH LORDE-ROLLINS MD BOARD MEMBER	1 00	X						0	0	0
(8) JUSTUS EISFELD BOARD MEMBER	1 00	X						0	0	0
(9) KAREN SAUVIGNE SECRETARY	1 00	X		X				0	0	0
(10) KRISCZAR BUNGAY MD BOARD MEMBER	1 00	X						0	0	0
(11) LAURA JACOBS LMSW BOARD MEMBER	1 00	X						0	0	0
(12) MICAHAEL BAYER CO-CHAIR	1 00	X		X				0	0	0
(13) TOM VIOLA BOARD MEMBER	1 00	X						0	0	0
(14) JOSE ROMAN SENIOR DIRECTOR OF FINANCE	40 00			X				129,708	0	7,581
(15) WENDY STARK EXECUTIVE DIRECTOR	40 00			X				139,349	0	11,149
(16) ADRIAN DEMIDONT PHYSICIAN	40 00					X		135,636	0	8,574

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** (continued)

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(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			
(17) ANITA RADIX DIRECTOR OF RESEARCH AND EDUCATION	40 00					X		140,217	0	13,903
(18) GAL MAYER MEDICAL DIRECTOR	40 00					X		151,270	0	11,149
(19) MICHAEL MCNETT PHYSICIAN	40 00					X		142,919	0	7,731
(20) RICHIE TRAN PHYSICIAN	40 00					X		127,445	0	3,568
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								966,544	0	63,655

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶16

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	**3**		No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	**4**	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	**5**		No

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
CAULDWELL WINGATE CO LLC 380 LEXINGTON AVENUE NEW YORK, NY 10168	CONSTRUCTION	1,329,027
NEXTGEN HEALTHCARE 795 HORSHAM ROAD HORSHAM, PA 19044	BILLING SOFTWARE	272,870
ESTAFF CONTROL 261 MADISON AVE NEW YORK, NY 10016	TEMP AGENCY	128,955
WESTPRINT PRODUCTION 873 WASHINGTON STREET NEW YORK, NY 10014	PRINTING COMPANY	117,902
J PREVEDELLO SERVICES 160 E 38TH ST NEW YORK, NY 100162651	CLEANING SERVICES	106,354

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶6

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns . . 1a					
	b Membership dues 1b					
	c Fundraising events 1c	243,363				
	d Related organizations . . . 1d					
	e Government grants (contributions) 1e	5,391,651				
	f All other contributions, gifts, grants, and similar amounts not included above 1f	2,017,303				
	g Noncash contributions included in lines 1a-1f $					
	h **Total.** Add lines 1a-1f . . . . . ▶		7,652,317			
Program Service Revenue		Business Code				
	2a PHARMACY 340B PROGRAM	900099	5,854,998	5,854,998		
	b MEDICAID	900099	4,752,139	4,752,139		
	c NEW YORK STATE MEDICAI	900099	1,550,072	1,550,072		
	d NEW YORK STATE UNCOMPE	900099	1,249,197	1,249,197		
	e SELF-PAY	900099	790,982	790,982		
	f All other program service revenue		1,557,651	1,557,651		
	g **Total.** Add lines 2a–2f . . . . . ▶		15,755,039			
	3 Investment income (including dividends, interest and other similar amounts) . . . . . ▶		1,176			1,176
	4 Income from investment of tax-exempt bond proceeds . . ▶					
	5 Royalties . . . . . ▶					
		(i) Real / (ii) Personal				
	6a Gross Rents	26,000 /				
	b Less rental expenses	/				
	c Rental income or (loss)	26,000 /				
	d Net rental income or (loss) . . . . . ▶		26,000			26,000
		(i) Securities / (ii) Other				
	7a Gross amount from sales of assets other than inventory	/				
	b Less cost or other basis and sales expenses	/				
	c Gain or (loss)	/				
	d Net gain or (loss) . . . . . ▶					
Other Revenue	8a Gross income from fundraising events (not including $ 243,363 of contributions reported on line 1c) See Part IV, line 18 . . . a	71,100				
	b Less direct expenses . . . b	185,269				
	c Net income or (loss) from fundraising events . . ▶		-114,169			-114,169
	9a Gross income from gaming activities See Part IV, line 19 . a					
	b Less direct expenses . . . . . b					
	c Net income or (loss) from gaming activities . . ▶					
	10a Gross sales of inventory, less returns and allowances . a					
	b Less cost of goods sold . . b					
	c Net income or (loss) from sales of inventory . . ▶					
	Miscellaneous Revenue	Business Code				
	11a OTHER REVENUE	900099	125,108	125,108		
	b MEDICAL RECORDS	900099	35,983	35,983		
	c MISCELLANEOUS	900099	6,485	6,485		
	d All other revenue					
	e **Total.** Add lines 11a–11d . . . . . ▶		167,576			
	12 **Total revenue.** See Instructions . . . ▶		23,487,939	15,922,615	0	-86,993

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).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U S See Part IV, line 21				
2 Grants and other assistance to individuals in the U S See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	225,869	182,456	38,199	5,214
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	10,827,625	8,746,566	1,831,122	249,937
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	2,200	1,777	372	51
9 Other employee benefits	1,122,064	906,404	189,759	25,901
10 Payroll taxes	1,117,608	902,805	189,005	25,798
a Fees for services (non-employees) Management				
b Legal	152,863		152,863	
c Accounting	78,248		78,248	
d Lobbying				
e Professional fundraising services *See Part IV, line 17*				
f Investment management fees				
g Other	1,250,239	669,887	576,850	3,502
12 Advertising and promotion				
13 Office expenses	315,731	255,437	55,032	5,262
14 Information technology				
15 Royalties				
16 Occupancy	296,901	243,459	37,692	15,750
17 Travel	83,897	72,765	10,914	218
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	325,844	244,936	80,908	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	331,679	294,233	37,446	
23 Insurance	114,195	54,323	59,872	
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a PHARMACEUTICALS	5,075,327	5,075,327		
b CONSUMABLE SUPPLIES	586,423	459,551	126,263	609
c LABORATORY AND RADIOLOG	202,482	202,482		
d OTHER	174,988	117,672	52,934	4,382
e PROVISION FOR BAD DEBTS	167,820	167,820		
f All other expenses	93,855	75,816	15,872	2,167
25 **Total functional expenses.** Add lines 1 through 24f	22,545,858	18,673,716	3,533,351	338,791
26 **Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		730	1	780
	2	Savings and temporary cash investments		598,097	2	532,542
	3	Pledges and grants receivable, net		1,772,838	3	2,611,552
	4	Accounts receivable, net		1,484,235	4	2,236,798
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers, and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use			8	362,396
	9	Prepaid expenses and deferred charges		8,483	9	50,576
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 11,807,339			
	b	Less accumulated depreciation	10b 4,976,651	5,819,828	10c	6,830,688
	11	Investments—publicly traded securities			11	
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets		434,277	14	407,135
	15	Other assets See Part IV, line 11		296,624	15	272,014
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		10,415,112	16	13,304,481
Liabilities	17	Accounts payable and accrued expenses		3,346,616	17	2,096,582
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*			21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*			22	
	23	Secured mortgages and notes payable to unrelated third parties		5,191,249	23	4,815,687
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities Complete Part X of Schedule D		0	25	1,704,470
	26	**Total liabilities.** Add lines 17 through 25		8,537,865	26	8,616,739
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		1,877,247	27	4,509,358
	28	Temporarily restricted net assets			28	178,384
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		1,877,247	33	4,687,742
	34	Total liabilities and net assets/fund balances		10,415,112	34	13,304,481

Part XI Reconcilliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI . . . . . ☑

1	Total revenue (must equal Part VIII, column (A), line 12)	1	23,487,939
2	Total expenses (must equal Part IX, column (A), line 25)	2	22,545,858
3	Revenue less expenses Subtract line 2 from line 1	3	942,081
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	1,877,247
5	Other changes in net assets or fund balances (explain in Schedule O)	5	1,868,414
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	4,687,742

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII . . . . . ☑

			Yes	No
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?	2a		No
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
c	If "Yes," to 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	2c	Yes	
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 separate basis, consolidated basis, or both ☑ Separate basis ☐ Consolidated basis ☐ Both consolidated and separated 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?	3a	Yes	
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	3b	Yes	

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
COMMUNITY HEALTH PROJECT INC

Employer identification number
13-3409680

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state

_____

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☑ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)

9 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

10 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization? **11g(i)**		
(ii) a family member of a person described in (i) above? **11g(ii)**		
(iii) a 35% controlled entity of a person described in (i) or (ii) above? **11g(iii)**		

h Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document? Yes	(iv) No	(v) Did you notify the organization in col (i) of your support? Yes	(v) No	(vi) Is the organization in col (i) organized in the U S ? Yes	(vi) No	(vii) Amount of support
Total									

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 or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")	4,223,444	3,995,332	4,334,308	5,116,010	7,408,954	25,078,048
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3	4,223,444	3,995,332	4,334,308	5,116,010	7,408,954	25,078,048
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)						
6 **Public Support.** Subtract line 5 from line 4						25,078,048

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4	4,223,444	3,995,332	4,334,308	5,116,010	7,408,954	25,078,048
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	24,429	48,065	320	37,041	27,176	137,031
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)	2,827	10,179	98,332	15,274	167,576	294,188
11 **Total support** (Add lines 7 through 10)						25,509,267

12	Gross receipts from related activities, etc (See instructions)	12	52,763,492

13 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ▶☐

Section C. Computation of Public Support Percentage

14	Public Support Percentage for 2010 (line 6 column (f) divided by line 11 column (f))	14	98 310 %
15	Public Support Percentage for 2009 Schedule A, Part II, line 14	15	97 120 %

16a **33 1/3% support test—2010.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☑

b **33 1/3% support test—2009.** If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

17a **10%-facts-and-circumstances test—2010.** 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 **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶☐

b **10%-facts-and-circumstances test—2009.** If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶☐

18 **Private Foundation** If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions ▶☐

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 or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	**(a)** 2006	**(b)** 2007	**(c)** 2008	**(d)** 2009	**(e)** 2010	**(f)** Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public Support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	**(a)** 2006	**(b)** 2007	**(c)** 2008	**(d)** 2009	**(e)** 2010	**(f)** Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support** (Add lines 9, 10c, 11 and 12)						

14 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section501(c)(3) organization, check this box and **stop here** ▶☐

Section C. Computation of Public Support Percentage

15	Public Support Percentage for 2010 (line 8 column (f) divided by line 13 column (f))	**15**	
16	Public support percentage from 2009 Schedule A, Part III, line 15	**16**	

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2010** (line 10c column (f) divided by line 13 column (f))	**17**	
18	Investment income percentage from **2009** Schedule A, Part III, line 17	**18**	

19a **33 1/3% support tests—2010.** 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—2009.** 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.** Supplemental Information. Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ 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.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
COMMUNITY HEALTH PROJECT INC

Employer identification number
13-3409680

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

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

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

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

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or pleasure)
☐ Preservation of an historically importantly land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

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

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

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

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

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

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

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

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

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

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

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

(ii) Assets included in Form 990, Part X ▶ $ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

b Assets included in Form 990, Part X ▶ $ _____

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

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

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

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

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

Part IV 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 the 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					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

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

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

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

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

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		1,000,000		1,000,000
b Buildings		7,864,723	2,659,127	5,205,596
c Leasehold improvements				
d Equipment				
e Other		2,942,616	2,317,524	625,092
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				6,830,688

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) should equal Form 990, Part X, col (B) line 13)* ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
LINE OF CREDIT	1,150,000
CURRENT MATURITIES OF NOTE PAYABLE	387,803
DUE TO THIRD PARTY LESS CURRENT MATURITY	166,667
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	1,704,470

2. Fin 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC740)

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	23,487,939
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	22,545,858
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	942,081
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	1,868,414
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 - 8	9	1,868,414
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	2,810,495

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

1	Total revenue, gains, and other support per audited financial statements			1	23,673,208
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines **2a** through **2d**			2e	0
3	Subtract line **2e** from line **1**			3	23,673,208
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b	-185,269		
c	Add lines **4a** and **4b**			4c	-185,269
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	23,487,939

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

1	Total expenses and losses per audited financial statements			1	22,731,127
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines **2a** through **2d**			2e	0
3	Subtract line **2e** from line **1**			3	22,731,127
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b	-185,269		
c	Add lines **4a** and **4b**			4c	-185,269
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	22,545,858

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	CALLEN-LORDE WAS INCORPORATED AS A NOT-FOR-PROFIT CORPORATION UNDER THE LAWS OF THE STATE OF NEW YORK AND IS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE THEREFORE, THERE IS NO PROVISION FOR INCOME TAXES CALLEN-LORDE HAS NO UNRECOGNIZED TAX BENEFITS AT JUNE 30, 2011 AND 2010 CALLEN-LORDE'S U S FEDERAL AND STATE INCOME TAX RETURNS PRIOR TO FISCAL YEAR 2008 ARE CLOSED AND MANAGEMENT CONTINUALLY EVALUATES EXPIRING STATUTES OF LIMITATIONS, AUDITS, PROPOSED SETTLEMENTS, CHANGES IN TAX LAW AND NEW AUTHORITATIVE RULINGS CALLEN-LORDE RECOGNIZES INTEREST AND PENALTIES ASSOCIATED WITH TAX MATTERS AS OPERATING EXPENSES AND INCLUDES ACCRUED INTEREST AND PENALTIES WITH ACCRUED EXPENSES IN THE STATEMENTS OF FINANCIAL POSITION CALLEN-LORDE HAS FILED ALL REQUIRED PAYROLL TAX RETURNS AND PAYROLL TAXES DUE HAVE BEEN PAID
		PART XII - OTHER SPECIAL EVENTS EXPENSES 185,269
		PART XIII LINE 4B - OTHER SPECIAL EVENT EXPENSES 185,269

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SCHEDULE G (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than $15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
COMMUNITY HEALTH PROJECT INC

Employer identification number
13-3409680

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

1 Indicate whether the organization raised funds through any of the following activities Check all that apply

- **a** ☐ Mail solicitations
- **b** ☐ Internet and e-mail solicitations
- **c** ☐ Phone solicitations
- **d** ☐ In-person solicitations
- **e** ☐ Solicitation of non-government grants
- **f** ☐ Solicitation of government grants
- **g** ☐ Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ **Yes** ☐ **No**

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization Form 990-EZ filers are not required to complete this table

(i) Name and address of individual or entity (fundraiser)	**(ii)** Activity	**(iii)** Did fundraiser have custody or control of contributions? Yes	No	**(iv)** Gross receipts from activity	**(v)** Amount paid to (or retained by) fundraiser listed in col **(i)**	**(vi)** Amount paid to (or retained by) organization
Total . . . . . ▶						

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing

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 HEALTH AWARDS (event type)	(b) Event #2 ZOO (event type)	(c) Other Events 2 (total number)	(d) Total Events (Add col (a) through col (c))
Revenue	1 Gross receipts	157,210	120,731	36,522	314,463
	2 Less Charitable contributions	107,685	107,256	28,422	243,363
	3 Gross income (line 1 minus line 2)	49,525	13,475	8,100	71,100
Direct Expenses	4 Cash prizes				
	5 Non-cash prizes				
	6 Rent/facility costs				
	7 Food and beverages			53,156	53,156
	8 Entertainment				
	9 Other direct expenses	70,980	44,921	16,212	132,113
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				185,269
	11 Net income summary Combine lines 3 and 10 in column (d) ▶				-114,169

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

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

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? ☐ Yes ☐ No

b If "No," Explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," Explain _____

11 Does the organization operate gaming activities with nonmembers? . . . . . ☐ Yes ☐ No

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? . . . . . ☐ Yes ☐ No

13 Indicate the percentage of gaming activity operated in

a The organization's facility	**13a**	
b An outside facility	**13b**	

14 Provide the name and address of the person who prepares the organization's gaming/special events books and records

Name ▶ ----------

Address ▶ ----------

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? . . . . . ☐ Yes ☐ No

b If "Yes," enter the amount of gaming revenue received by the organization ▶ $ _____ and the amount of gaming revenue retained by the third party ▶ $ _____

c If "Yes," enter name and address

Name ▶ ----------

Address ▶ ----------

16 Gaming manager information

Name ▶ ----------

Gaming manager compensation ▶ $ ----------

Description of services provided ▶ ----------

☐ 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? . . . . . ☐ Yes ☐ No

b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ $

Part IV Complete this part to provide additional information for responses to question on Schedule G (see instructions.)

Identifier	ReturnReference	Explanation

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
COMMUNITY HEALTH PROJECT INC

Employer identification number
13-3409680

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a .	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization has multiple hospitals, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year ☑ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care to low income individuals? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care ☑ 100% ☐ 150% ☐ 200% ☐ Other _____ %	3a	Yes	
b	Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care . . . . . ☑ Other 100.000000000000 % ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400%	3b	Yes	
c	If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year? . . .	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b		No
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		
6a	Does the organization prepare a community benefit report during the tax year?	6a		
6b	If "Yes," did the organization make it available to the public?	6b		
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheets 1 and 2)			5,313,882	1,872,359	3,441,523	15 140 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			6,862,685	6,817,641	45,044	0 200 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)						0 %
d **Total** Financial Assistance and Means-Tested Government Programs			12,176,567	8,690,000	3,486,567	15 340 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)						
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)						
j **Total** Other Benefits						
k **Total.** Add lines 7d and 7j			12,176,567	8,690,000	3,486,567	15 340 %

Part II **Community Building Activities** during the tax year, and describe in Part VI how its community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing						
2	Economic development						
3	Community support						
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building						
7	Community health improvement advocacy						
8	Workforce development						
9	Other						
10	**Total**						

Part III **Bad Debt, Medicare, & Collection Practices**

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No 15?	1	Yes		
2	Enter the amount of the organization's bad debt expense (at cost)	2	167,820		
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's financial assistance policy	3	167,820		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	287,401
6	Enter Medicare allowable costs of care relating to payments on line 5	6	672,936
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-385,535
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used		

☐ Cost accounting system ☐ Cost to charge ratio ☐ Other

Section C. Collection Practices

9a	Does the organization have a written debt collection policy?	9a			
b	If "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI	9b			

Part IV **Management Companies and Joint Ventures**

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership%	(e) Physicians' profit % or stock ownership %
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					

Part V Facility Information

Section A. Hospital Facilities

(list in order of size, measured by total revenue per facility, from largest to smallest)

How many hospital facilities did the organization operate during the tax year? **1**

	Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
1	NA									

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility
(list in order of size, measured by total revenue per facility, from largest to smallest)

How many non-hospital facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (Describe)
1	
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	

Additional Data

Software ID:
Software Version:
EIN: 13-3409680
Name: COMMUNITY HEALTH PROJECT INC

Part VI Supplemental Information

Complete this part to provide the following information

1 **Required descriptions.** Provide the description required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

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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, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
COMMUNITY HEALTH PROJECT INC

Employer identification number
13-3409680

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate 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 ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision of all the expenses described above? If "No," complete Part III to explain	**1b**		
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?	**2**		
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 ☐ Compensation committee ☐ Written employment contract ☐ Independent compensation consultant ☑ Compensation survey or study ☐ Form 990 of other organizations ☑ 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 from the organization or a related organization?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only 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?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	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	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) WENDY STARK	(i)	139,349	0	0	0	11,149	150,498	69,932
	(ii)	0	0	0	0	0	0	0
(2) ANITA RADIX	(i)	140,217	0	0	0	13,903	154,120	78,705
	(ii)	0	0	0	0	0	0	0
(3) GAL MAYER	(i)	151,270	0	0	0	11,149	162,419	82,432
	(ii)	0	0	0	0	0	0	0
(4) MICHAEL MCNETT	(i)	142,919	0	0	0	7,731	150,650	69,720
	(ii)	0	0	0	0	0	0	0
(5)								
(6)								
(7)								
(8)								
(9)								
(10)								
(11)								
(12)								
(13)								
(14)								
(15)								
(16)								

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

Identifier	Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93493136056342

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
COMMUNITY HEALTH PROJECT INC

Employer identification number
13-3409680

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11		THE 990 IS REVIEWED PRIMARILY BY THE EXECUTIVE DIRECTOR AND THE CFO A DRAFT COPY IS FINALIZED AND THE FINAL VERSION IS PRESENTED TO THE BOARD OF DIRECTORS PRIOR TO THE FILING OF THE RETURN

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	ANNUAL DISCLOSURE STATEMENTS OF ANY CONFLICT OF INTEREST ARE REQUIRED AND SIGN IF THE BOARD OR EXECUTIVE DIRECTOR, AS APPLICABLE, HAS REASONABLE CAUSE TO BELIEVE THAT A PERSON HAS FAILED TO DISCLOSE AN INTEREST, THE PERSON SHALL BE INFORMED OF THE BASIS FOR SUCH BELIEF AND AFFORDED AN OPPORTUNITY TO EXPLAIN THE ALLEGED FAILURE TO DISCLOSE IF, AFTER HEARING THE RESPONSE OF THE INDIVIDUAL WHO FAILED TO DISCLOSE AN INTEREST, AND MAKING SUCH FURTHER INVESTIGATION AS MY BE WARRANTED IN THE CIRCUMSTANCES, THE BOARD OR EXECUTIVE DIRECTOR DETERMINES THAT THE INDIVIDUAL HAS IN FACT FAILED TO DISCLOSE AN INTEREST IN ACCORDANCE WITH SECTION II F 3, APPROPRIATE CORRECTIVE AND/OR DISCIPLINARY ACTION SHALL BE TAKEN, INCLUDING REMOVAL OF THE INDIVIDUAL FROM THE SELECTION, NEGOTIATION OR ADMINSTRATION OF ANY CONTRACTS OR GRANTS

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	THE BOARD OF DIRECTORS APPROVES THE EXECUTIVE DIRECTOR'S (''ED'') COMPENSATION PACKAGE, THIS IS DOCUMENTED IN HER EMPLOYEES FILE (WHICH IS KEPFT BY HR) THE COMPNESATION OF THE REST OF THE SENIOR MANAGEMENT TEAM IS SET BY THE ED IN CONSULTATION WITH THE HUMAN RESOURCES DEPARTMENT, WHICH USES INDUSTRY BENCHMARKS

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	OUR GOVERNING DOCUMENTS AND OTHER POLICY STATEMENTS (LIKE CONFLICTS OF INTEREST) ARE PROVIDED TO THE PUBLIC UPON REQUEST OUR FINANCIAL STATEMENTS ARE POSTED ON OUR WEB-SITE.

Identifier	Return Reference	Explanation
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	PRIOR PERIOD ADJUSTMENTS 1,868,414

Identifier	Return Reference	Explanation
	FORM 990, PART XII, LINE 2C	THE PROCESS OF OVERSEEING THE AUDIT OF THE FINANCIAL STATEMENTS AND SELECTION OF AN INDEPENDENT ACCOUNTANT THAT AUDITED THE FINANCIAL STATEMENTS HAS BEEN CONSISTENT WITH PRIOR YEAR

Community Health Project, Inc.

(d/b/a Michael Callen - Audre Lorde Community Health Center)

**Reports on Financial Statements,
Schedule of Expenditures of Federal Awards,
Internal Control and Compliance
(With Supplementary Information)**

Years Ended June 30, 2011 and 2010

COMMUNITY HEALTH PROJECT, INC.
(d/b/a Michael Callen - Audre Lorde
Community Health Center)

Index

Report of Independent Public Accountants

To the Board of Directors
Community Health Project, Inc

We have audited the accompanying statement of financial position of Community Health Project, Inc (d/b/a Michael Callen – Audre Lorde Community Health Center) ("Callen-Lorde") as of June 30, 2011 and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended These financial statements are the responsibility of the Center's management Our responsibility is to express an opinion on these financial statements based on our audit The financial statements of Callen-Lorde as of June 30, 2010, were audited by other auditors whose report dated March 10, 2011, expressed an unqualified opinion on those statements before the restatement

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation We believe that our audit provides a reasonable basis for our opinion

In our opinion, the 2011 financial statements referred to above present fairly, in all material respects, the financial position of Callen-Lorde as of June 30, 2011, and the changes in its net assets and cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America

In accordance with *Government Auditing Standards*, we have also issued our report dated February 29, 2012, on our consideration of Callen-Lorde's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit

Our audit was conducted for the purpose of forming an opinion on the 2011 basic financial statements. The accompanying schedule of expenditures of Federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is not a required part of the 2011 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 2011 basic financial statements and, in our opinion, is fairly stated, in all material respects in relation to the 2011 basic financial statements taken as a whole.

We also audited the adjustments described in Note 16 that were applied to restate the 2010 financial statements. In our opinion, such adjustments are appropriate and have been properly applied.

J.H. Cohn LLP

New York, New York
February 29, 2012

COMMUNITY HEALTH PROJECT, INC.
(d/b/a Michael Callen - Audre Lorde
Community Health Center)

STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2011 AND 2010

ASSETS

	2011	2010 (Restated)
Current assets:		
Cash and cash equivalents	$ 533,322	$ 598,827
Patient services receivable, net	2,611,552	1,914,755
Grants and contracts receivable	2,236,798	3,210,431
Prepaid expenses and other current assets	50,576	8,783
Inventory	362,396	-
Total current assets	5,794,644	5,732,796
Property and equipment, net	6,830,688	5,819,828
Deferred financing fees, net of accumulated amortization of $407,130 and $379,988	407,135	434,277
Security deposits	272,014	296,624
Totals	$ 13,304,481	$ 12,283,525

LIABILITIES AND UNRESTRICTED NET ASSETS

Current liabilities:		
Line of credit	$ 1,150,000	$ -
Accounts payable and accrued expenses	1,305,885	2,442,799
Accrued compensation	790,697	903,817
Current maturities of note payable	335,011	287,500
Current maturities of due to third party	387,803	-
Total current liabilities	3,969,396	3,634,116
Long-term liabilities:		
Note payable less current maturity	4,480,676	4,903,749
Due to third party less current maturity	166,667	-
Total long-term liabililties	4,647,343	4,903,749
Total liabilities	8,616,739	8,537,865
Commitments and contingencies		
Net assets:		
Unrestricted net assets	4,509,358	3,745,660
Temporarily restricted net assets	178,384	-
Total net assets	4,687,742	3,745,660
Totals	$ 13,304,481	$ 12,283,525

See Notes to Financial Statements.

COMMUNITY HEALTH PROJECT, INC.
(d/b/a Michael Callen - Audre Lorde
Community Health Center)

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2011 AND 2010

	2011	2010 (Restated)
Unrestricted revenue:		
	$ 473,909	$ 326,481
Patient services, net of charitable and contractual allowances of $12,240,496 and $11,141,353	**15,755,039**	11,497,612
Contract services and other grants	**4,937,966**	3,628,029
Fund-raising and contributions	**1,190,569**	1,663,683
Other	**194,753**	71,513
Total unrestricted revenue	**22,552,236**	17,187,318
Expenses:		
Salaries and related benefits	**13,295,365**	9,977,204
Other than personnel services	**8,610,419**	5,403,331
Interest	**325,844**	350,482
Provision for bad debts	**167,820**	158,532
Total expenses	**22,399,448**	15,889,549
Operating income prior to depreciation and amortization and nonoperating revenue	**152,788**	1,297,769
Depreciation and amortization	**331,679**	283,085
Operating income (loss) prior to nonoperating revenue	**(178,891)**	1,014,684
Nonoperating revenue: contract services and other grants for capital additions	**942,589**	1,090,812
Increase in unrestricted net assets	**763,698**	2,105,496
Changes in temporarily restricted net assets: Contributions	**178,384**	-
Increase in net assets	**942,082**	2,105,496
Net assets, beginning of year	**3,745,660**	1,640,164
Net assets, end of year	**$ 4,687,742**	$ 3,745,660

See Notes to Financial Statements.

COMMUNITY HEALTH PROJECT, INC.
(d/b/a Michael Callen - Audre Lorde
Community Health Center)

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2011

	Program Services	General and Administrative	Fund-Raising	Total
Salaries and wages	$ 8,916,565	$ 1,866,712	$ 254,795	$ 11,038,072
Employee benefits	1,823,443	381,744	52,106	2,257,293
Consultants and contractual services	669,887	571,850	3,502	1,245,239
Professional fees	-	236,111	-	236,111
Consumable supplies	459,551	126,263	609	586,423
Laboratory and radiology	202,482	-	-	202,482
Pharmaceuticals	5,075,327	-	-	5,075,327
Occupancy	243,459	37,692	15,750	296,901
Insurance	54,323	59,872	-	114,195
Equipment rental and maintenance	75,816	15,872	2,167	93,855
Telephone	56,848	11,901	1,624	70,373
Printing, publications and postage	65,918	16,480	-	82,398
Travel, conference and meeting	72,765	10,914	218	83,897
Dues and subscriptions	127,305	26,652	3,638	157,595
Health promotion	5,366	-	-	5,366
Interest	244,936	80,908	-	325,844
Provision for bad debts	167,820	-	-	167,820
Other	117,672	52,934	189,651	360,257
Totals	18,379,483	3,495,905	524,060	22,399,448
Depreciation and amortization	294,233	37,446	-	331,679
Total functional expenses	$ 18,673,716	$ 3,533,351	$ 524,060	$ 22,731,127

See Notes to Financial Statements.

COMMUNITY HEALTH PROJECT, INC.
(d/b/a Michael Callen - Audre Lorde
Community Health Center)

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2010
(RESTATED)

	Program Services	General and Administrative	Fund-Raising	Total
Salaries and wages	$ 6,956,312	$ 1,051,830	$ 245,782	$ 8,253,924
Employee benefits	1,451,027	219,605	52,648	1,723,280
Consultants and contractual services	540,769	397,304	32,605	970,678
Professional fees	-	226,050	-	226,050
Consumable supplies	321,692	77,459	-	399,151
Laboratory and radiology	233,152	-	-	233,152
Pharmaceuticals	2,304,651	-	-	2,304,651
Occupancy	221,408	48,602	-	270,010
Insurance	76,303	23,621	-	99,924
Equipment rental and maintenance	84,417	18,530	-	102,947
Telephone	48,576	9,114	-	57,690
Printing, publications and postage	103,280	25,821	-	129,101
Travel, conference and meeting	102,772	15,540	-	118,312
Dues and subscriptions	106,743	26,686	-	133,429
Health promotion	13,157	-	-	13,157
Interest	265,139	85,343	-	350,482
Provision for bad debts	158,532	-	-	158,532
Other	79,800	29,131	236,148	345,079
Totals	13,067,730	2,254,636	567,183	15,889,549
Depreciation and amortization	254,386	28,699	-	283,085
Total functional expenses	$ 13,322,116	$ 2,283,335	$ 567,183	$ 16,172,634

See Notes to Financial Statements.

COMMUNITY HEALTH PROJECT, INC.
(d/b/a Michael Callen - Audre Lorde Community Health Center)

STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2011 AND 2010

	2011	2010 (Restated)
Operating activities:		
Cash received from patient services	$ 14,890,422	$ 10,464,716
Cash received from grants and contract services	6,385,508	1,871,136
Cash received from fundraising and contributions	1,368,953	1,663,683
Cash received from other	194,753	71,513
Cash paid to employees	(13,408,485)	(9,794,198)
Cash paid to vendors	(10,151,522)	(3,093,501)
Cash paid for interest	(298,702)	(323,340)
Net cash provided by (used in) operating activities	(1,019,073)	860,009
Investing activities: purchases of property and equipment	(1,342,539)	(1,192,923)
Financing activities:		
Cash received from line of credit	1,150,000	200,000
Repayments of line of credit	-	(542,489)
Cash received from DHHS grants for capital expenditures	942,589	1,090,812
Cash received from bridge loan	571,252	78,748
Cash received from refund of security deposit	24,610	-
Repayments of bridge loan	(650,000)	-
Repayments of note payable	(296,814)	(283,515)
Cash received from third party	1,908,155	-
Repayments to third party	(1,353,685)	-
Net cash provided by financing activities	2,296,107	543,556
Net increase (decrease) in cash and cash equivalents	(65,505)	210,642
Cash and cash equivalents, beginning of year	598,827	388,185
Cash and cash equivalents, end of year	$ 533,322	$ 598,827
Reconciliation of increase in unrestricted net assets to net cash provided by (used in) operating activities:		
Increase in unrestricted net assets	$ 942,082	$ 2,105,496
Adjustments to reconcile increase in unrestricted net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	331,679	283,085
Amortization of deferred financing fees	27,142	27,142
Nonoperting revenue from contract services and other grants for capital additions	(942,589)	(1,090,812)
Provision for bad debts	167,820	158,532
Changes in operating assets and liabilities:		
Patient services receivable	(864,617)	(1,032,896)
Grants and contracts receivable	973,633	(2,083,374)
Inventory	(362,396)	-
Prepaid expenses and other current assets	(41,793)	492,987
Accounts payable and accrued expenses	(1,136,914)	1,816,843
Accrued compensation	(113,120)	183,006
Net cash provided by (used in) operating activities	$ (1,019,073)	$ 860,009
Supplemental disclosure of noncash financing activity:		
Capital acquisitions funded through accounts payable	$ -	$ 621,815

See Notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS

Note 1 - Organization:

Community Health Project, Inc (d/b/a Michael Callen – Audre Lorde Community Health Center) ("Callen-Lorde" or the "Center") is a community-based healthcare center located in New York, New York. Callen-Lorde provides high-quality healthcare and related services primarily to the lesbian, gay, bisexual and transgender community of New York in all its diversity, without regard to ability to pay. To further this mission, Callen-Lorde promotes health education and wellness, and advocates for lesbian, gay, bisexual and transgender health issues.

The U.S. Department of Health and Human Services (the "DHHS") provides substantial support to Callen-Lorde. Callen-Lorde is obligated under the terms of the DHHS grants to comply with specified conditions and program requirements set forth by the grantor.

Note 2 - Significant accounting policies:

Basis of presentation:

The financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Classification of net assets:

Callen-Lorde classifies its net assets into three categories, which are described as follows:

Unrestricted net assets are reflective of revenues and expenses associated with the principal operating activities of Callen-Lorde and are not subject to donor-imposed stipulations.

Temporarily restricted net assets are subject to donor-imposed stipulations that may or will be met either by actions of Callen-Lorde and/or the passage of time. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statements of activities and changes in net assets as assets released from restriction. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the financial statements.

Note 2 - Significant accounting policies (continued):

Classification of net assets (concluded):

Permanently restricted net assets are subject to donor-imposed stipulations that must be maintained permanently by Callen-Lorde. There were no permanently restricted net assets at June 30, 2011 and 2010.

Cash and cash equivalents:

Callen-Lorde maintains its cash and cash equivalents in bank deposit accounts which, at times, may exceed Federally-insured limits. Callen-Lorde has not experienced any losses in such accounts. All highly liquid investments with maturities of three months or less when purchased are considered to be cash equivalents.

Patient services receivable and concentration of credit risk:

The collection of receivables from third-party payors and patients is Callen-Lorde's primary source of cash for operations and is critical to its operating performance. The primary collection risks relate to uninsured patient accounts and patient accounts for which the primary insurance payor has paid, but patient responsibility amounts (deductibles and copayments) remain outstanding. Patient receivables from third-party payors are carried at a net amount determined by the original charge for the service provided, less an estimate made for contractual adjustments or discounts provided to third-party payors.

Receivables due directly from patients are carried at the original charge for the service provided less discounts provided under Callen-Lorde's charity care policy, less amounts covered by third-party payors and less an estimated allowance for doubtful receivables. Management determines the allowance for doubtful accounts by identifying troubled accounts and by historical experience applied to an aging of accounts. Callen-Lorde considers accounts past due when they are outstanding beyond 60 days with no payment. Callen-Lorde generally does not charge interest on past due accounts. Patient receivables are written off as bad debts expense when deemed uncollectible. Recoveries of receivables previously written off are recorded as a reduction of bad debts expense when received.

Note 2 - Significant accounting policies (continued):

Grants and contracts receivable:

Grants and contracts receivable consists of costs under the grant and contract agreements which were incurred prior to year-end for which payment has not been received.

Fair value of financial instruments:

Callen-Lorde's material financial instruments at June 30, 2011 and 2010 for which disclosure of estimated fair value is required by certain accounting standards consisted of cash and cash equivalents, patient services receivable, grants and contracts receivable, line of credit, accounts payable and accrued expenses, accrued compensation, advances from a third party, and notes payable to unrelated parties. The fair values of cash and cash equivalents, patient services receivable, grants and contracts receivable, line of credit, accounts payable and accrued expenses and accrued compensation are equal to their carrying value because of their liquidity and short-term maturity. Management believes that the fair values of notes payable to unrelated parties do not differ materially from their aggregate carrying values in that substantially all the obligations bear interest rates that are based on market rates or interest rates that are periodically adjustable to rates that are based on market rates. Management believes that as a result of the relationship between Callen-Lorde and the third party from whom an advance was received, there is no practical method that can be used to determine the fair value of advances from a third party.

Inventories:

Inventories, consisting of supplies and drugs, are stated at the lower of cost (first-in, first-out basis) or market.

Property and equipment:

Property and equipment are recorded at cost, or, if donated, at the fair value at the date of donation. Depreciation and amortization are recorded on a straight-line basis over the estimated useful lives of the assets, ranging from 2 to 40 years. Leasehold improvements are amortized on a straight-line basis over the estimated useful life of the improvement or the term of the lease, whichever is less. Callen-Lorde capitalizes all purchases of property and equipment in excess of $2,500.

Construction-in-progress is recorded at cost. Callen-Lorde capitalizes construction, insurance and other costs during the period of construction. Depreciation is recorded when construction is substantially complete and the assets are placed in service.

Note 2 - Significant accounting policies (continued):

Property and equipment (concluded):

According to Federal regulations, any equipment items obtained through Federal funds are subject to a lien by the Federal government. As long as Callen-Lorde maintains its tax-exempt status, or so long as the equipment is used for its intended purpose, Callen-Lorde is not required to reimburse the Federal government. If the stated requirements are not met, Callen-Lorde would be obligated to the Federal government in an amount equal to the fair value of the equipment.

Impairment of long-lived assets:

Callen-Lorde reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In performing a review for impairment, Callen-Lorde compares the carrying value of the assets with their estimated future undiscounted cash flows. If it is determined that impairment has occurred, the loss would be recognized during that period. The impairment loss is calculated as the difference between the asset's carrying value and the present value of estimated net cash flows or comparable market values, giving consideration to recent operating performance and pricing trends. Callen-Lorde does not believe that any material impairment currently exists related to its long-lived assets.

Deferred financing fees:

This amount consists of various expenses Callen-Lorde incurred in obtaining long-term financing. These costs are amortized over the expected life of the debt, which is approximately 30 years.

Patient service revenue:

Callen-Lorde has agreements with third-party payors that provide for payments to Callen-Lorde at amounts different from its established rates. Payment arrangements include predetermined fee schedules and discounted charges. Service fees are reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered, including retroactive adjustments under reimbursement agreements with third-party payors, which are subject to audit by administrating agencies. These adjustments are accrued on an estimated basis and are adjusted in future periods as final settlements are determined. Callen-Lorde provides care to certain patients under Medicaid and Medicare payment arrangements. Laws and regulations governing the Medicaid and Medicare programs are complex and subject to interpretation. Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action. Self-pay revenue is recorded at published charges with charitable allowances based on a sliding fee scale deducted to arrive at net self-pay revenue.

Note 2 - Significant accounting policies (continued):

Patient service revenue (concluded):

Pharmacy revenue is generated through the 340b program that Callen-Lorde operates through its agreement with a third party for the year ended June 30, 2011. Under this program, Callen-Lorde uses the third party as its agent for the purpose of operating and managing the pharmacy and providing pharmacy services. For the year ended June 30, 2010, Callen-Lorde operated the 340b program through its agreement with CVS/Caremark. This program allows Callen-Lorde to offer discounted medications to eligible patients. Callen-Lorde recognizes pharmacy revenue as prescriptions are filled.

Grants and contracts revenue:

Revenue from government grants and contracts designated for use in specific activities is recognized in the period when expenditures have been incurred in compliance with the grantor's restrictions. Grants and contracts awarded for the acquisition of long-lived assets are reported as unrestricted nonoperating revenue, in the absence of donor stipulations to the contrary, during the fiscal year in which the assets are acquired. Cash received in excess of revenue recognized is recorded as refundable advances.

At June 30, 2011, Callen-Lorde has received conditional grants and contracts from governmental entities in the aggregate amount of $1,607,586 that have not been recorded in the accompanying financial statements. These grants and contracts require Callen-Lorde to provide certain services during specified periods. If such services are not provided during the periods, the governmental entities are not obligated to expend the funds allotted under the contracts.

Contributions:

Contributions are recorded as either temporarily or permanently restricted revenue if they are received with donor stipulations that limit the use of the donated asset. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statements of activities and changes in net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions expire during the same fiscal year are recognized as unrestricted revenue. Conditional contributions are recognized in the period when expenditures have been incurred in compliance with the grantor.

Note 2 - Significant accounting policies (concluded):

Interest earned on Federal funds:

Interest earned on Federal funds is recorded as a payable to the United States Public Health Service (the "PHS") in compliance with the regulations of the United States Office of Management and Budget.

Functional expenses:

Expenses are charges to program or general and administrative based on a combination of specific identification and allocation by management.

Tax status:

Callen-Lorde was incorporated as a not-for-profit corporation under the laws of the State of New York and is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, there is no provision for income taxes. Callen-Lorde has no unrecognized tax benefits at June 30, 2011 and 2010. Callen-Lorde's U.S. Federal and state income tax returns prior to fiscal year 2008 are closed and management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

Callen-Lorde recognizes interest and penalties associated with tax matters as operating expenses and includes accrued interest and penalties with accrued expenses in the statements of financial position.

Callen-Lorde has filed all required payroll tax returns and payroll taxes due have been paid.

Reclassifications:

Certain reclassifications have been made to the 2010 balances to conform to the 2011 presentation.

Subsequent events:

Callen-Lorde has evaluated subsequent events through February 29, 2012, which is the date the financial statements were available to be issued.

NOTES TO FINANCIAL STATEMENTS

Note 3 - Patient services receivable, net:

Patient services receivable, net consist of the following at June 30:

	2011	2010
Medicaid	**$1,009,581**	$ 846,546
Medicare	**85,529**	70,532
Private insurance	**158,084**	270,096
Self-pay	**51,527**	71,652
Managed care	**109,900**	65,575
Pharmacy	**721,635**	-
New York State Uncompensated Care	**806,478**	975,741
Totals	**2,942,734**	2,300,142
Less allowance for doubtful accounts	**331,182**	385,387
Totals	**$2,611,552**	$1,914,755

Note 4 - Grants and contracts receivable:

Grants and contracts receivable consist of the following at June 30:

	2011	2010
	$1,495,782	$1,559,488
	588,431	662,130
	123,468	760,006
	12,385	29,481
	16,732	199,326
Totals	**$2,236,798**	$ 3,210,431

Note 5 - Property and equipment, net:

Property and equipment, net, consists of the following at June 30:

	2011	2010
Land	**$ 1,000,000**	$ 1,000,000
Building and building improvements	**7,864,723**	6,012,276
Furniture and equipment	**2,942,616**	2,502,256
Construction-in-progress	**-**	950,268
Totals	**11,807,339**	10,464,800
Less accumulated depreciation	**4,976,651**	4,644,972
Totals	**$ 6,830,688**	$ 5,819,828

Note 5 - Property and equipment, net (concluded):

In the event the DHHS grants are terminated, the DHHS reserves the right to transfer all property and equipment purchased with grant funds to the PHS or third parties.

Note 6 - Line of credit:

Callen-Lorde has a revolving line of credit available in the amount of $1,500,000 which expired on December 1, 2011. This agreement requires interest to be charged at the greater of the national average Prime Rate plus 2%, or 6.75% per annum (6.75% at June 30, 2011). The debt is collaterized by a second priority security interest in Callen-Lorde's New York State bad debt and charity care receivables and patient accounts receivable.

The outstanding line of credit balances were $1,150,000 at June 30, 2011. There was no balance due at June 30, 2010.

Note 7 - Note payable:

On September 14, 1995, Callen-Lorde purchased a 27,000-square-foot building located at 356 West 18th Street in New York, New York. Completion of improvements to the property allowed Callen-Lorde to consolidate its operations at a single location on March 2, 1998.

Long-term debt consists of the following at June 30:

	2011	2010
On October 1, 1996, Callen-Lorde obtained permanent financing for its facility. On that date, Callen-Lorde entered into a ground lease and a construction disbursement agreement with the Dormitory Authority of the State of New York ("DASNY"). DASNY's disbursements to Callen-Lorde under these agreements, which were financed through DASNY's issuance of bonds, totaled $7,630,000. Under these agreements, Callen-Lorde makes lease payments to DASNY in amounts equal to the principal and interest payments required under the bonds. On August 26, 2010, the DASNY bonds were refinanced through the issuance of new DASNY bonds. Under the new bonds, Callen-Lorde's security deposit for the lease, held by DASNY through its intermediary was reduced to $261,251, which is included in the statement of financial position under security deposits. Also, the monthly amortization amounts (for principal and interest) were reduced with an average interest rate over the remaining term of the debt expected to be 3.56%.	**$4,815,687**	$5,112,501
Bridge loan - $650,000 face amount matured on December 31, 2010. The loan was payable in monthly installments with interest of 5.00%. The loan was collaterized by a pledge of grant funds and a first security interest in Callen-Lorde's gross receipts and property and equipment. The loan was paid in full in 2011.	-	78,748
	4,815,687	5,191,249
Less current maturities	**335,011**	287,500
Long-term portion	**$4,480,676**	$4,903,749

Note 7 - Note payable (concluded):

The aggregate amount of principal payments on the debt in each of the next five years and thereafter is as follows:

Year Ending June 30,	Amount
2012	$ 335,011
2013	345,538
2014	354,222
2015	367,118
2016	381,592
Thereafter	3,032,206
Total	$ 4,815,687

Callen-Lorde is required to comply with certain covenants under its line of credit and note payable.

Note 8 - Due to third party:

Due to third party pertains to amounts owed to a vendor operating and managing the 340b program. Part of the amount due to the third party is $250,000, representing a noninterest bearing liability payable over a period of 5 years to be amortized monthly for an amount of $4,167. The remaining balance in the amount of $337,803 is due within the next 12 months.

The aggregate amount of payments on the due to third party payable over 5 years is as follows:

Year Ending June 30,	Amount
2012	$ 50,000
2013	50,000
2014	50,000
2015	50,000
2016	16,667
Total	$ 216,667

Note 9 - Temporarily restricted net assets:

The Center receives contributions from various funders designated for program specific purposes. As of June 30, 2011, there was $178,384 of unspent restricted funds. There were no restricted net assets as of June 30, 2010.

COMMUNITY HEALTH PROJECT, INC.
(d/b/a Michael Callen - Audre Lorde
Community Health Center)

NOTES TO FINANCIAL STATEMENTS

Note 10- Patient services revenue, net:

For the years ended June 30, 2011 and 2010, patient services, net consists of the following:

	2011 Net Patient Services	2010 Net Patient Services
Medicaid	**$ 4,752,139**	$ 4,845,181
Medicaid managed care	**515,430**	129,628
Medicare	**287,401**	208,974
Private insurance	**754,820**	706,546
Pharmacy 340B program	**5,854,998**	2,787,723
Self-pay	**790,982**	730,582
Totals	**12,955,770**	9,408,634
New York Stare Uncompensated Care	**1,249,197**	1,711,817
New York State Medicaid Managed Care Wraparound	**1,550,072**	377,161
Totals	**$15,755,039**	$11,497,612

Medicaid and Medicare revenue is reimbursed to Callen-Lorde at the net reimbursement rates as determined by each program. Reimbursement rates are subject to revisions under the provisions of reimbursement regulations. Adjustments for such revisions are recognized in the fiscal year incurred.

Note 11- Contract services and other grants revenue:

Contract services and other grants revenue consists of the following for the years ended June 30:

	2011	2010
	$2,157,418	$1,528,760
	2,760,324*	2,216,453
	493,872	763,871
	238,716*	-
	57,594	76,794
Other	**172,631**	132,963
Totals	**$5,880,555**	$4,718,841

Note 12

For the years ended June 30 2011 and 2010, Callen-Lorde received the following grants from the _ . . . . _ .

Grant Number	Grant Period	Total Grant	**2011 Revenue**	2010 Revenue
	07/01/09 – 06/30/10	$341,005	**$ -**	$326,481
	07/01/10 – 06/30/11	341,005	**341,005**	-
	09/01/10 – 08/31/11	100,000	**80,602**	-
	09/01/09 - 08/31/10	52,302	**52,302**	-
Totals			**$473,909**	$326,481

Note 13- Fundraising and contributions:

Fundraising and contributions revenue consists of the following for the years ended June 30:

	2011	2010
Fundraising	**$ 314,463**	$ 355,554
Contributions	**1,054,490***	1,308,129
Totals	**$ 1,368,953**	$ 1,663,683

*Includes $178,384 of temporarily restricted contributions. See Note 9 for more details.

Note 14- Commitments and contingencies:

Callen-Lorde has contracted with various funding agencies to perform certain healthcare services, and receives Medicaid and Medicare revenue from the state and Federal governments. Reimbursements received under these contracts and payments under Medicaid and Medicare are subject to audit by the Federal and state governments and other agencies. Upon audit, if discrepancies are discovered, Callen-Lorde could be held responsible for reimbursing the agencies for the amounts in question.

Callen-Lorde maintains its medical malpractice coverage under the Federal Tort Claims Act ("FTCA"). FTCA provides malpractice coverage to eligible PHS-Supported programs and applies to the Center and its employees while providing services within the scope of employment included under grant-related activities. The Attorney General, through the U.S. Department of Justice, has the responsibility for the defense of the individual and/or grantee for malpractice cases approved for FTCA coverage.

Note 14- Commitments and contingencies (concluded):

The health care industry is subject to voluminous and complex laws and regulations of Federal, state and local governments. Compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement laws and regulations, anti-kickback and anti-referral laws, and false claims prohibitions. In recent years, government activity has increased with respect to investigations and allegations concerning possible violations of reimbursement, false claims, anti-kickback and anti-referral statutes and regulation by healthcare providers. Callen-Lorde believes that it is in material compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing. Upon audit, if discrepancies are discovered, Callen-Lorde could be held responsible for refunding the amount in questions.

Note 15- Pension plan:

Callen-Lorde maintains a contributory defined contribution retirement plan covering substantially all its employees. Participants are always fully vested in their contributions to the plan and benefits are limited to plan assets. Callen-Lorde does not contribute to the plan.

Note 16- Prior period adjustments:

During the year ended June 30, 2011, Callen-Lorde discovered that revenues relating to certain contracts were not recognized timely. Moreover, Callen-Lorde discovered that the grants and contracts receivable relating to a certain grant was erroneously offset against a liability. The net effect of the adjustments made to correct these errors was to increase the increase in unrestricted net assets for the year ended June 30, 2010 by $1,868,413.

The effect on the 2010 financial statements, which are presented herein as restated, is as follows:

	As Previously Recorded	Adjustment	Reclassification	Restated
Statement of financial position:				
Patient services receivable, net	$ 1,472,035	$ 442,720		$ 1,914,755
Grants and contracts receivable	1,772,838	1,425,693	$ 11,900	3,210,431
Total current assets	3,864,383	1,868,413		5,732,796
Total assets	10,415,112	1,868,413		12,283,525
Unrestricted net assets	1,877,247	1,868,413		3,745,660
Total liabilities and unrestricted net assets	10,415,112	1,868,413		12,283,525

Note 16- Prior period adjustments (concluded):

	As Previously Recorded	Adjustment	Reclassification	Restated
Statement of activities:				
Patient services, net	$ 10,982,272	$ 442,720	$ 72,620	$ 11,497,612
Contract services and other grants	2,503,643	310,337	814,049	3,628,029
	1,191,398	(24,252)	(840,665)	326,481
Fund-raising and contributions	1,449,805	(76,794)	290,672	1,663,683
Other revenues	52,315	19,198		71,513
Total unrestricted revenue	16,179,433	671,209	336,676	17,187,318
Other than personnel services	5,313,591	(246,936)	336,676	5,403,331
Total expenses	15,772,667	(246,936)	336,676	15,862,407
Operating income prior to depreciation and amortization and nonoperating revenue	406,766	918,145		1,324,911
Operating income prior to nonoperating revenue	96,539	918,145		1,014,684
Nonoperating revenue: contract services and other grants for capital additions	140,544	950,268		1,090,812
Increase in unrestricted net assets	237,083	1,868,413		2,105,496
Unrestricted net assets, end of year	1,877,247	1,868,413		3,745,660
Statement of functional expenses:				
Consultants and contractual services	1,103,032	(246,936)	114,582	970,678
Total functional expenses	16,082,894	(246,936)	336,676	16,172,634
Statement of cash flows:				
Increase in unrestricted net assets	237,083	1,868,413		2,105,496
Increase in patient services receivable	(590,176)	(442,720)		(1,032,896)
Increase in grants and contracts receivable	(645,781)	(1,343,845)	(131,245)	(2,120,871)
Net cash provided by operating activities	1,188,462	81,848	539,967	1,810,277

Report of Independent Public Accountants on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Board of Directors
Community Health Project, Inc
(d/b/a Michael Callen - Audre Lorde Community Health Center)

We have audited the financial statements of Community Health Project, Inc (d/b/a Michael Callen – Audre Lorde Community Health Center) ("Callen-Lorde"), as of and for the year ended June 30, 2011, and have issued our report thereon dated February 29, 2012 We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States

Internal Control over Financial Reporting

In planning and performing our audit, we considered Callen-Lorde's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Callen-Lorde's internal control over financial reporting Accordingly, we do not express an opinion on the effectiveness of Callen-Lorde's internal control over financial reporting

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified However, as described in the accompanying schedule of findings and questioned costs we identified a deficiency in internal control over financial reporting that we consider to be a material weakness and a certain deficiency that we consider to be a significant deficiency

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2011-1 to be a material weakness.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2011-2 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Callen-Lorde's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2011-2.

We noted certain matters that we reported to management of Callen-Lorde in a separate letter dated February 29, 2012.

Callen-Lorde's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Callen-Lorde's responses, and accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the Board of Directors, others within the entity, and Federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

J.H. Cohn LLP

New York, New York
February 29, 2012

Report of Independent Public Accountants
on Compliance with Requirements
That Could Have a Direct and Material Effect on Each
Major Program and on Internal Control over
Compliance in Accordance with OMB Circular A-133

To the Board of Directors
Community Health Project, Inc
(d/b/a Michael Callen - Audre Lorde Community Health Center)

Compliance

We have audited Community Health Project, Inc 's (d/b/a Michael Callen – Audre Lorde Community Health Center) ("Callen-Lorde") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Callen-Lorde's major Federal programs for the year ended June 30, 2011 Callen-Lorde's major Federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major Federal programs is the responsibility of Callen-Lorde's management Our responsibility is to express an opinion on Callen-Lorde's compliance based on our audit

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred An audit includes examining, on a test basis, evidence about Callen-Lorde's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances We believe that our audit provides a reasonable basis for our opinion Our audit does not provide a legal determination of Callen-Lorde's compliance with those requirements

In our opinion, Callen-Lorde complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2011 However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2011-2

Internal Control over Compliance

Management of Callen-Lorde is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to Federal programs. In planning and performing our audit, we considered Callen-Lorde's internal control over compliance with the requirements that could have a direct and material effect on a major Federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Callen-Lorde's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as item 2011-2. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Callen-Lorde's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Callen-Lorde's response and, accordingly, we express no opinion on the response.

This report is intended solely for the information and use of management, the Board of Directors, others within the entity, Federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

J.H. Cohn LLP

New York, New York
February 29, 2012

COMMUNITY HEALTH PROJECT, INC.
(d/b/a Michael Callen - Audre Lorde Community Health Center)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2011

Section I - Summary of Auditor's Results:

Financial Statements:

Type of auditor's report issued:	Unqualified
• Material weakness(es) identified?	✓ yes ___ no
• Significant deficiency(ies) identified?	✓ yes ___ none reported
Noncompliance material to financial statements noted?	___ yes ✓ no

Federal Awards:

Internal control over major programs:	
• Material weakness(es) identified?	___ yes ✓ no
• Significant deficiency(ies) identified?	✓ yes ___ none reported
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	✓ yes ___ no

Identification of major programs:

CFDA Number(s)	Name of Federal Program
	United States Department of Health and Human Services:
93.703	ARRA – Grants to Health Center Programs
93.701	ARRA - Trans – NIH Recovery Act Research Support
93.914	HIV Emergency Relief Project Grants

Dollar threshold used to distinguish between type A and B programs	$300,000
Auditee qualified as low-risk auditee?	✓ yes ___ no

COMMUNITY HEALTH PROJECT, INC.
(d/b/a Michael Callen - Audre
Lorde Community Health Center)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2011

Section II – Financial Statement Findings:

Item 2011-1 – Accounting for Grants, Contracts and Patient Services Transactions

Criteria
Accounting principles generally accepted in the United States of America require that revenue be recognized when earned or realized or until it is realizable. Moreover, it requires that expenses be recorded when incurred and that the payment of liabilities be recorded as a reduction of the related liability.

Statement of Condition
For four grants and contracts and for certain patient services revenues, Callen-Lorde failed to recognize the revenue during the period it was earned or realized. Furthermore, Callen-Lorde did not record the payment of a liability as a reduction of the liability account.

Questioned Costs:

None

Effect
The failure to recognize contract services and other grant revenues and patient services revenues timely resulted in the understatement of the contract services and other grants revenue and patient services revenues for the year ended June 30, 2010 by $671,209 and of nonoperating revenue, contract services and other grants for capital additions by $950,268. In addition, the recording of the payment of a liability as an expense instead of as a reduction of the related liability overstated total expenses and understated the net increase in unrestricted revenue by $246,936.

Recommendation
We recommend that management perform account analysis by reviewing all of its grants and contracts and track the related contract period, contracted amount, expenses incurred, cash receipts and other related transactions to ensure that these are accounted for timely and accurately. We also recommend that management review the accounting for all patient services revenue to ensure that they are accounted for correctly. Furthermore, we recommend that management review the accounting for payment of contract-related liabilities to ensure that they are recorded properly.

Management's Response
Management concurs with the finding and will ensure that all of its grant and contract, patient services revenue and liability transactions are monitored and recorded timely and accurately.

Section III – Federal Award Findings and Questioned Costs:

CFDA 93.703: ARRA – Grants to Health Center Program – Increase Services to Health Centers and CFDA 93.914: HIV Emergency Relief Project Grants

Item 2011-2 – Sliding Fee

Criteria
In accordance with OMB Circular A-133, health centers should have a schedule of discounts applied and adjusted on the basis of the patient's ability to pay, with the patient's ability to pay determined on the basis of the official poverty guideline. In order to establish the patient's ability to pay, a center or provider needs to obtain the basis for the patient's income.

Statement of Condition
For 3 out of 40 samples tested, Callen-Lorde did not have on file, any proof of the patients' income or an attestation form signed by the patient, declaring his or her income level.

Questioned Costs:

None

Effect
Callen-Lorde may have not properly calculated the sliding fee or discount given to the patients and the discount given, if any, may not have been based on the patient's ability to pay.

Recommendation
We recommend that management establish controls to review the documents submitted or completed by patients during the registration process to ensure completeness thereof. Management may also perform periodic internal audits of patient records aimed at ensuring the completeness of such records.

Management's Response
Management concurs with the finding and will ensure that controls are established to ensure appropriate retention of patient income attestation documents.

COMMUNITY HEALTH PROJECT, INC.
(d/b/a Michael Callen – Audre Lorde
Community Health Center)

SCHEDULE OF PRIOR YEAR'S FINDINGS
YEAR ENDED JUNE 30, 2011

There were no prior audit findings.

COMMUNITY HEALTH CENTER
(d/b/a Michael Callen - Audre Lorde
Community Health Center)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2011

Federal Grantor / Pass Through Grantor / Program Title	Federal CFDA Number	Agency or Pass-Through Grantor's Number	Federal Expenditures
	93.918	N/A	$ 421,607
	93.928	N/A	52,302
	93.224	6 H80CS07914-04-01	493,872
	93.703	N/A	57,594
	93.703	N/A	238,716
	93.914	09-MCM-707	1,445,453
	93.217	10-CALLEN-01	20,592
	93.940	07-NPP-707	116,921
	93.940	3985-01 / 3985-02	62,728
	93.917	3038-05 / 3038-06	47,822
	93.919	N/A	3,363
	93.701	09-NIH-ARRA-1107	142,544
			$ 3,103,514

See Notes to Schedule of Expenditures of Federal Awards.

COMMUNITY HEALTH PROJECT, INC.
(d/b/a Michael Callen –
Audre Lorde Community Health Center)

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2011

Note 1 - Basis of presentation:

The schedule of expenditures of Federal awards includes the Federal grant activity of Callen-Lorde and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2 - Subrecipients:

Of the Federal expenditures presented in this schedule, Callen-Lorde provided no Federal awards to subrecipients.