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Return of Organization Exempt From Income Tax

2013

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter Social Security numbers on this form as it may be made public.
▶ Information about Form 990 and its instructions is at www.irs.gov/form990.

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

A For the 2013 calendar year, or tax year beginning 07/01, 2013, and ending 06/30, 20 14

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

C Name of organization BIENESTAR HUMAN SERVICES, INC
 Doing Business As _____
 Number and street (or P O box if mail is not delivered to street address) Room/suite
5326 E. BEVERLY BLVD.
 City or town, state or province, country, and ZIP or foreign postal code
LOS ANGELES, CA 90022

D Employer identification number 95-4505737

E Telephone number 866-590-6411

F Name and address of principal officer
Oscar De La O, 5326 E. Beverly Blvd, Los Angeles, CA 90022

G Gross receipts \$ 4,097,063

H(a) Is this a group return for subordinates? Yes No
H(b) Are all subordinates included? Yes No
 If "No," attach a list (see instructions)

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

J Website: ▶ WWW.BIENESTAR.ORG

K Form of organization Corporation Trust Association Other ▶

L Year of formation 1994 **M** State of legal domicile CA

Part I Summary		Prior Year	Current Year
Activities & Governance	1 Briefly describe the organization's mission or most significant activities <u>BIENESTAR is committed to enhancing the health and well-being of the Latino community and other underserved communities</u>		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3 Number of voting members of the governing body (Part VI, line 1a)		<u>3</u>
	4 Number of independent voting members of the governing body (Part VI, line 1b)		<u>4</u>
	5 Total number of individuals employed in calendar year 2013 (Part V, line 2a)		<u>5</u>
	6 Total number of volunteers (estimate if necessary)		<u>6</u>
	7a Total unrelated business revenue from Part VIII, column (A), lines 3a-d, and 4a-d		<u>7a</u>
b Net unrelated business taxable income from Form 990-T, line 34		<u>7b</u>	
Revenue	8 Contributions and grants (Part VIII, line 1h)	<u>3,610,689</u>	<u>3,984,873</u>
	9 Program service revenue (Part VIII, line 2g)		
	10 Investment income (Part VIII, column (A), lines 3a-d)	<u>58,899</u>	<u>97,157</u>
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<u>3,842</u>	<u>15,033</u>
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 2)	<u>3,673,430</u>	<u>4,097,063</u>
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
	14 Benefits paid to or for members (Part IX, column (A), line 4)		
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	<u>1,814,822</u>	<u>2,679,693</u>
	16a Professional fundraising fees (Part IX, column (A), line 11e)		
	b Total fundraising expenses (Part IX, column (D), line 25) ▶		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	<u>1,581,093</u>	<u>1,279,241</u>
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	<u>3,395,915</u>	<u>3,958,934</u>	
19 Revenue less expenses. Subtract line 18 from line 12	<u>277,515</u>	<u>138,129</u>	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	<u>2,395,443</u>	<u>2,936,292</u>
	21 Total liabilities (Part X, line 26)	<u>276,792</u>	<u>591,929</u>
	22 Net assets or fund balances. Subtract line 21 from line 20	<u>2,118,651</u>	<u>2,344,363</u>

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 Signature of officer [Signature] Date 5-7-15
 Type or print name and title OSCAR DE LA O CEO

Paid Preparer Use Only

Print/Type preparer's name Connie Tung Preparer's signature Connie Tung Date 05/07/2015 Check if self-employed PTIN P01051204

Firm's name ▶ Tung Accountancy Firm's EIN ▶ 27-1687870

Firm's address ▶ 615 Las Tunas Dr., Suite N, Arcadia, CA 91007 Phone no 626-348-9811

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

For Paperwork Reduction Act Notice, see the separate instructions. Cat No 11282Y Form 990 (2013)

SCANNED JUN 16 2015

[Handwritten initials]

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission:
See Schedule O

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 organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code:) (Expenses \$ 3,407,868 including grants of \$) (Revenue \$)

Bienestar provides a wide variety of services to the Latino Community comprising of HIV/AIDS prevention and testing, substance abuse and mental health treatment; emotional support; food and nutrition; research and evaluation; and direct social cultural and recreational services to Latinos, their families, and loved ones.

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

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

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

4e Total program service expenses ▶ 3,407,868

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)? <i>If "Yes," complete Schedule A</i>	✓	
2	Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)?		
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		✓
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? <i>If "Yes," complete Schedule C, Part II</i>		✓
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? <i>If "Yes," complete Schedule C, Part III</i>		✓
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		✓
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		✓
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		✓
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		✓
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		✓
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, line 10? <i>If "Yes," complete Schedule D, Part VI</i>		✓
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? <i>If "Yes," complete Schedule D, Part VII</i>		✓
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? <i>If "Yes," complete Schedule D, Part VIII</i>		✓
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? <i>If "Yes," complete Schedule D, Part IX</i>		✓
e	Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>		✓
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)? <i>If "Yes," complete Schedule D, Part X</i>		✓
12a	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>		✓
b	Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>		✓
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		✓
14a	Did the organization maintain an office, employees, or agents outside of the United States?		✓
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		✓
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>		✓
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		✓
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? <i>If "Yes," complete Schedule G, Part I (see instructions)</i>		✓
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		✓
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		✓
20a	Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		✓
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		✓

Part IV Checklist of Required Schedules (continued)

		Yes	No
21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		✓
22	Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		✓
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>		✓
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? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		✓
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		✓
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		✓
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		✓
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		✓
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? <i>If "Yes," complete Schedule L, Part I</i>		✓
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If so, complete Schedule L, Part II</i>		✓
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		✓
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? <i>If "Yes," complete Schedule L, Part IV</i>		✓
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		✓
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? <i>If "Yes," complete Schedule L, Part IV</i>		✓
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		✓
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		✓
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		✓
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		✓
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? <i>If "Yes," complete Schedule R, Part I</i>		✓
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>		✓
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?		✓
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		✓
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		✓
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		✓
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O		

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. 1a 22		
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 <input checked="" type="checkbox"/>	
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 86		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b <input checked="" type="checkbox"/>	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	<input checked="" type="checkbox"/>
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, 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	<input checked="" type="checkbox"/>
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	<input checked="" type="checkbox"/>
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	<input checked="" type="checkbox"/>
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c	<input checked="" type="checkbox"/>
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 as charitable contributions?	6a	<input checked="" type="checkbox"/>
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	<input checked="" type="checkbox"/>
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	<input checked="" type="checkbox"/>
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	<input checked="" type="checkbox"/>
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	<input checked="" type="checkbox"/>
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	<input checked="" type="checkbox"/>
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g	<input checked="" type="checkbox"/>
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h	<input checked="" type="checkbox"/>
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	<input checked="" type="checkbox"/>
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 line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions. Check if Schedule O contains a response or note to any line 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. If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O		
1b	Enter the number of voting members included in line 1a, above, who are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		✓
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?		✓
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		✓
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		✓
6	Did the organization have members or stockholders?		✓
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		✓
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		✓
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
8a	The governing body?	✓	
8b	Each committee with authority to act on behalf of the governing body?	✓	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O.		✓

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

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?		✓
10b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	✓	
11b	Describe in Schedule O the process, if any, used by the organization to review this Form 990		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	✓	
12b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	✓	
12c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	✓	
13	Did the organization have a written whistleblower policy?	✓	
14	Did the organization have a written document retention and destruction policy?	✓	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
15a	The organization's CEO, Executive Director, or top management official	✓	
15b	Other officers or key employees of the organization		✓
	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?		✓
16b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed ► **California**
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain in Schedule O)
- 19** Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization ► **Oscar De La O 5326 E. Beverly Blvd, Los Angeles, CA 90022 (323)727-7896**

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

Check if Schedule O contains a response or note to any line 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. 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 (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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) Rita Gonzales Chairperson	0	✓								
(2) Liliana Perez Board Member	0	✓								
(3) Federico Mariscal Board Member	0	✓								
(4) Jesse Barron Board Member	0	✓								
(5) Oscar De La O Executive Director	40	✓					129,780			
(6) Robert Contreras Director	40	✓					117,000			
(7)										
(8)										
(9)										
(10)										
(11)										
(12)										
(13)										
(14)										

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
(15)										
(16)										
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										

1b Sub-total	246,780
c Total from continuation sheets to Part VII, Section A	
d Total (add lines 1b and 1c)	246,780

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

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		✓
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? <i>If "Yes," complete Schedule J for such individual</i>		✓
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		✓

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. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

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

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e	3,144,426				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	840,447				
	g Noncash contributions included in lines 1a-1f \$						
	h Total. Add lines 1a-1f			3,984,873			
Program Service Revenue		Business Code					
	2a						
	b						
	c						
	d						
	e						
	f All other program service revenue						
g Total. Add lines 2a-2f							
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		112,190			112,190	
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6a Gross rents	(i) Real	(ii) Personal				
		b Less rental expenses					
		c Rental income or (loss)					
	d Net rental income or (loss)						
	7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		b Less cost or other basis and sales expenses					
		c Gain or (loss)					
		d Net gain or (loss)					
	8a Gross income from fundraising events (not including \$ of contributions reported on line 1c) See Part IV, line 18	a					
		b Less direct expenses	b				
		c Net income or (loss) from fundraising events					
	9a Gross income from gaming activities See Part IV, line 19	a					
b Less direct expenses		b					
c Net income or (loss) from gaming activities							
10a Gross sales of inventory, less returns and allowances	a						
	b Less cost of goods sold	b					
	c Net income or (loss) from sales of inventory						
Miscellaneous Revenue		Business Code					
11a							
	b						
	c						
	d All other revenue						
e Total. Add lines 11a-11d							
12 Total revenue. See instructions			4,097,063			112,190	

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).

Check if Schedule O contains a response or note to any line in this Part IX

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 United States See Part IV, line 21				
2 Grants and other assistance to individuals in the United States See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	246,780	123,390	123,390	
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	1,824,391	1,769,187	55,204	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	608,522	556,730	51,792	
10 Payroll taxes				
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	42,384	11,650	30,734	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	262,218	78,677	183,541	
12 Advertising and promotion	25	25		
13 Office expenses	101,672	87,073	14,599	
14 Information technology				
15 Royalties				
16 Occupancy	397,120	384,649	12,471	
17 Travel	29,542	25,348	4,194	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance	51,945	30,008	21,937	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a General program expenses	186,612	178,843	7,769	
b Utilities	41,144	39,755	1,389	
c Mileage and vehicle expenses	39,752	24,336	15,416	
d Telephone	104,189	94,745	9,444	
e All other expenses Licenses	22,638	3,452	19,186	
25 Total functional expenses. Add lines 1 through 24e	3,958,934	3,407,868	551,066	
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year	
Assets	1	Cash—non-interest-bearing	320,409	1	665,559
	2	Savings and temporary cash investments		2	
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	759,872	4	775,329
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Loans and other 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). Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges		9	
	10a	Land, buildings, and equipment cost or other basis. Complete Part VI of Schedule D		10a	
	b	Less: accumulated depreciation		10b	
	11	Investments—publicly traded securities	1,252,714	11	1,424,357
	12	Investments—other securities. See Part IV, line 11		12	
	13	Investments—program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11	62,448	15	71,047
16	Total assets. Add lines 1 through 15 (must equal line 34)	2,395,443	16	2,936,292	
Liabilities	17	Accounts payable and accrued expenses	122,995	17	149,203
	18	Grants payable		18	
	19	Deferred revenue	153,797	19	442,726
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26	Total liabilities. Add lines 17 through 25	276,792	26	591,929
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets	2,118,651	27	2,344,363
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
33	Total net assets or fund balances	2,118,651	33	2,344,363	
34	Total liabilities and net assets/fund balances	2,395,443	34	2,936,292	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	4,097,063
2	Total expenses (must equal Part IX, column (A), line 25)	2	3,958,934
3	Revenue less expenses. Subtract line 2 from line 1	3	138,129
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	2,118,651
5	Net unrealized gains (losses) on investments	5	87,583
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	2,344,363

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990. <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		✓
b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	✓	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	✓	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	✓	
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	✓	

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No 1545-0047

2013

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

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

Open to Public Inspection

Name of the organization BIENESTAR HUMAN SERVICES, INC.	Employer identification number 95-4505737
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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—Non-functionally integrated
 - 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 supported organization?	11g(i)	11g(i)
(ii) A family member of a person described in (i) above?	11g(ii)	11g(ii)
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)	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?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants")	3,764,187	3,741,544	3,109,663	3,610,689	3,984,873	18,210,956
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	3,764,187	3,741,544	3,109,663	3,610,689	3,984,873	18,210,956
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						18,210,956

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4	3,764,187	3,741,544	3,109,663	3,610,689	3,984,873	18,210,956
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	40,599	11,644	33,428	58,899	97,157	241,727
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)	379,773	14,847	3,579	3,842	15,033	417,074
11 Total support. Add lines 7 through 10						18,869,757
12 Gross receipts from related activities, etc (see instructions)				12		
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						► <input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f))	14	96.50 %
15 Public support percentage from 2012 Schedule A, Part II, line 14	15	96.97 %
16a 33 1/3% support test—2013. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		► <input checked="" type="checkbox"/>
b 33 1/3% support test—2012. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		► <input type="checkbox"/>
17a 10%-facts-and-circumstances test—2013. 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		► <input type="checkbox"/>
b 10%-facts-and-circumstances test—2012. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		► <input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		► <input type="checkbox"/>

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I 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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2012 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2012 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests—2013. 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—2012. 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

SCHEDULE D (Form 990)

Supplemental Financial Statements

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990.

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Name of the organization BIENESTAR HUMAN SERVICES, INC.

Employer identification number 95-4505737

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

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate contributions to (during year), 3 Aggregate grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors 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?, 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can 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?

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

Table with 2 columns: Description, Held at the End of the Tax Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year, 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax 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?, 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 section 170(h)(4)(B)(ii)?, 9 In Part XIII, 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.

Table with 2 columns: Description, Amount. Rows include: 1a If the organization elected, as permitted under SFAS 116 (ASC 958), 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 XIII, the text of the footnote to its financial statements that describes these items, 1b If the organization elected, as permitted under SFAS 116 (ASC 958), 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, 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 (ASC 958) relating to these items:

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

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply).
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange programs
 - e Other
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII
- 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 XIII and complete the following table:
- | | Amount |
|----|--------|
| 1c | |
| 1d | |
| 1e | |
| 1f | |
- c Beginning balance
 - d Additions during the year
 - e Distributions during the year
 - f Ending balance
- 2a Did the organization include an amount on Form 990, Part X, line 21? Yes No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

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 Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment ▶%
 - b Permanent endowment ▶%
 - c Temporarily restricted endowment ▶%
- The percentages in lines 2a, 2b, and 2c should equal 100%
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by
- | | Yes | No |
|-------------------------------|-----|----|
| 3a(i) unrelated organizations | | |
| 3a(ii) related organizations | | |
| 3b | | |
- (i) unrelated organizations
 - (ii) related organizations
- b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?
- 4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) ▶

Part VII Investments – Other Securities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. 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		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 12) ▶		

Part VIII Investments – Program Related.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 13) ▶		

Part IX Other Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) Deposits	71,047
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15) ▶	

Part X Other Liabilities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25) ▶	

2. Liability for uncertain tax positions In Part XIII, 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 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

**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 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

**Open to Public
Inspection**

Name of the organization

BIENESTAR HUMAN SERVICES, INC.

Employer identification number

95-4505737

FORM 990, PART III, LINE 1 - ORGANIZATION MISSION

BIENESTAR IS COMMITTED TO ENHANCING THE HEALTH AND WELL-BEING OF THE LATINO COMMUNITY AND OTHER UNDERSERVED COMMUNITIES.

BIENESTAR ACCOMPLISHES THIS THROUGH COMMUNITY EDUCATION, PREVENTION, MOBILIZATION, ADVOCACY, AND THE PROVISION OF DIRECT SOCIAL SUPPORT SERVICES.

FORM 990, PART VI, LINE 11 - FORM 990 REVIEW PROCESS

THE FORM 990 DRAFT IS PROVIDED TO THE OFFICERS AND BOARD OF DIRECTORS PRIOR TO FILING. THE OFFICERS REVIEW FOR ACCURACY AND ANSWER ANY QUESTIONS THAT OTHER BOARD MEMBERS MAY HAVE. COMMENTS AND CHANGES ARE PROVIDED TO THE ACCOUNTING FIRM. A FINAL DRAFT IS PROVIDED FOR REVIEW INCORPORATING ALL CHANGES AND ARE THEN APPROVED BY THE OFFICERS FOR FILING.

FORM 990, PART VI, LINE 12C - EXPLANATION OF MONITORING AND ENFORCEMENT OF CONFLICTS

AT LEAST ANNUALLY THE OFFICERS AND BOARD MEMBERS COMPLETE CONFLICT OF INTEREST QUESTIONNAIRE ACCORDING TO THE ORGANIZATION'S RULES AND REGULATIONS.

FORM 990, PART VI, LINE 15A - COMPENSATION REVIEW & APPROVAL PROCESS FOR CEO, EXECUTIVE DIRECTOR, OR TOP MGMTMENT

COMPENSATION OF THESE POSITIONS IS REVIEWED AND APPROVED BY THE INDEPENDENT BOARD MEMBER OF THE ORGANIZATION.

FORM 990, PART VI, LINE 19 - OTHER ORGANIZATION DOCUMENTS PUBLICLY AVAILABLE

ITEMS ARE PROVIDED UPON REQUEST.

BIENESTAR HUMAN SERVICES, INC.

**FINANCIAL STATEMENTS,
SUPPLEMENTAL SCHEDULES,
and
ADDITIONAL INFORMATION**

JUNE 30, 2014 and 2013

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Tung Accountancy
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

**To the Board of Directors of
Bienestar Human Services, Inc.**

Report on the Financial Statements

We have audited the accompanying financial statements of Bienestar Human Services, Inc (a nonprofit organization), which comprise the statement of financial position as of June 30, 2014 and 2013, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit 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 from material misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control Accordingly, we express no such opinion An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bienestar Human Services, Inc as of June 30, 2014 and 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole The accompanying schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the financial statements Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2015, on our consideration of Bienestar Human Services, Inc'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* in considering Bienestar Human Services, Inc's internal control over financial reporting and compliance

Tung Accountancy

Arcadia, California
March 16, 2015

BIENESTAR HUMAN SERVICES, INC.

STATEMENT OF FINANCIAL POSITION

June 30, 2014

with comparative totals at June 30, 2013

	<u>2014</u>	<u>2013</u>
Assets		
Current assets		
Cash and cash equivalent (Note 2)	\$ 665,559	\$ 320,409
Receivables, net (Note 2, 3)	775,329	759,872
Investments (Note 2, 4)	<u>1,424,357</u>	<u>1,252,714</u>
Total current assets	<u>2,865,245</u>	<u>2,332,995</u>
Other assets		
Deposits	<u>71,047</u>	<u>62,448</u>
Total other assets	<u>71,047</u>	<u>62,448</u>
Total assets	<u><u>\$ 2,936,292</u></u>	<u><u>\$ 2,395,443</u></u>
Liabilities and net assets		
Current liabilities		
Accounts payable and accrual expenses	\$ 149,203	\$ 122,995
Deferred revenue	<u>442,726</u>	<u>153,797</u>
Total liabilities	<u>591,929</u>	<u>276,792</u>
Net assets		
Unrestricted	<u>2,344,363</u>	<u>2,118,651</u>
Total net assets	<u>2,344,363</u>	<u>2,118,651</u>
Total liabilities and net assets	<u><u>\$ 2,936,292</u></u>	<u><u>\$ 2,395,443</u></u>

The accompanying notes are an integral part of these financial statements.

BIENESTAR HUMAN SERVICES, INC.

STATEMENT OF ACTIVITIES

For the year ended June 30, 2014

with comparative totals for the year ended June 30, 2013

	<u>2014</u>	<u>2013</u>
Revenue and support		
Federal	\$ 3,144,426	\$ 2,407,211
State and private grants	641,541	894,451
Contributions (Note 2)	198,906	309,027
Unrealized investment (loss) gain	87,583	80,588
Realized other (loss) gain	54,623	17,872
Interest and dividends	42,534	41,027
Other miscellaneous income	15,033	3,842
	<u>4,184,646</u>	<u>3,754,018</u>
Expenses		
Program services	3,407,868	2,875,611
Supporting services	551,066	520,304
	<u>3,958,934</u>	<u>3,395,915</u>
Change in net assets	225,712	358,103
Net assets, beginning of year	<u>2,118,651</u>	<u>1,760,548</u>
Net assets, end of year	<u>\$ 2,344,363</u>	<u>\$ 2,118,651</u>

The accompanying notes are an integral part of these financial statements.

BIENESTAR HUMAN SERVICES, INC.

STATEMENT OF FUNCTIONAL EXPENSES
 For the year ended June 30, 2014
 with comparative totals for the year ended June 30, 2013

	Program Services	Support Services	Total Expenses	
			2014	2013
Salaries	\$ 1,892,577	\$ 178,594	\$ 2,071,171	\$ 1,822,062
Employee benefits	556,730	51,792	608,522	552,272
Outreach	43	280	323	115
Food bank	20,452	1,111	21,563	27,845
Occupancy	384,649	12,471	397,120	353,573
Advertising	25	-	25	25
Building & equipment	7,590	-	7,590	17,997
Office supplies	29,919	1,054	30,973	28,539
Postage and shipping	65	171	236	92
Mileage and vehicle expenses	24,336	15,416	39,752	53,348
Printing	21,033	1,760	22,793	25,918
Telephone	94,745	9,444	104,189	100,822
General program expenses	178,843	7,769	186,612	110,875
Insurance	30,008	21,937	51,945	42,631
Utilities	39,755	1,389	41,144	34,312
Accounting and professional expense	11,650	30,734	42,384	39,869
Staff development	7,300	1,020	8,320	1,843
Travel	25,348	4,194	29,542	26,683
Subcontractors	78,677	183,541	262,218	146,328
Taxes and licenses	3,452	19,186	22,638	(461)
Dues and subscriptions	-	320	320	220
Miscellaneous	671	8,883	9,554	11,007
Total expenses	\$ 3,407,868	\$ 551,066	\$ 3,958,934	\$ 3,395,915

The accompanying notes are an integral part of these financial statements.

BIENESTAR HUMAN SERVICES, INC.

STATEMENT OF CASH FLOWS

For the year ended June 30, 2014

with comparative totals for the year ended June 30, 2013

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Change in net assets	\$ 225,712	\$ 358,103
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Unrealized (gain) loss on investments	(87,583)	(80,588)
Realized (gain) loss on investments	(54,623)	(17,872)
Changes in operating assets and liabilities		
(Increase) decrease in receivables	(15,457)	(184,872)
(Increase) decrease in prepaid expenses	-	19,037
(Increase) decrease in deposits	(8,599)	(13,368)
Increase (decrease) in accounts payable	26,208	(138)
Increase (decrease) in deferred revenue	288,929	(145,313)
Net cash provided (used) by operating activities	<u>374,587</u>	<u>(65,011)</u>
Cash flows from investing activities:		
Purchases on investments	<u>(29,437)</u>	<u>(29,243)</u>
Net cash provided by investing activities	<u>(29,437)</u>	<u>(29,243)</u>
Net increase (decrease) in cash and cash equivalent	345,150	(94,254)
Cash and cash equivalents, beginning of year	<u>320,409</u>	<u>414,663</u>
Cash and cash equivalents, end of year	<u>\$ 665,559</u>	<u>\$ 320,409</u>

Supplemental disclosures of non-cash activity: None

Supplemental disclosures of other matters: No interest expense or income taxes paid

The accompanying notes are an integral part of these financial statements.

BIENESTAR HUMAN SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

1. Organization

Bienestar Human Services, Inc. (the Organization) is a non-profit corporation, organized September 30, 1994 under the Non-Profit Public Benefit Corporation Law for charitable purposes. The Organization's mission is to enhance the health and well being of the Latino community and other underserved communities. The Organization accomplishes this through community education, prevention, substance abuse treatment, mental health, mobilization, advocacy, research, evaluation and the provision of direct social services. The Organization has grown from a small grassroots non-profit organization to a significant community-based organization responding to the needs of the Latina/o community in three California counties, Los Angeles, San Bernardino, and Riverside. It employs a bilingual and bicultural staff of dedicated individuals, all of whom live and work within the communities served. The Organization provides an array of health-related services. Throughout the Organization's history, programs have always come first, with 64 employees currently serving over 5,000 clients annually at seven sites. The Organization has consistently concentrated on the most efficient and effective means for transmitting information and providing services to people in need, and as a result, the Organization is nationally recognized and lauded for the effective reduction and prevention of sexually transmitted and other related diseases among the local Latina/o population. Although the Organization's original focus was to help and educate men living with HIV/AIDS, the alarming number of HIV/AIDS cases resulted in the need to expand services beyond HIV/AIDS to meet the community needs on all fronts. Thus, for the past 25 years, the Organization has provided a wide variety of prevention/education/treatment and direct social services to Latinas/os, their families, and loved ones in the areas of HIV/AIDS; substance abuse treatment; mental health; sexually transmitted diseases; smoking cessation; alcohol, tobacco; breast cancer, and other health related issues.

The Organization provides services to all segments of the Latina/o community while providing services in areas having a high concentration of Spanish speaking people and a disproportionate rate of HIV, substance abuse, mental health, sexually transmitted diseases, and pregnancy cases. Currently the Organization manages more than thirty city, county, and federal contracts focusing on different sub-populations within the Latina/o community. The Organization's service centers are located in the neighborhoods of their target population and serve as outlets to providing information, services and support.

2. Summary of Significant Accounting Policies

A summary of the significant accounting policies applied in the preparation of the accompanying financial statements is as follows:

Basis of Accounting and Financial Statement Presentation

In accordance with FASB Accounting Standards codification FASB ASC 958-210-45, net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. The Organization reports information regarding its financial position and activities in three classes of net assets: unrestricted, temporarily restricted and permanently restricted

continued

BIENESTAR HUMAN SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies, continued

Cash Equivalent

The Organization considers all short-term investments with an original maturity date of three months or less to be cash equivalent.

Receivable

The Organization uses the allowance method in order to reserve for potential uncollectable contracts receivable.

Investments

The Organization values its investments at fair value. Unrealized gains or losses (including investments bought, sold, and held during the year) are reflected in the Statement of Activities as gain(loss) on investments. Short-term, highly liquid money market deposits that are not used for operations are treated as investments

Fair Value Measurements

Generally accepted accounting principles provide guidance on how fair value should be determined when financial statement elements are required to be measured at fair value. Valuation techniques are ranked in three levels depending on the degree of objectivity of the inputs used with each level:

Level 1 inputs - quoted prices in active markets for identical assets

Level 2 inputs - quoted prices in active or inactive markets for the same or similar assets

Level 3 inputs – estimates using the best information available when there is little or no market

The organization is required to measure non-cash contribution at fair value. The specific technique used to measure fair value for each element is described in the note below that relate to each element.

Contributions

Contributions are recorded as unrestricted (both undesignated and designated for specific purposes), temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions when received or unconditionally promised. Restricted net assets are reclassified to unrestricted net assets when a donor restriction expires. This occurs when a donor stipulated time restriction ends or a donor stipulated purpose restriction is accomplished. Such reclassifications are reported as net assets released from donor restrictions.

continued

BIENESTAR HUMAN SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies, continued

Donated Goods and Services

Donated goods and services that would typically need to be purchased if not donated are recognized in the accompanying financial statements as contributions when such goods and services (a) enhance non-financial assets or (b) require specialized skills that are provided by individuals possessing those skills. Donated goods and services are recorded at estimated fair market value on the date of the gift. Significant donated counseling and other program services are recognized at fair market value. Contributed auxiliary services are not reflected in the financial statements. The Organization pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific assistance programs, campaign solicitations, and various committee assignments.

Fixed Assets

Fixed Assets are recorded at cost if purchased or at fair value at the date of donation if donated. Depreciation is computed on the straight-line basis over the estimated useful life of the related assets. Maintenance and repair costs are charged to expense as incurred.

Income Taxes

The Organization is exempt from taxation under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701d. In addition, under 509(a) of the Internal Revenue code, the Organization is not a private foundation. Further, the Organization has no unrelated business taxable income arising from its activities that are subject to taxation.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities, and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited in a manner management believes to be reasonable and appropriate.

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 reported amounts of assets, liabilities, revenues, and expenses as of the date and for the period presented.

Subsequent Events

Management has evaluated subsequent events through March 16, 2015, the date which the financial statements were available.

continued

BIENESTAR HUMAN SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

3. Receivables

Receivables from federal, state, and local government and non-government grantors consists of the following:

	<u>June 30, 2014</u>	<u>June 30, 2013</u>
Receivables	\$ 810,311	\$ 839,596
Less: allowance for uncollectible accounts	<u>(34,982)</u>	<u>(79,724)</u>
Receivables, net	<u>\$ 775,329</u>	<u>\$ 759,872</u>

4. Investments

Investments consist of a variety of corporation equities and mutual funds. The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels. Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority. The fair value of corporate equities and mutual funds is based on quoted net asset values of the securities held by the Organization at year-end based on the closing price reported on the active market where the individual securities are traded. The Organization does not own any Level 2 or Level 3 investments.

Investments consist of the following:

<u>June 30, 2014</u>	<u>Cost</u>	<u>Fair</u>
Type of Investments	Basis	Value
Equities and funds	\$ 1,068,687	\$ 1,424,357
Total	<u>\$ 1,068,687</u>	<u>\$ 1,424,357</u>
<u>June 30, 2013</u>	<u>Cost</u>	<u>Fair</u>
Type of Investments	Basis	Value
Equities and funds	\$ 1,068,687	\$ 1,252,714
Total	<u>\$ 1,068,687</u>	<u>\$ 1,252,714</u>

continued

BIENESTAR HUMAN SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

5. Lease Obligations

The Organization leases office space under operating leases at seven locations in the greater Southern California area. Some leases are month-to-month and some are for extended periods of time.

Future minimum lease obligations, as of June 30, 2014.

<u>Year ended June 30,</u>	
2015	\$335,133
2016	<u>56,868</u>
	<u>\$392,000</u>

Rent expense for these leases consisted of \$397,120 and \$353,573 for the years ended June 30, 2014 and 2013, respectively.

6. Concentration of Credit Risks

The Organization places their temporary cash investments with high-credit, quality financial institutions. At times, such investments may be in excess of the Federal Deposit Insurance Corporation insurance limit. The Organization has not incurred losses related to these investments.

The primary receivable balance outstanding at June 30, 2014 consists of government contract receivables due from county, state, and federal granting agencies. Concentration of credit risk with respect to trade receivables is limited, as the majority of the Organization's receivables consist of cost reimbursement contracts granted by governmental agencies.

The Organization holds investments in the form of short-term money market investments, corporate bonds, and U.S. Governmental debt securities.

7. Effect of Current Economic Conditions on Revenue and Support

The Organization depends heavily on contributions, fundraising events, contracts, and grants for its revenue. The ability of the Organization to attract revenue and support comparable to prior years may be dependent upon current and future overall economic conditions and the continued deductibility for income tax purposes of donations to the Organization. While the Organization's Board of Directors believes the Organization has the resources to continue its programs, its ability to do so and the extent to which it continues may be dependent on the above factors.

BIENESTAR HUMAN SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

8. Risks and Uncertainties

The Organization has invested its funds in various investments, such as corporate stocks, money market funds and certificates of deposits. Investments are exposed to various risks, such as fluctuations in interest rates, market conditions and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could adversely and materially affect the amounts reported in the statements. As of the date of our Independent Auditor's Report, the investment markets in the United States of America and abroad are operating within the uncertainty of weak national and international economies. These economies are weakening and probably will *not* recover in the near term. The eventual total impact to the securities markets is currently unknown. There is no guarantee of the current reported values or the future reported values that might arise from future market fluctuations. Any future losses arising from market changes, or otherwise, will be a detriment to the Organization's investments and its net assets.

9. Accrued Unemployment Liability

Accrued liabilities at June 30, 2014 consist of the following:

Accrued vacation	\$56,373
Accrued salaries and other payroll related items	71,697
Other accrued liabilities	890
Pension accrual	<u>20,243</u>
	<u>\$149,203</u>

continued

SUPPLEMENTAL SCHEDULES

BIENESTAR HUMAN SERVICES, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended June 30, 2014

Federal Grantor/Pass-through Grantor/Program Title:	Internal Number	Federal CFDA #	Pass-through Entity Identity Number	Federal Expenditures
<u>U.S. Department of Health and Human Services</u>				
Pass-through the Division of HIV and STD Programs				
Food & Nutrition	2270	93 914	H700279 Sch 9	\$ 42,914
Mental Health - SPA - 2	2222	93 914	H210868 Sch 25 & 26	64,688
Pass-through Tarzana Treatment Center				
Mental Health SPA - 7	2221	93 914	H210790-14	32,170
Pass-through county of San Bernardino Department of Health Services				
Case Management	2239	93 914	11-102	13,174
Transportation	2242	93 914	11-102	4,660
Food Services	2252	93 914	11-102	7,011
RWP MAI Program	2275	93 914	MAI 11-107	21,172
Psychosocial Services	2276	93 914	11-102	10,644
Pass-through the Division of HIV and STD Programs				
Case Management Gen Pop SPA-4	2260	93 917	H210867 Sch 46 & 47	114,106
Pass-through County of Los Angeles Department of Health Services				
Prevention Hermanos/Gay Men (HERR)	1136	93 940	PH001029 Sch 14 & 17	217,869
Prevention Decisions/Healthy Relationships	1137	93 940	PH001029 Sch 13 & 16	178,456
Prevention Hermanas/Transgender (HERR)	1138	93 940	PH001029 Sch 15 & 18	149,403
CRCS (SPA 4 & 7) Hermanos/Gay Men	1153	93 940	PH001052 Sch 10 & 12	90,199
CRCS (SPA 6 & 8) Hermanas/Transgender	1154	93 940	PH001052 Sch 9 & 11	118,260
HCT (MTU)/Mobile HCT	3356, 3357	93 940	PH000824 Sch 11, 12, 13 & 14	149,458
HCT Storefront	3358, 3359	93 940	PH000806 Sch 8, 9, 10 & 11	158,931
<u>Health Resources and Services Administration (HRSA)</u>				
Special Projects of National Significance TRANSactivate HRSA (Transactive)	4529	93 928	1H97HA24964-01-00	335,650
HRSA Linking Latino MSM to Care - Prevention with HRSA Positives	5529	93 928	1H97HA26500	191,837
Total U.S. Department of Health and Human Services				\$ 1,900,602

See independent auditors' report

BIENESTAR HUMAN SERVICES, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended June 30, 2014

Federal Grantor/Pass-through Grantor/Program Title:	Internal Number	Federal CFDA #	Pass-through Entity Identity Number	Federal Expenditures
<u>U.S. Department of Housing and Urban Development</u>				
Pass-through the City of Los Angeles Community Development Department				
HOPWA Case Management	2264	14 241	120354-2 & -3	\$ 169,547
Total U.S. Department of Housing and Urban Development				169,547
<u>U.S. Substance Abuse Mental Health Services Administration</u>				
SAMHSA-SB Mpowerment	3343	93 243	5U79SP015044 -05	175,329
SAMHSA-Nuevo Amanecer (New Dawn)	5001	93 243	1H79TI024404	627,204
Total U.S. Substance Abuse Mental Health Services Administration				802,533
<u>U.S. Center for Disease Control</u>				
CDC 3MV	2266	93 939	5U65PS002255-04	218,629
Total U.S. Center for Disease Control				218,629
<u>National Institutes of Mental Health</u>				
Pass-through Children's Hospital Corporation (d/b/a Boston Children's Hospital) Bogart Project - Intervention for Latino Men	5002	93 242	88726	38,594
Total NIMH				38,594
<u>National Institutes of Minority Health and Health Disparities</u>				
Pass-through University of Southern California Partners for strong, Healthy Families	5575	93 307	1R24MD007978	14,521
Total NIMHHD				14,521
Total Federal Awards				\$ 3,144,426

Summary of Significant Accounting Policies:

- 1) Base of Accounting - the Schedule of Expenditures of Federal Awards has been reported on the accrual basis of accounting
- 2) The Organization is exempt from income taxation under Internal Revenue Code Section 501 (C)(3) and California Revenue Taxation Code Section 23701d

See independent auditors' report

ADDITIONAL INFORMATION

Tung Accountancy
Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

**To the Board of Directors of
Bienestar Human Services, Inc.**

We have audited, in accordance with the 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, the financial statements of Bienestar Human Services, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2014 and 2013, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 16, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Bienestar Human Services, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bienestar Human Services, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bienestar Human Services, Inc.'s financial statements are free from 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Tung Accountancy

Arcadia, California
March 16, 2015

Tung Accountancy
Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

To the Board of Directors of
Bienestar Human Services, Inc.

Report on Compliance for Each Major Federal Program

We have audited Bienestar Human Services, Inc's 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 Bienestar Human Services, Inc's major federal programs for the year ended June 30, 2014 and 2013. Bienestar Human Services, Inc's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Bienestar Human Services, Inc's major federal programs based on our audit of the types of compliance requirements referred to above. 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 Bienestar Human Services, Inc'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 on compliance for each major federal program. However, our audit does not provide a legal determination of Bienestar Human Services, Inc's compliance.

Opinion on Each Major Federal Program

In our opinion, Bienestar Human Services, Inc. complied, in all material respects, with the types of 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, 2014 and 2013.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items. Our opinion on each major federal program is not modified with respect to these matters.

Bienestar Human Services, Inc's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Bienestar Human Services, Inc's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of Bienestar Human Services, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Bienestar Human Services, Inc's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on 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 Bienestar Human Services, Inc'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. 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.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Tung Accountancy

Arcadia, California
March 16, 2015

BIENESTAR HUMAN SERVICES, INC.
Schedule of Findings and Questioned Costs
For the year ended June 30, 2014

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued.		unqualified
Internal control over financial reporting:		
•Material weakness(es) identified?	___ yes	___x___ no
•Significant deficiency(ies) identified that are not considered to be material weaknesses?	___ yes	___x___ none reported
Noncompliance material to financial statements noted?	___ yes	___x___ none reported

Federal Awards

Internal control over major programs:		
•Material weakness(es) identified?	___ yes	___x___ no
•Significant deficiency(ies) identified that are not considered to be material weaknesses?	___ yes	___x___ 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	___x___ no

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

Identification of Major Programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.940	U.S. Department of Health and Human Services
93.928	Health Resources and Services Administration

Section II – Financial Statements Findings

There are no findings required to be reported in accordance with *Generally Accepted Government Auditing Standards*.

Section III – Federal Award Findings and Questioned Costs

There are neither findings nor questioned costs for Federal awards as defined in OMB Circular A-133.

Section IV – Summary Schedule of Prior Year Findings

None.