

**PUBLIC HEALTH FOUNDATION
ENTERPRISES, INC.**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORTS
SINGLE AUDIT
YEAR ENDED JUNE 30, 2010**

PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
TABLE OF CONTENTS

	Page
FINANCIAL SECTION	
Independent Auditors' Report	1-1
Financial Statements:	
Statement of Financial Position	1-3
Statement of Activities	1-4
Statement of Functional Expenses	1-5
Statement of Cash Flows	1-6
Notes to Financial Statements	1-7
 GOVERNMENT AUDIT INFORMATION SECTION	
Schedule of Findings and Questioned Costs	2-1
Independent Auditors' Report on Internal Control Over Financial Reporting on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	2-2
Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133	2-4
Schedule of Expenditures of Federal Awards	2-6
Notes to Schedule of Expenditures of Federal and State Awards	2-17
 AUDITORS' RESULTS	
Findings and Questioned Costs	3-1
Prior Year Findings and Questioned Costs	3-2

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Public Health Foundation Enterprises, Inc. (PHFE)
(A California Non-Profit Corporation)
City of Industry, California

We have audited the accompanying statement of financial position of Public Health Foundation Enterprises, Inc. (PHFE) (A California Non-Profit Corporation) as of June 30, 2010 and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of PHFE's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the PHFE financial statements and, in our report dated November 6, 2009, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of PHFE's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of PHFE as of June 30, 2010, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 3 to the financial statements, during the year ended June 30, 2010 PHFE changed its method of accounting for government-furnished fixed assets.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2010 on our consideration of PHFE'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

INDEPENDENT AUDITORS' REPORT - Continued

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

Vorin, Hahn + Co.

November 1, 2010

PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2010
(WITH COMPARATIVE TOTALS FOR 2009)

	<u>2010</u>	<u>2009</u>
ASSETS		
Cash and cash equivalents	\$ 4,961,494	\$ 7,752,145
Contracts receivable, net	19,788,461	17,221,178
Agency funds receivable	56,126	24,549
Other receivables	10,297	5,866
Deposits and prepaid expenses	90,028	156,452
Property and equipment, net	<u>1,747,979</u>	<u>3,877,247</u>
Total assets	<u>\$ 26,654,385</u>	<u>\$ 29,037,437</u>
LIABILITIES		
Accounts payable and accrued expenses	\$ 4,746,451	\$ 3,771,711
Accrued payroll and related liabilities	8,879,256	8,152,328
Advance grantor payments	1,858,037	2,384,549
Accountability for program fixed assets	2,254,861	3,525,575
Capital leases payable	848,946	1,222,062
Agency funds payable	248,894	300,406
Deferred revenue	<u>-</u>	<u>322,919</u>
Total liabilities	18,836,445	19,679,550
COMMITMENTS AND CONTINGENCIES		
NET ASSETS		
Unrestricted		
Undesignated	4,420,789	4,391,923
Designated:		
Operating reserve	<u>1,262,057</u>	<u>1,457,257</u>
	5,682,846	5,849,180
Temporarily restricted	<u>2,135,094</u>	<u>3,508,707</u>
Total net assets	<u>7,817,940</u>	<u>9,357,887</u>
Total liabilities and net assets	<u>\$ 26,654,385</u>	<u>\$ 29,037,437</u>

See accompanying auditors' reports and
notes to financial statements.

PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE TOTALS FOR 2009)

	2010			2009
	Unrestricted	Temporarily Restricted	Total	
REVENUE AND SUPPORT				
Governmental service contracts	\$ 110,845,994	\$ -	\$ 110,845,994	\$ 109,095,395
Private contracts	4,762,041	-	4,762,041	6,128,396
Management fees	7,206,299	-	7,206,299	6,451,750
Administrative fees	1,700,348	-	1,700,348	1,725,234
Other income	537,873	-	537,873	404,651
Dividends and interest income	8,414	-	8,414	33,251
Unrealized gain(loss) on investments	-	-	-	(2,270)
Gain (loss) on disposition of fixed assets	(182,439)	-	(182,439)	-
Contributions	1,900	1,473,079	1,474,979	2,604,089
In-kind revenue	166,750	-	166,750	109,533
Restrictions released	<u>2,846,692</u>	<u>(2,846,692)</u>	<u>-</u>	<u>-</u>
 Total revenue, support and restrictions released	 127,893,872	 (1,373,613)	 126,520,259	 126,550,029
EXPENSES				
Program services	118,608,602	-	118,608,602	116,706,240
Support services	<u>9,451,604</u>	<u>-</u>	<u>9,451,604</u>	<u>7,485,215</u>
	<u>128,060,206</u>	<u>-</u>	<u>128,060,206</u>	<u>124,191,455</u>
 CHANGE IN NET ASSETS - prior to cumulative effect of a change in accounting principle	 (166,334)	 (1,373,613)	 (1,539,947)	 2,358,574
 Cumulative effect of a change in accounting principle	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>(899,535)</u>
 CHANGE IN NET ASSETS - after cumulative effect of a change in accounting principle	 (166,334)	 (1,373,613)	 (1,539,947)	 1,459,039
 NET ASSETS - beginning of year	 <u>5,849,180</u>	 <u>3,508,707</u>	 <u>9,357,887</u>	 <u>7,898,848</u>
 NET ASSETS - end of year	 <u>\$ 5,682,846</u>	 <u>\$ 2,135,094</u>	 <u>\$ 7,817,940</u>	 <u>\$ 9,357,887</u>

See accompanying auditors' reports and
notes to financial statements.

PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE TOTALS FOR 2009)

	<u>Program Services</u>	<u>Support Services</u>	<u>2010 Total Expenses</u>	<u>2009 Total Expenses</u>
Salaries and related expenses				
Salaries	\$ 59,719,957	\$ 4,084,824	\$ 63,804,781	\$ 61,043,231
Payroll taxes	4,887,065	278,241	5,165,306	5,080,967
Employee benefits	<u>9,640,520</u>	<u>631,838</u>	<u>10,272,358</u>	<u>10,416,064</u>
	74,247,542	4,994,903	79,242,445	76,540,262
Other expenses				
Activities and promotions	1,420,110	6,471	1,426,581	2,541,915
Communications	838,021	216,352	1,054,373	1,007,366
Conferences and meetings	621,413	157,789	779,202	506,143
Consultants	6,700,232	-	6,700,232	8,021,970
Contracted services	139,244	1,253,450	1,392,694	593,669
Equipment expense, under \$5,000	977,302	70,072	1,047,374	852,901
Equipment expense, over \$5,000	563,823	-	563,823	116,058
Equipment rental and maintenance	228,254	588,357	816,611	821,399
In-kind expenses	153,875	12,875	166,750	92,540
Insurance	276,348	34,695	311,043	544,498
Interest expense and bank charges	-	136,559	136,559	48,764
Management and indirect fees	8,838,324	-	8,838,324	8,010,268
Memberships and subscriptions	38,933	56,099	95,032	76,775
Office expense	-	438,519	438,519	108,833
Postage and shipping	468,505	41,671	510,176	245,188
Printing	363,838	2,398	366,236	444,163
Professional fees	199,984	3,526	203,510	282,874
Rent	5,881,926	600,191	6,482,117	5,718,013
Subcontractors	10,989,913	-	10,989,913	11,479,916
Supplies	3,689,563	-	3,689,563	3,974,256
Travel	<u>1,971,452</u>	<u>130,048</u>	<u>2,101,500</u>	<u>2,041,015</u>
	118,608,602	8,743,975	127,352,577	124,068,786
Depreciation	<u>-</u>	<u>707,629</u>	<u>707,629</u>	<u>122,669</u>
	<u>\$ 118,608,602</u>	<u>\$ 9,451,604</u>	<u>\$ 128,060,206</u>	<u>\$ 124,191,455</u>

See accompanying auditors' reports and
notes to financial statements.

PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE TOTALS FOR 2009)

	<u>2010</u>	<u>2009</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (1,539,947)	\$ 1,459,039
Adjustments to reconcile increase in net assets to net cash provided (used) by operating activities		
Depreciation	707,629	122,669
Cumulative effect of a change in accounting principle	-	899,535
Unrealized (gain) loss on disposition of fixed assets	182,439	2,270
Contribution of program equipment from government	(902,578)	(632,014)
Disposition of program equipment	2,173,292	1,316,252
(Increase) decrease in:		
Contracts receivable, net	(2,567,283)	4,535,096
Agency funds receivable	(31,577)	49,592
Other receivables	(4,431)	(2,389)
Deposits and prepaid expenses	66,424	(73,982)
Increase (decrease) in:		
Accounts payable and accrued expenses	974,740	(1,518,059)
Accrued payroll and related liabilities	726,928	1,037,809
Advance grantor payments	(526,512)	200,829
Accountability for program fixed assets	(1,270,714)	(684,238)
Agency funds payable	(51,512)	(24,473)
Deferred revenue	(322,919)	102,454
Total adjustments	<u>(846,074)</u>	<u>5,331,351</u>
Net Cash Provided (Used) by Operating Activities	(2,386,021)	6,790,390
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of fixed assets	-	11,250
Purchase of equipment on account	-	(855,377)
Payments related to the acquisition of fixed assets	<u>(31,514)</u>	<u>(7,914)</u>
Net Cash Provided (Used) by Investing Activities	(31,514)	(852,041)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal repayments related to capital purposes	(373,116)	(125,960)
Borrowing under capital lease	<u>-</u>	<u>855,792</u>
Net Cash Provided (Used) by Financing Activities	<u>(373,116)</u>	<u>729,832</u>
NET INCREASE (DECREASE) IN CASH	(2,790,651)	6,668,181
CASH AT BEGINNING OF YEAR	<u>7,752,145</u>	<u>1,083,964</u>
CASH AT END OF YEAR	<u>\$ 4,961,494</u>	<u>\$ 7,752,145</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the year for interest	<u>\$ 102,736</u>	<u>\$ 27,508</u>

See accompanying auditors' reports and notes to financial statements.

PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

1. ORGANIZATION

Public Health Foundation Enterprises, Inc. (PHFE) is a California Non-Profit Corporation established on August 6, 1968. PHFE's purposes are: through research and demonstration to add to public health knowledge about the cause, prevention, cure of diseases, condition or states detrimental to the health of the public including, but not limited to, basic environmental, epidemiological, clinical and administrative study, demonstration and research and its practical application thereto, to receive and administer funds for public health study, demonstration and research, all for the public welfare.

Substantially all of PHFE's revenue is received from annually renewable governmental service contracts and private grantors and foundations located in California.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accrual Basis

The Agency maintains its accounting records on the accrual basis.

Basis of Presentation

The financial statements of PHFE have been prepared on the accrual basis of accounting, in accordance with U.S. generally accepted accounting principles. PHFE adopted the Financial Accounting Standards Board FASB ASC 958-205. Under FASB ASC 958-205, PHFE is required to report information regarding its financial position and activities based on the existence or absence of donor-imposed restrictions. In addition, PHFE is required to present a statement of cash flows. In accordance with this Statement, PHFE classifies its financial statements to present three classes of net assets as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met by actions of PHFE and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by PHFE. Generally, the donors of these assets permit PHFE to use all or part of the income earned on any related investments for general or specific purposes.

Contracts and Grants

Revenue from contributions and grants are recognized when received and classified as unrestricted, temporarily restricted or permanently restricted based on donor specifications. Revenues from governmental service contracts and restricted conditional contributions (grants) (Notes 1 and 7) are recognized when related expenses have been incurred, amounts advanced in excess of expenditures are reflected as liabilities. Interest earned on advances from governmental funding agencies is recorded as a liability.

PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Fair Values of Financial Instruments

The following methods and assumptions were used to estimate the fair value of financial instruments:

Accounts Receivable and Accounts Payable

The carrying amounts of accounts receivable and accounts payable in the balance sheet approximates fair value.

Property

Property, consisting primarily of office equipment owned by PHFE, is stated at cost. The minimum dollar amount for capitalizing and depreciating an asset is \$5,000. Depreciation of property is provided over the estimated useful lives of the respective assets generally 3-7 years on a straight line basis.

Concentrations of Credit Risk

Substantially all receivables at June 30, 2010 are due from governmental entities primarily located in California.

Cash and Cash Equivalents and Concentration

The balances at June 30, 2010 are available upon demand and are insured via FDIC up to federal limits as defined for each bank account.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses.

Investments

PHFE carries analyzed business checking accounts. The bank analyzes the account activity to determine the total price of services provided for each settlement period. The Bank will calculate an earnings allowance based on the account balance available to support activity and the Bank provides an analysis credit to offset the price of services. Account analysis earnings allowance rate is set each month based on current market conditions and is subject to change without prior notice.

PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

New Accounting Standards

PHFE measures fair value in accordance with FASB ASC 820-10. FASB ASC 820-10 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, Level 2 inputs, other than the quoted prices in active markets, are observable either directly or indirectly, and Level 3 unobservable inputs in which there is little or no market data, which requires PHFE to develop its own assumptions. PHFE uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, PHFE measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available. All assets reported at fair value at June 30, 2010 are Level 2 inputs.

Reclassifications

Certain amounts in the 2009 comparative totals have been reclassified to conform with the 2010 reporting format.

Comparative Totals

The financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the PHFE's financial statements for the year ended June 30, 2009, from which the summarized information was derived.

Subsequent Events

Subsequent events have been evaluated through the date of issuance of Public Health Foundation Enterprises' financial statements, November 1, 2010. There are no subsequent events to report.

3. CHANGE IN ACCOUNTING PRINCIPLE

During the year ended June 30, 2010 PHFE changed its method of accounting for government-furnished fixed assets which provides for depreciation of such assets over their estimated useful lives. The cumulative effect of the change has been reflected as a \$899,535 reduction of Unrestricted Net Assets at June 30, 2009. Related depreciation during the year ended June 30, 2010 was \$321,438. The change was adopted to conform to recent interpretations of U.S. Generally Accepted Accounting Principles.

PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010
(CONTINUED)

4. PROGRAM EQUIPMENT

Equipment purchased for grantors is the property of the grantor and is recorded as revenue and corresponding expense when acquired. PHFE capitalizes such equipment purchased, at cost, and also records a liability to the granting agency in an equal amount. Depreciation of property is provided over the estimated useful lives of the respective assets generally 3-7 years on a straight line basis. Upon contract termination such property is returned to the grantor.

5. PROPERTY AND EQUIPMENT

The balance at June 30, 2010 consists of the following:

Fixed Assets	\$ 1,056,186
Leasehold improvements	118,993
Program Equipment	<u>2,254,861</u>
	3,430,040
Less: Accumulated depreciation	<u>(1,682,061)</u>
Property and equipment net	<u>\$ 1,747,979</u>

6. CAPITAL LEASES

PHFE acquired equipment under a long-term lease. For financial reporting purposes, the present value of the minimum lease payments has been capitalized. The leases expire June 2012 and November 2012. As of June 30, 2010 the property under these capital leases have a total cost of \$1,051,087, accumulated depreciation of \$378,360 and a net book value of \$672,727. The future minimum lease payments under these capital leases at June 30, are as follows:

2011	\$ 444,987
2012	444,987
2013	<u>54,964</u>
Total minimum lease payments	944,938
Less amount representing interest	<u>(95,992)</u>
Capital leases payable	<u>\$ 848,946</u>

PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010
(CONTINUED)

7. AGENCY FUNDS

PHFE administers Agency Fund Agreements, classified as unrestricted cash and liability for agency funds, for which a fee is received. During the year ended June 30, 2010 such fees earned were \$5,118 and have been classified as unrestricted revenue. Funds remaining at trust agreement completion are returned to the trustor.

8. CONTINGENCIES

Costs reported under government grants and contracts are subject to disallowance and possible refund upon final audit determination by such funding agencies.

PHFE is involved in certain litigation, arising from operations, the ultimate outcome of which is not susceptible to reasonable estimation at June 30, 2010.

On July 1, 2004 PHFE entered a workers' compensation claim reinsurance agreement which is partially collateralized by a \$686,440 Standby Letter of Credit. On July 1, 2005, an amendment to the letter of credit increased by \$375,321 for a total of \$1,061,761. (Note 9) Each succeeding year this Standby Letter of Credit has been reissued on the same terms and conditions as the one issued on July 1, 2005.

9. BORROWING ARRANGEMENT

During the year ended June 30, 2010, PHFE renewed a loan agreement with a bank which provides for a \$5,000,000 line of credit which expires March 31, 2011. The agreement contains certain financial covenants. Advances are collateralized by personal property of PHFE and bear interest at prime plus 1% or the LIBOR rate plus 2 ³/₄%. There were no amounts advanced pursuant to the agreement at June 30, 2010.

On July 1, 2004 PHFE entered a workers' compensation claim reinsurance agreement which is partially collateralized by a \$686,440 Standby Letter of Credit. On July 1, 2005, an amendment to the letter of credit increased by \$375,321 for a total of \$1,061,761. (Note 8) Each succeeding year this Standby Letter of Credit has been reissued on the same terms and conditions as the one issued on July 1, 2005.

PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010
(CONTINUED)

10. PAYROLL RELATED LIABILITIES

The balance at June 30, 2010 consists of accrued payroll and related taxes, voluntary and employer fringe benefits, allowance for workers' compensation insurance, and unemployment benefits as described below.

On April 1, 1977, PHFE elected the reimbursable method of financing under the California Unemployment Insurance Code. Under this method, the liability for unemployment insurance premiums, are not paid to the State. Correspondingly, PHFE retains liability for unemployment insurance benefits of terminated employees for which provision has been made in the financial statements.

11. LEASE COMMITMENTS

PHFE has the following lease commitments:

Facilities Operating Leases

Headquarters:

PHFE has an operating lease agreement with RR & C Development Company and Patrician Associated, Inc. to lease spaces at 12801 Crossroads Parkway South, Suite 200, City of Industry, California, at a rental cost of \$41,766 per month. In addition, PHFE maintains satellite offices in Northern California, Orange County and Washington D.C.

Other Operating Leases

Equipment:

PHFE leases office equipment and facilities under several operating leases with terms expiring at various dates through 2019. The approximate minimum future annual rental commitments, under all significant operating leases as of June 30, 2010, is as follows:

2011	\$ 5,327,122
2012	4,437,155
2013	3,711,772
2014	1,826,561
2015	984,953

PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010
(CONTINUED)

12. INCOME TAXES

PHFE, a Non-Profit Organization operating under Section 501(c)(3) of the Internal Revenue Code, is generally exempt from federal, State, and local income taxes and, accordingly, no provision for income taxes is included in the financial statements. PHFE is required to pay an annual filing fee to the State of California and other states it operates in.

13. RETIREMENT PLAN

PHFE has provided a contributory qualified pre-tax retirement plan covering salaried employees with extended benefits working at least 50% time and hourly employees working at least 20 hours per week with extended benefits. Employer contributions to the plan vary from 5% to 10% of applicable compensation depending upon employee classification and were approximately \$3,731,631 for the year ended June 30, 2010.

14. FAIR VALUE MEASUREMENTS

The carrying amounts of cash and cash equivalents and accounts receivable approximate fair value because of the terms and relatively short maturity of these financial instruments.

The carrying amounts of liabilities, approximate fair value because of the relatively short maturity of these financial instruments.

GOVERNMENT AUDIT INFORMATION SECTION

PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified.

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ Yes X No

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ Yes X No

Type of auditors' 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 OMB Circular A-133? _____ Yes X No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.578	WIC Grants To States (WGS)
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children
10.558	Child and Adult Care Food Program
93.712	ARRA - Immunization
93.717	ARRA - Preventing Healthcare-Associated Infections
93.283	Centers for Disease Control and Prevention_ Investigations and Technical Assistance
93.069	Public Health Emergency Preparedness
93.268	Immunization Grants
93.701	Trans-NIH Recovery Act Research Support
93.724	ARRA - Prevention and Wellness – Communities Putting Prevention to Work
93.709	Funding Opportunities Announcement (FOA)
	ARRA - Early Head Start
	Research Cluster

Dollar threshold used to distinguish between type A and type B programs: \$ 3,043,111

Auditee qualified as low-risk auditee? _____ X _____ Yes _____ No

Section II - Financial Statement Findings

No matters were reported.

Section III - Federal Award Findings and Questioned Costs

No matters were reported.

INDEPENDENT AUDITORS' 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
(NO MATERIAL WEAKNESSES IDENTIFIED, NO SIGNIFICANT DEFICIENCIES IDENTIFIED, NO
REPORTABLE INSTANCES OF NONCOMPLIANCE OR OTHER MATTERS IDENTIFIED)

To the Board of Directors of
Public Health Foundation Enterprises, Inc. (PHFE)
(A California Non-Profit Corporation)
City of Industry, California

We have audited the financial statements of Public Health Foundation Enterprises, Inc. (PHFE) (A California Non-Profit Corporation) as of and for the year ended June 30, 2010, and have issued our report thereon dated November 1, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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 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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether PHFE's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the audit committee, management, board of directors, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Vorwin, Hryn + Co.

November 1, 2010

**INDEPENDENT AUDITORS' REPORT
ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133
(UNQUALIFIED OPINION ON COMPLIANCE; NO MATERIAL WEAKNESSES OR SIGNIFICANT
DEFICIENCIES IN INTERNAL CONTROL OVER COMPLIANCE IDENTIFIED)**

To the Board of Directors of
Public Health Foundation Enterprises, Inc. (PHFE)
(A California Non-Profit Corporation)
City of Industry, California

Compliance

We have audited Public Health Foundation Enterprises, Inc.'s (PHFE) (A California Non-Profit Corporation) 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 PHFE's major federal programs for the year ended June 30, 2010. PHFE's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of PHFE's management. Our responsibility is to express an opinion on PHFE's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133. 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 PHFE's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of PHFE's compliance with those requirements.

In our opinion, PHFE complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

Management of PHFE is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered PHFE's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report 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 PHFE's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above.

This report is intended solely for the information and use of the audit committee, management, board of directors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Vorlein, Hayn + Co.

November 1, 2010

PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010
(FEIN 95-2557063)

<i>Project Name</i>	<i>Federal CFDA Number</i>	<i>Agency Or Pass Through Number</i>	<i>Contracting Agency or Pass Through Number</i>	<i>Grantee Number</i>	<i>Direct or Pass Through</i>	<i>Contract Start</i>	<i>Contract End</i>	<i>Federal Expenditures</i>
MAJOR PROGRAMS								
U.S. Department of Agriculture - Food and Nutrition Service - Direct								
WIC ARRA ISIS Project	10.578	0885459	State of California-DPH	2342.001	Direct	10/01/2009	09/30/2010	12,106
WIC Grants To States (WGS) - American Recovery Reinvestment Act								12,106
U.S. Department of Agriculture - Food and Nutrition Service - Passed Through								
Passed Through the State of California - Department of Human Services								
Women, Infant & Children	10.557	0885459	State of California-DHS	0005.015	Pass	10/01/2008	09/30/2009	15,082,130
Women, Infant & Children	10.557	0885459	State of California-DHS	0005.016	Pass	10/01/2009	09/30/2010	35,076,764
Special Supplemental Nutrition Program for Women, Infants, and Children								50,158,894
Passed Through the State of California - California Department of Education								
Angels Childcare Food Program	10.558	193045OF	California Dept. of Education	0394.008	Pass	10/01/2008	09/30/2009	1,824,841
Angels Childcare Food Program	10.558	193045OF	California Dept. of Education	0394.009	Pass	10/01/2009	09/30/2010	3,591,558
Child and Adult Care Food Program								5,416,399
U.S. Department of Health and Human Services - Centers for Disease Control and Prevention - Direct								
CEIP ARRA-317	93.712	3U01C10000309-05S2	DHSS-CDC	2307.001	Direct	09/01/2009	12/31/2011	93,388
ELC ARRA 317-MCV	93.712	3U50CI923677-05S2	DHSS-CDC	2308.001	Direct	09/01/2009	12/31/2011	78,198
ARRA - Immunization								171,586
CEIP ARRA-HealthCare	93.717	3U01CI000309-05S1	DHSS-CDC	2306.001	Direct	09/01/2009	12/29/2011	113,492
ELC ARRA-HAI	93.717	3U50C1923677-05S1	DHSS-CDC	2309.001	Direct	09/01/2009	12/31/2011	456,926
ARRA - Preventing Healthcare-Associated Infections								570,418
CEIP	93.283	5U01CI00030905	DHHS-CDC	0235.012	Direct	12/30/2008	12/31/2011	3,474,422
Epidemiology & Lab	93.283	5U50CI92367705	DHHS-CDC	0310.010	Direct	01/01/2009	12/31/2011	2,033,218
Epidemiology & Lab	93.283	U50CCU92367703	DHHS-CDC	0310.011	Direct	01/01/2010	12/31/2010	-
EHS Network	93.283	5R01EH00008005	DHHS-CDC	2055.005	Direct	01/01/2009	06/30/2010	258,450
Adult Viral Hepatitis Prev	93.283	1U51PS00090001	DHHS-CDC	2203.002	Direct	11/01/2008	10/31/2009	50,761
Adult Viral Hepatitis Pre	93.283	5U51PS00090003	DHHS-CDC	2203.003	Direct	11/01/2009	10/31/2010	60,666
Enhancing California NBS	93.283	1U50DD00047501	DHHS-CDC	2253.001	Direct	09/30/2008	09/29/2009	29,061
Enhancing California NBS	93.283	5U50DD00047502	DHHS-CDC	2253.002	Direct	09/30/2009	09/29/2010	73,103
CA Hemoglobinopathy Surve	93.283	1U50DD00056801	DHHS-CDC	2328.001	Direct	02/12/2010	02/11/2011	32,616
Centers for Disease Control and Prevention_ Investigations and Technical Assistance								6,012,297
U.S. Department of Health and Human Services - U.S. Department of Interior National Park Service - Direct								
NPS Vector Borne Diseases	93.283	H2480070003	U.S. Dept. of Int. Nat'l Park Serv.	2189.001	Direct	09/21/2007	09/30/2010	17,075
Centers for Disease Control and Prevention_ Investigations & Technical Assistance								17,075

The above schedule was prepared on the accrual basis of accounting.
See accompanying auditors' reports and notes to basic financial statements.

PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010
(FEIN 95-2557063)

<i>Project Name</i>	<i>Federal CFDA Number</i>	<i>Agency Or Pass Through Number</i>	<i>Contracting Agency or Pass Through Number</i>	<i>Grantee Number</i>	<i>Direct or Pass Through</i>	<i>Contract Start</i>	<i>Contract End</i>	<i>Federal Expenditures</i>
MAJOR PROGRAMS - CONTINUED								
U.S. Department of Health and Human Services - Centers for Disease Control and Prevention - Passed Through								
Passed Through the State of California - Department of Public Health								
CA Dept. of Health Serv.	93.283	0765876	State of California-DPH	0713.004	Pass	09/01/2007	08/31/2009	98,671
CA Dept. of Health Serv.	93.283	0765876	State of California-DPH	0713.005	Pass	09/01/2009	06/30/2010	668,055
Centers for Disease Control and Prevention_ Investigations & Technical Assistance								766,726
Passed Through the Cncl of State & Terr. Epidemiology								
Influenza Super Sentinel	93.283	None	Cncl of State & Terr. Epidemiology.	2227.003	Pass	06/01/2009	06/30/2009	44
Centers for Disease Control and Prevention_ Investigations & Technical Assistance								44
Passed Through the Association of Public Health Lab								
Influenza Virus Isolation	93.283	None	Assoc. of Public Health Lab	2301.001	Pass	07/20/2009	06/30/2011	38,536
Antiviral Res. Screening	93.283	None	Assoc. of Public Health Lab	2319.001	Pass	10/19/2009	06/30/2011	29,652
Centers for Disease Control and Prevention_ Investigations & Technical Assistance								68,188
Passed Through the NACCHO								
SFDPH APC	93.283	2009100107	NACCHO	2304.001	Pass	10/01/2009	09/29/2010	260,565
Centers for Disease Control and Prevention_ Investigations & Technical Assistance								260,565
Passed Through the State of California - Department of Public Health								
CA DCDC Bio-T Enhancement	93.069	0546060A02	State of California-DPH	0714.002	Pass	07/01/2005	08/03/2010	614,912
Pandemic Influenza	93.069	08-5565	State of California-DPH	2215.003	Pass	08/09/2008	06/30/2009	18,807
Pandemic Influenza	93.069	08-5565	State of California-DPH	2215.004	Pass	07/01/2009	12/31/2009	309,141
H1N1 Emergency Response	93.069	0911695	State of California-DPH	2312.001	Pass	10/15/2009	09/30/2010	2,129,879
H1N1 Lab Testing	93.069	0911693	State of California-DPH	2315.001	Pass	08/09/2009	08/08/2010	465,602
Public Health Emergency Preparedness								3,538,341
Passed Through the County of Los Angeles Public Health								
CDC Base	93.069	H7025504	County of LA-Public Health	2008.005	Pass	08/10/2008	08/09/2009	1,368,605
CDC Base	93.069	H7025550	County of LA-Public Health	2008.006	Pass	08/10/2009	08/30/2010	3,849,149
Public Health Emergency Preparedness								5,217,754
Passed Through the County of Contra Costa								
Contra Costa Co. Hlth Svc	93.069	2280615	County of Contra Costa	0374.008	Pass	07/01/2009	06/30/2010	124,610
Public Health Emergency Preparedness								124,610

The above schedule was prepared on the accrual basis of accounting.
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PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010
(FEIN 95-2557063)

<i>Project Name</i>	<i>Federal CFDA Number</i>	<i>Agency Or Pass Through Number</i>	<i>Contracting Agency or Pass Through Number</i>	<i>Grantee Number</i>	<i>Direct or Pass Through</i>	<i>Contract Start</i>	<i>Contract End</i>	<i>Federal Expenditures</i>
MAJOR PROGRAMS - CONTINUED								
U.S. Department of Health and Human Services - Centers for Disease Control and Prevention - Passed Through (Continued)								
Passed Through the State of California - Department of Public Health								
Imm. Proj. Subvention	93.268	0655384	State of California-DPH	0153.014	Pass	07/01/2008	06/30/2009	107,373
Imm. Proj. Subvention	93.268	0911510	State of California-DPH	0153.015	Pass	07/01/2009	06/30/2010	2,504,367
Vaccines for Children	93.268	0765406	State of California-DPH	0183.013	Pass	07/01/2008	06/30/2009	16,177
Vaccines for Children	93.268	0765406	State of California-DPH	0183.014	Pass	07/01/2009	06/30/2010	2,503,124
Statewide Immunization Re.	93.268	0911511	State of California-DPH	0215.013	Pass	07/01/2009	06/30/2010	3,449,615
Bioterrorism Planning	93.268	0885589	State of California-DPH	2264.001	Pass	09/01/2008	08/31/2009	74,492
Bioterrorism Planning	93.268	0911525	State of California-DPH	2264.002	Pass	09/01/2009	08/31/2010	153,096
Immunization Grants								8,808,244
U.S. Department of Health and Human Services - National Institutes of Health - Direct								
SF Vaccine and Prevention	93.701	3U01AI069496-03S1	DHHS-NIH	2283.001	Direct	06/05/2009	09/30/2010	33,343
SF Vaccine S2	93.701	3U01AI069496-03S2	DHHS-NIH	2296.001	Direct	09/01/2009	08/31/2011	972,642
AWARE	93.701	66623K	DHHS-NIH	2324.001	Direct	09/30/2009	08/31/2010	545,540
Trans-NIH Recovery Act Research Support								1,551,525
U.S. Department of Health and Human Services - National Institutes of Health - Passed Through								
Passed Through the County of Los Angeles								
RENEW	93.724	PH001116	County of Los Angeles	2344.001	Pass	03/19/2010	03/18/2011	33,599
ARRA - Prevention and Wellness - Communities Putting Prevention to Work Funding Opportunities Announcement (FOA)								33,599
Passed Through the Regents University of California								
ATN 093/UCSF	93.701	6023SC	Regents of Univ. of California	2341.001	Pass	10/01/2009	09/29/2010	6,314
Clinical & Transitional	93.701	5739SC	Regents of Univ. of California SF	2316.001	Pass	09/29/2009	09/28/2011	69,365
Trans-NIH Recovery Act Research Support								75,679
U.S. Department of Health and Human Services - Administration for Children and Families - Passed Through								
Passed Through the Rancho Santiago Community College District								
HABLA/Early Head Start	93.709	None	Rancho Santiago Community College D.	2329.001	Pass	12/01/2009	09/30/2010	145,553
ARRA - Early Head Start								145,553
Total Major Programs								\$ 82,949,603

The above schedule was prepared on the accrual basis of accounting.
See accompanying auditors' reports and notes to basic financial statements.

PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010
(FEIN 95-2557063)

<i>Project Name</i>	<i>Federal CFDA Number</i>	<i>Agency Or Pass Through Number</i>	<i>Contracting Agency or Pass Through Number</i>	<i>Grantee Number</i>	<i>Direct or Pass Through</i>	<i>Contract Start</i>	<i>Contract End</i>	<i>Federal Expenditures</i>
RESEARCH PROGRAMS								
U.S. Department of Energy - Direct								
National Freedom Prize	81.087	DEFC3607G07G017111	Department of Energy	2208.001	Direct	10/01/2007	03/31/2011	125,438
Renewable Energy Research and Development								125,438
U.S. Department of Health and Human Services - Centers for Disease Control and Prevention - Direct								
Capacity Building Asst	93.939	1U65PS001642-01	DHHS-CDC	0475.006	Direct	09/30/2009	03/31/2010	284,051
Capacity Building Asst	93.939	5U65PS001642-02	DHHS-CDC	0475.007	Direct	04/01/2010	03/31/2011	198,510
HIV Prevention Activities Non-Governmental Organization Based								482,561
Reducing Sexual Risk	93.941	5UR6PS00068402	DHHS-CDC	2186.002	Direct	09/30/2008	09/29/2009	134,925
Reducing Sexual Risk	93.941	5UR6PS00068403	DHHS-CDC	2186.003	Direct	09/30/2009	09/29/2010	265,398
HIV Screening	93.941	5U65PS00081402	DHHS-CDC	2191.002	Direct	09/30/2008	06/30/2010	99,206
HIV Demonstration, Research, Public and Professional Education Projects								499,529
HIV MSM Prevention Study	93.RD	200200303007	DHHS-CDC	0475.006	Direct	09/29/2008	09/30/2009	385,900
HIV MSM Prevention Study	93.RD	200200303007	DHHS-CDC	0475.007	Direct	10/01/2009	09/29/2010	215,395
Research Program with No Assigned CFDA # 93.RD								601,295
U.S. Department of Health and Human Services - Centers for Disease Control and Prevention - Passed Through								
Passed Through the San Francisco Department of Public Health								
HIV Prevention Program	93.941	DPHC09000670	SFDPH	2257.001	Pass	10/01/2008	12/31/2009	322,441
HIV Demonstration, Research, Public and Professional Education Projects								322,441
Passed Through the City and County of San Francisco								
Evaluation & Data Mgmt	93.941	DPHC10000952	City & County of San Francisco	2327.001	Pass	01/01/2010	12/31/2010	216,245
HIV Demonstration, Research, Public and Professional Education Projects								216,245
Passed Through the State of California - Department of Public Health								
STD Awareness, Prevention	93.941	0435587	State of California-DPH	0133.015	Pass	07/01/2008	06/30/2009	1,087
STD Awareness, Prevention	93.941	0911190	State of California-DPH	0133.016	Pass	07/01/2009	06/30/2010	4,264
HIV Demonstration, Research, Public and Professional Education Projects								5,351
Passed Through the SeraCare Life Science, Inc.								
Seroconverter Specimen	93.RD	200200410206	SeraCare Life Science, Inc.	2226.002	Pass	01/01/2009	12/31/2009	45,555
Seroconverter Specimen	93.RD	200200410206	SeraCare Life Science, Inc.	2226.003	Pass	01/01/2010	12/31/2010	47,512
Research Program with No Assigned CFDA # 93.RD								93,067

The above schedule was prepared on the accrual basis of accounting.
See accompanying auditors' reports and notes to basic financial statements.

PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010
(FEIN 95-2557063)

<i>Project Name</i>	<i>Federal CFDA Number</i>	<i>Agency Or Pass Through Number</i>	<i>Contracting Agency or Pass Through Number</i>	<i>Grantee Number</i>	<i>Direct or Pass Through</i>	<i>Contract Start</i>	<i>Contract End</i>	<i>Federal Expenditures</i>
RESEARCH PROGRAMS - CONTINUED								
U.S. Department of Health and Human Services - Centers for Disease Control and Prevention - Passed Through (Continued)								
Passed Through the State of California - Department of Public Health								
STD Awareness, Prevention	93.978	0435587	State of California-DPH	0133.015	Pass	07/01/2008	06/30/2009	1,087
STD Awareness, Prevention	93.978	0911190	State of California-DPH	0133.016	Pass	07/01/2009	06/30/2010	43,231
Preventive Health Services_Sexually Transmitted Diseases Research, Demonstrations, and Public Information and Education Grants								44,318
Passed Through the County of Los Angeles								
HIV/AIDS Jails Project	93.943	PH000597	County of Los Angeles-OAPP	2279.001	Pass	05/07/2009	09/29/2009	17,367
HIV/AIDS Jails Project	93.943	PH000597	County of Los Angeles-OAPP	2279.002	Pass	09/30/2009	06/30/2010	119,543
Epidemiologic Research Studies of Acquired Immunodeficiency Syndrome (AIDS) and Human Immunodeficiency Virus (HIV) Infection in								136,910
U.S. Department of Health and Human Services - National Institutes of Health - Direct								
Hair as a Biomarker of Te	93.242	1R21MH085598-01	DHHS-NIH	2271.001	Direct	03/19/2009	02/28/2010	90,859
Hair as a Biomarker	93.242	5R21MH085598-02	DHHS-NIH	2271.002	Direct	03/01/2010	02/28/2011	60,548
Mental Health Research Grants								151,407
Mirtazapine Study	93.279	1R01DA02215503	DHHS-NIH	2127.003	Direct	06/01/2008	05/31/2010	206,883
Aripiprazole Treatment	93.279	5R01DA02219003	DHHS-NIH	2131.003	Direct	08/01/2008	07/31/2010	327,732
Aripiprazole to Reduce	93.279	1R011DA02338701	DHHS-NIH	2192.002	Direct	02/01/2009	01/31/2011	138,154
Drug Abuse and Addiction Research Programs								672,769
HVTN Vaccine Clinical Tri	93.855	5U01AI069596-03	DHHS-NIH	0325.009	Direct	01/01/2009	12/31/2009	501,424
SF Vaccine and Prevention	93.855	5U01AI069496-04	DHHS-NIH	0325.010	Direct	01/01/2010	12/31/2010	295,052
Cellular Immune Responses	93.855	2R56AI04375409A1	DHHS-NIH	0366.006	Direct	09/19/2008	02/28/2010	60,384
Whole Inactivated HIV-1	93.855	5R21AI073236-02	DHHS-NIH	2165.002	Direct	06/01/2008	05/31/2010	44,783
Prevention Umbrella for M	93.855	1R01AI083060-01	DHHS-NIH	2278.001	Direct	04/10/2009	03/31/2010	453,612
Prevention Umbrella for M	93.855	5R01AI083060-02	DHHS-NIH	2278.002	Direct	04/01/2010	03/31/2011	102,432
Allergy, Immunology and Transplantation Research								1,457,687
U.S. Department of Health and Human Services - National Institutes of Health - Passed Through								
Passed Through the Social & Scientific Systems								
IMPAACT	93.242	BRSIMPCTQ0600168T001	Social & Scientific Systems	2144.003	Pass	06/01/2008	12/31/2010	29,758
Mental Health Research Grants								29,758
Passed Through the San Francisco Department of Public Health								
HIV Serosorting Program	93.242	DPHC0900633	SFDPH	2151.003	Pass	01/01/2009	12/31/2009	88,228
HIV Serosorting Program	93.242	DPHC10000595	SFDPH	2151.004	Pass	01/01/2010	12/31/2010	86,663
International Mobility	93.242	DPHC09000633	SFDPH	2228.002	Pass	09/01/2008	08/31/2009	17,115
International Mobility	93.242	DPHC10000595	SFDPH	2228.003	Pass	09/01/2009	08/31/2010	72,983
Mental Health Research Grants								264,989

The above schedule was prepared on the accrual basis of accounting.
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PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010
(FEIN 95-2557063)

<i>Project Name</i>	<i>Federal CFDA Number</i>	<i>Agency Or Pass Through Number</i>	<i>Contracting Agency or Pass Through Number</i>	<i>Grantee Number</i>	<i>Direct or Pass Through</i>	<i>Contract Start</i>	<i>Contract End</i>	<i>Federal Expenditures</i>
RESEARCH PROGRAMS - CONTINUED								
U.S. Department of Health and Human Services - National Institutes of Health - Passed Through (Continued)								
Passed Through the Massachusetts General Hospital								
Inter HIV ARV	93.242	213131	Massachusetts General Hospital	2243.002	Pass	04/01/2009	06/30/2010	<u>122,375</u>
	Mental Health Research Grants							122,375
Passed Through the RTI International								
Correlates of Sexual Risk	93.279	33120210335	RTI International	2149.003	Pass	08/01/2008	07/31/2009	23,309
Low FHI	93.279	13120210798	RTI International	2209.003	Pass	07/01/2009	07/31/2010	40,166
Assessing Patterns/RTI	93.279	13120212248	RTI International	2311.001	Pass	08/01/2009	07/31/2010	<u>29,536</u>
	Drug Abuse and Addiction Research Programs							93,011
Passed Through the Regents University of California San Francisco								
Clinical Trials Network	93.279	5052sc	Regents Univ of CA-San Fran	2179.003	Pass	09/01/2008	08/31/2009	33,960
Clinical Trials Network	93.279	5052sc	Regents Univ of CA-San Fran	2179.004	Pass	09/01/2009	08/31/2010	<u>164,631</u>
	Drug Abuse and Addiction Research Programs							198,591
Passed Through the Fred Hutchinson Cancer Research Center								
HVTN-Leadership Group	93.855	678005	Fred Hutchinson Cancer Res Ctr	0424.009	Pass	06/01/2009	05/31/2010	55,625
HVTN-Leadership Group	93.855	0000692496	Fred Hutchinson Cancer Res Ctr	0424.010	Pass	06/01/2010	05/31/2011	7,769
On-Line Collaborative HVTN	93.855	0000675461	Fred Hutchinson Cancer Res Ctr	2025.010	Pass	06/01/2009	05/31/2010	30,594
40% Transition/Comm Educ	93.855	644150	Fred Hutchinson Cancer Res Ctr	2205.002	Pass	01/01/2008	11/30/2009	25,955
HVTN PIF 2	93.855	0000658015	Fred Hutchinson Cancer Res Ctr	2259.001	Pass	06/01/2008	05/31/2011	59,246
USA HIV Vaccine Trials	93.855	675910	Fred Hutchinson Cancer Res Ctr	2294.001	Pass	06/01/2009	05/31/2010	293,125
USA HIV Vaccine Trials	93.855	695975	Fred Hutchinson Cancer Res Ctr	2294.002	Pass	06/01/2010	05/31/2011	16,022
HVTN 505	93.855	677513	Fred Hutchinson Cancer Res Ctr	2302.001	Pass	06/01/2009	05/31/2010	290,151
HVTN 505	93.855	694548	Fred Hutchinson Cancer Res Ctr	2302.002	Pass	06/01/2010	05/31/2011	<u>39,800</u>
	Allergy, Immunology and Transplantation Research							818,287
Passed Through the University of Texas								
Nucleophilic Antibodies	93.855	0005790A	University of Texas	2164.003	Pass	02/01/2009	01/31/2010	53,823
Nucleophilic Antibodies	93.855	5R01AI06702004	University of Texas	2164.004	Pass	02/01/2010	01/31/2011	<u>1,908</u>
	Allergy, Immunology and Transplantation Research							55,731
Passed Through the University of Washington								
MRCE for Biodefense & EID	93.855	WU-09-399	University of Washington	2284.001	Pass	04/09/2009	02/28/2010	6,441
MRCE for Biodefense & EID	93.855	WU-10-305	University of Washington	2284.002	Pass	03/01/2010	02/28/2011	<u>11,918</u>
	Allergy, Immunology and Transplantation Research							18,359

The above schedule was prepared on the accrual basis of accounting.
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PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010
(FEIN 95-2557063)

<i>Project Name</i>	<i>Federal CFDA Number</i>	<i>Agency Or Pass Through Number</i>	<i>Contracting Agency or Pass Through Number</i>	<i>Grantee Number</i>	<i>Direct or Pass Through</i>	<i>Contract Start</i>	<i>Contract End</i>	<i>Federal Expenditures</i>
RESEARCH PROGRAMS - CONTINUED								
U.S. Department of Health and Human Services - National Institutes of Health - Passed Through (Continued)								
Passed Through the John Hopkins University								
HPTN 027/MU Testing	93.855	None	John Hopkins University	2348.001	Pass	08/01/2010	01/31/2011	9,049
Allergy, Immunology and Transplantation Research								9,049
Passed Through the Regents University of California San Diego								
Rapid Tests for Drug Resi	93.855	1U01AI08222901	Regents Univ of CA-San Diego	2345.001	Pass	02/01/2010	08/31/2010	7,395
Allergy, Immunology and Transplantation Research								7,395
Passed Through the University of Texas								
GP 120 HIV Vaccines	93.856	5R01AI05886504	University of Texas	0498.005	Pass	01/01/2008	12/31/2010	29,033
Microbiology and Infectious Diseases Research								29,033
Passed Through the Regents University of California								
Flash Heated Breast HIV	93.865	700077	Regents Univ of California	2196.002	Pass	09/01/2008	07/31/2010	26,342
Child Health and Human Development Extramural Research								26,342
Passed Through the Regents University of California Berkeley								
Joint U.S.-India Study	93.865	SA5823	Regents Univ of CA-Berkeley	2262.001	Pass	09/01/2008	08/31/2010	17,454
Child Health and Human Development Extramural Research								17,454
Passed Through the University of Alabama								
Home Screening for BV	93.RD	None	University of Alabama	2229.002	Pass	01/01/2009	09/28/2010	111,807
Research Program with No Assigned CFDA # 93.RD								111,807
U.S. Department of Health and Human Services - Office of Population Affairs - Direct								
In Touch	93.974	1FPRPA0060460100	DHHS-Office of Population Affairs	2298.001	Direct	09/01/2009	08/31/2010	7,788
Family Planning Service Delivery Improvement Research Grants								7,788
Total Research Programs								\$ 6,618,987
Total Major Programs								\$ 89,568,590

The above schedule was prepared on the accrual basis of accounting.
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PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010
(FEIN 95-2557063)

<i>Project Name</i>	<i>Federal CFDA Number</i>	<i>Agency Or Pass Through Number</i>	<i>Contracting Agency or Pass Through Number</i>	<i>Grantee Number</i>	<i>Direct or Pass Through</i>	<i>Contract Start</i>	<i>Contract End</i>	<i>Federal Expenditures</i>
OTHER FEDERALLY FUNDED PROGRAMS								
U.S. Department of Agriculture - Food and Nutrition Service - Passed Through								
Passed Through the County of Los Angeles								
RNN-Core 1 & 2	10.561	PH000249	County of Los Angeles	2064.004	Pass	10/01/2007	09/30/2008	455
Network for a Healthy CA	10.561	PH000564	County of Los Angeles	2064.005	Pass	10/01/2008	09/30/2009	238,122
Network for a Healthy CA	10.561	PH000564	County of Los Angeles	2064.006	Pass	10/01/2009	09/30/2010	518,572
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program								757,149
U.S. Department of Housing and Urban Development - Office of Community Planning and Development - Passed Through								
Passed Through the City of Los Angeles								
Clean Needles Now	14.218	C113444	City of LA - Dept of Disability	0301.012	Pass	04/01/2009	03/31/2010	105,036
Clean Needles Now	14.218	C113444	City of LA - Dept of Disability	0301.013	Pass	04/01/2010	03/31/2011	21,007
Community Development Block Grants/Entitlement Grants								126,043
U.S. Department of Justice - Office of Juvenile Justice and Delinquency Prevention - Direct								
Belmont Full Service Comm	16.541	None	DOJ-Office of Justice Programs	2310.001	Direct	10/01/2009	09/30/2010	6,243
Part E - Developing, Testing and Demonstrating Promising New Programs								6,243
U.S. Department of Education - Office of Special Education and Rehabilitative Services - Passed Through								
Passed Through the State Department of Developmental Services								
Family Resource Center	84.181	HD099045	State of California-DDS	0147.015	Pass	07/01/2009	06/30/2010	93,500
Carolyn Kordich FRC	84.181	HD099044	State of California-DDS	0239.012	Pass	07/01/2009	06/30/2010	32,017
Special Education-Grants for Infants and Families								125,517
U.S. Department of Health and Human Services - Centers for Disease Control and Prevention - Direct								
Genotyping TB Isolates	93. No CFDA #	200200828193	DHHS-CDC	0474.005	Direct	10/01/2007	09/30/2008	66,283
Genotyping TB Isolates	93. No CFDA #	200200828193	DHHS-CDC	0474.006	Direct	09/22/2008	09/30/2009	80,383
Genotyping TB Isolates	93. No CFDA #	200200828193	DHHS-CDC	0474.007	Direct	09/22/2009	09/21/2011	354,219
Contract With No Assigned CFDA # 93. No CFDA								500,885
U.S. Department of Health and Human Services - Centers for Disease Control and Prevention - Passed Through								
Passed Through the State of California - Department of Health Services								
Tuberculosis Control Proj	93.116	0435218	State of California-DHS	0014.016	Pass	01/01/2009	01/31/2010	701,560
Project Grants and Cooperative Agreements for Tuberculosis Control Programs								701,560
Passed Through the San Francisco Department of Public Health								
NHBS Project	93.940	DPHC09000827	SFDPH	2212.002	Pass	01/01/2009	12/31/2009	22,506
NHBS Project	93.940	DPHC10000784	SFDPH	2212.003	Pass	01/01/2010	12/31/2010	15,044
HIV Prevention Activities_Health Department Based								37,550

The above schedule was prepared on the accrual basis of accounting.
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PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010
(FEIN 95-2557063)

<i>Project Name</i>	<i>Federal CFDA Number</i>	<i>Agency Or Pass Through Number</i>	<i>Contracting Agency or Pass Through Number</i>	<i>Grantee Number</i>	<i>Direct or Pass Through</i>	<i>Contract Start</i>	<i>Contract End</i>	<i>Federal Expenditures</i>
OTHER FEDERALLY FUNDED PROGRAMS - CONTINUED								
U.S. Department of Health and Human Services - Centers for Disease Control and Prevention - Passed Through								
Passed Through the County of Los Angeles - Department of Public Health								
Transgender HIV Pilot	93.940	PH000592	County of Los Angeles-DPH	2272.001	Pass	04/15/2009	06/22/2009	5,637
HIV Prevention Activities_Health Department Based								5,637
Passed Through the State of California - Department of Public Health								
STD Awareness, Prevention	93.940	0435587	State of California-DPH	0133.015	Pass	07/01/2008	06/30/2009	6,520
STD Awareness, Prevention	93.940	0911190	State of California-DPH	0133.016	Pass	07/01/2009	06/30/2010	163,655
HIV Prevention Activities_Health Department Based								170,175
Passed Through the San Francisco Department of Public Health								
HIV/AIDS Surveillance Dat	93.944	DPHC09000244	SFDPH	2005.006	Pass	01/01/2009	12/31/2009	387,620
HIV/AIDS Surveillance Dat	93.944	DPHC10000823	SFDPH	2005.007	Pass	01/01/2010	12/31/2010	6,192
Medical Monitoring Projec	93.944	DPHC10000467	SFDPH	2032.006	Pass	06/01/2009	05/31/2010	194,953
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance								588,765
Passed Through the City and County of San Francisco								
Medical Monitoring Projec	93.944	Pending	City & County of San Francisco	2032.007	Pass	06/01/2010	05/31/2011	13,978
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance								13,978
Passed Through the State of California - Department of Public Health								
STD Awareness, Prevention	93.977	0435587	State of California-DPH	0133.015	Pass	07/01/2008	06/30/2009	22,821
STD Awareness, Prevention	93.977	0911190	State of California-DPH	0133.016	Pass	07/01/2009	06/30/2010	375,613
Preventative Health Services_Sexually Transmitted Diseases Control Grants								398,434
Passed Through the City and County of San Francisco								
STD Surveillance Network	93.977	DPHC10000516	City and County of San Francisco	2265.002	Pass	10/01/2009	09/29/2010	26,206
Preventative Health Services_Sexually Transmitted Diseases Control Grants								26,206
Passed Through the San Francisco Department of Public Health								
STD Prevention Project	93.977	DPHC09000697	SFDPH	0463.006	Pass	01/01/2009	12/31/2009	75,694
STD Prevention Project	93.977	DPHC10000850	SFDPH	0463.007	Pass	01/01/2010	12/31/2010	62,211
HIV Prevention Project	93.977	DPHC90000931	SFDPH	2087.005	Pass	01/01/2009	12/31/2009	164,886
HIV Prevention Project	93.977	DPHC10000147	SFDPH	2087.006	Pass	01/01/2010	12/31/2010	58,736
STD Surveillance Network	93.977	DPHC09000683	SFDPH	2265.001	Pass	10/01/2008	09/29/2009	19,289
Preventative Health Services_Sexually Transmitted Diseases Control Grants								380,816
U.S. Department of Health and Human Services - National Institutes of Health - Direct								
OCTAVE Workshop	93. No CFDA #	None	DHHS-NIH	2252.002	Direct	09/01/2009	08/31/2010	30,199
OCTAVE/YECI	93. No CFDA #	None	DHHS-NIH	2340.001	Direct	04/01/2010	12/31/2011	586
Contract With No Assigned CFDA # 93. No CFDA								30,785
U.S. Department of Health and Human Services - National Institutes of Health - Passed Through								
Passed Through the PPD Development, LP								
Risk Reduction Project	93. No CFDA #	PO91588998	PPD Development, LP	2184.001	Pass	08/01/2007	09/30/2009	31,701
Contract With No Assigned CFDA # 93. No CFDA								31,701

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PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010
(FEIN 95-2557063)

<i>Project Name</i>	<i>Federal CFDA Number</i>	<i>Agency Or Pass Through Number</i>	<i>Contracting Agency or Pass Through Number</i>	<i>Grantee Number</i>	<i>Direct or Pass Through</i>	<i>Contract Start</i>	<i>Contract End</i>	<i>Federal Expenditures</i>
OTHER FEDERALLY FUNDED PROGRAMS - CONTINUED								
U.S. Department of Health and Human Services - National Institutes of Health - Passed Through (Continued)								
Passed Through the University of Alabama								
GC Dual	93. No CFDA #	None	University of Alabama	2299.001	Pass	02/01/2009	09/30/2011	<u>8,867</u>
Contract With No Assigned CFDA # 93. No CFDA								8,867
Passed Through the University of California San Francisco								
Ghana UCSF TA	93.067	6049sc	SFDPH	2349.001	Pass	04/01/2010	08/31/2010	<u>17,769</u>
Global AIDS								17,769
U.S. Department of Health and Human Services - Health Resources and Services Administration - Direct								
LA Family AIDS Network	93.153	H12HA0004022101	DHHS-HRSA	0054.014	Direct	08/01/2008	07/31/2009	356,382
LA Family AIDS Network	93.153	5H12HA000402200	DHHS-HRSA	0054.015	Direct	08/01/2009	07/31/2010	<u>666,888</u>
Coordinated Services and Access to Research for Women, Infants, Children and Youth								1,023,270
U.S. Department of Health and Human Services - Health Resources and Services Administration - Passed Through								
Passed Through the County of Los Angeles - Public Health								
HIV/AIDS Family Support	93.914	H208541	County of LA-Public Health	0123.016	Pass	03/01/2008	05/31/2009	<u>9,622</u>
HIV Emergency Relief Project Grants								9,622
Passed Through the County of Los Angeles - Public Health								
Case Mgmt - Psychosocial	93.917	H208541	County of LA-Public Health	0123.017	Pass	06/01/2009	03/31/2010	98,164
Case Mgmt - Psychosocial	93.917	H208541	County of LA-Public Health	0123.018	Pass	04/01/2010	03/31/2011	<u>5,089</u>
HIV Care Formula Grants								103,253
Passed Through the County of Los Angeles								
Transactional Case Mgmt	93.917	PH000598	County of Los Angeles	2290.001	Pass	06/01/2009	03/31/2010	104,674
Transactional Case Mgmt	93.917	PH000598	County of Los Angeles	2290.002	Pass	04/01/2010	03/31/2011	<u>31,782</u>
HIV Care Formula Grants								136,456
Passed Through the County of Los Angeles								
Enhanced Perinatal Surv.	93.928	H7024204	County of Los Angeles	2132.004	Pass	07/01/2009	06/30/2010	<u>8,875</u>
Special Projects of National Significance								8,875
Passed Through the County of Los Angeles								
Enhanced Perinatal Surv.	93.940	H7024204	County of Los Angeles	2132.004	Pass	07/01/2009	06/30/2010	<u>108,560</u>
HIV Prevention Activities_Health Department Based								108,560
Passed Through the County of Los Angeles								
Enhanced Perinatal Surv.	93.944	H7024204	County of Los Angeles	2132.004	Pass	07/01/2009	06/30/2010	<u>101,745</u>
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance								101,745

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PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010
(FEIN 95-2557063)

<i>Project Name</i>	<i>Federal CFDA Number</i>	<i>Agency Or Pass Through Number</i>	<i>Contracting Agency or Pass Through Number</i>	<i>Grantee Number</i>	<i>Direct or Pass Through</i>	<i>Contract Start</i>	<i>Contract End</i>	<i>Federal Expenditures</i>
OTHER FEDERALLY FUNDED PROGRAMS - CONTINUED								
U.S. Department of Health and Human Services - Administration on Aging - Passed Through								
Passed Through the County of Contra Costa								
Senior Nutrition Program	93.045	229405	County of Contra Costa	2118.004	Pass	07/01/2009	06/30/2010	164,765
Special Programs for the Aging Title III, Part C Nutrition Services								164,765
U.S. Department of Health and Human Services - Office of the Secretary - Passed Through								
Passed Through the State of California Department of Public Health								
CA DCDC Bio-T Enhancement	93.889	0546060A02	State of California-DPH	0714.002	Pass	07/01/2005	08/03/2010	1,065,043
Professional Services	93.889	0765881A01	State of California-DPH	2216.003	Pass	07/01/2009	06/30/2010	143,040
Professional Services	93.889	0765893	State of California-DPH	2225.001	Pass	04/01/2008	06/30/2008	328
Professional Services	93.889	0765893	State of California-DPH	2225.002	Pass	07/01/2008	06/30/2009	77,714
Professional Services	93.889	0765893	State of California-DPH	2225.003	Pass	07/01/2009	06/30/2010	1,737,146
National Bioterrorism Hospital Preparedness Program								3,023,271
Substance Abuse and Med Hlth - Passed Through								
Passed Through the Northrup Grumman Corporation								
Alcohol Screening	93. No CFDA #	75000030235	Northrup Grumman	2234.003	Pass	02/01/2009	09/30/2011	19,222
Contract With No Assigned CFDA # 93. No CFDA								19,222
U.S. Department of Homeland Security - Passed Through								
Passed Through the Tauri Group								
Bio Watch - JC	97. No CFDA #	2008001S	The Tauri Group	0790.003	Pass	03/02/2009	03/01/2010	1,014,550
Bio Watch - JC	97. No CFDA #	2008001S	The Tauri Group	0790.004	Pass	03/02/2009	02/19/2011	578,259
Contract With No Assigned CFDA # 97. No CFDA								1,592,809
Passed Through the County of Los Angeles								
LA County Dept of Mental	97.067	MH050035	Cnty of LA Dept of Mental Health	2289.001	Pass	06/02/2009	04/30/2010	349,127
Homeland Security Grant Program								349,127
Passed Through the State of California								
California Volunteers	97.073	None	State of CA-CA Vol-LA Works	0733.001	Pass	02/15/2010	06/15/2010	51,000
State Homeland Security Program (SHSP)								51,000
AmeriCorps State and National * VISTA - Corporation for National and Community Service - Passed Through								
Passed Through the Child & Family Community of Orange County								
AmeriCorp	94.006	FCIA602	Child & Family Comm of OC	2095.004	Pass	07/01/2009	07/31/2010	559,788
AmeriCorps								559,788
Passed Through the Child & Family Community of Orange County								
VISTA	94.013	FCIV304	Child & Family Comm of OC	2291.001	Pass	10/01/2008	09/30/2009	171,996
VISTA	94.013	FCIV304	Child & Family Comm of OC	2291.002	Pass	10/01/2009	09/30/2010	516,613
Volunteers in Service to America								688,609
Total Other Programs								\$ 11,868,452
Total Federal Expenditures								\$ 101,437,042

The above schedule was prepared on the accrual basis of accounting.
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PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010
(FEIN 95-2557063)

1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of PHFE under programs of the federal government for the year ended June 30, 2010. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of PHFE, it is not intended to and does not present the financial position, changes in net assets or cash flows of PHFE.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

AUDITORS' RESULTS

PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
CURRENT YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010

FINDINGS AND QUESTIONED COSTS:

There were no 2010 findings or questioned costs.

PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.
(A California Non-Profit Corporation)
PRIOR YEARS FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010

PRIOR YEARS FINDINGS AND QUESTIONED COSTS:

2009

There were no 2009 findings.

2009 Questioned Costs:

There were no 2009 questioned costs.

2008

There were no 2008 findings.

2008 Questioned Costs:

There were no 2008 questioned costs.