Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

OMB No. 1545-0047

2013

Open to Public Inspection

A For the 2013 calendar year, or tax year beginning JUL 1, 2013 and ending JUN 30, 2014

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

C Name of organization
ABBOTT HOUSE
Doing Business As
Number and street (or P.O. box if mail is not delivered to street address) Room/suite
100 NORTH BROADWAY
City or town, state or province, country, and ZIP or foreign postal code
IRVINGTON, NY 10533-1254

D Employer identification number
13-1991946

E Telephone number
(914)591-7300

G Gross receipts $ 46,835,686.

F Name and address of principal officer: JAMES KAUFMAN
SAME AS C ABOVE

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)
H(c) Group exemption number ▶

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

J Website: ▶ WWW.ABBOTTHOUSE.NET

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation: 1963 **M** State of legal domicile: NY

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: THE MISSION OF ABBOTT HOUSE IS TO PROVIDE COMPREHENSIVE AND CARING SERVICES FOR ABUSED, NEGLECTED

2 Check this box ▶ ☐ 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)	3	15
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	15
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	940
6	Total number of volunteers (estimate if necessary)	6	129
7 a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	18,884,557.	17,403,375.
	9	Program service revenue (Part VIII, line 2g)	24,982,308.	26,845,226.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	147,839.	316,106.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	464,283.	178,534.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	44,478,987.	44,743,241.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	29,830,392.	28,516,882.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 336,267.		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	15,495,142.	14,777,963.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	45,325,534.	43,294,845.
	19	Revenue less expenses. Subtract line 18 from line 12	-846,547.	1,448,396.
			Beginning of Current Year	End of Year
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	14,644,010.	14,467,980.
	21	Total liabilities (Part X, line 26)	23,765,560.	23,287,558.
	22	Net assets or fund balances. Subtract line 21 from line 20	-9,121,550.	-8,819,578.

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 Date
▶ JAMES KAUFMAN, PRESIDENT & CEO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
GARRETT M. HIGGINS	GARRETT M. HIGGINS	04/28/15		P00543209

Firm's name ▶ O'CONNOR DAVIES, LLP Firm's EIN ▶ 27-1728945
Firm's address ▶ 500 MAMARONECK AVENUE
HARRISON, NY 10528-1633 Phone no. 914-381-8900

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

SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION

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 $ 25,154,745. including grants of $) (Revenue $ 10,494,893.)
SCHEDULE O - REGULAR & THERAPEUTIC FAMILY FOSTER CARE PROGRAMS

4b (Code:) (Expenses $ 13,829,095. including grants of $) (Revenue $ 15,340,776.)
SCHEDULE O - SERVICES FOR PEOPLE WITH DEVELOPMENTAL DISABILITIES (SPDD)

4c (Code:) (Expenses $ 732,259. including grants of $) (Revenue $ 1,009,557.)
SCHEDULE O - EMOTIONALLY DISTURBED YOUTH

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

4e Total program service expenses ▶ 39,716,099.

SEE SCHEDULE O FOR CONTINUATION(S)

1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	X	
2	Is the organization required to complete *Schedule B, Schedule of Contributors*?	2	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		X
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		X
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		X
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? *If "Yes," complete Schedule D, Part I*	6		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
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? *If "Yes," complete Schedule D, Part IV*	9	X	
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	X	
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? *If "Yes," complete Schedule D, Part VI*	11a	X	
b	Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		X
c	Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		X
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		X
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	X	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	X	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a	X	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b		X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
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? *If "Yes," complete Schedule F, Parts I and IV*	14b		X
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? *If "Yes," complete Schedule F, Parts II and IV*	15		X
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? *If "Yes," complete Schedule F, Parts III and IV*	16		X
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		X
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18	X	
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		X
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a		X
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		

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? *If "Yes," complete Schedule I, Parts I and II*	21		X
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? *If "Yes," complete Schedule I, Parts I and III*	22		X
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? *If "Yes," complete Schedule J*	23	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No", go to line 25a*	24a		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		X
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? If so, complete Schedule L, Part II	26		X
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? *If "Yes," complete Schedule L, Part III*	27		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):			
a A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		X
b A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		X
29 Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? *If "Yes," complete Schedule R, Part I*	33		X
34 Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	34		X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		X
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)? *If "Yes," complete Schedule R, Part V, line 2*	35b		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		X
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	38	X	

					Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	154			
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		
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	940			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			2b	X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			3a		X
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		X
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		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?			5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?			6a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			7a	X	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b	X	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			7f		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?			9b		
10	**Section 501(c)(7) organizations.** Enter:					
a	Initiation fees and capital contributions included on Part VIII, line 12	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b				
11	**Section 501(c)(12) organizations.** Enter:					
a	Gross income from members or shareholders	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state?			13a		
	Note. See the instructions for additional information the organization must report on Schedule O.					
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		X
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*			14b		

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.	1a	15		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	15		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?		3		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		4		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		5		X
6	Did the organization have members or stockholders?		6		X
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?		7a		X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		7b		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a	The governing body?		8a	X	
b	Each committee with authority to act on behalf of the governing body?		8b	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*		9		X

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?	10a		X
b	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?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X	
b	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*	12a	X	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done*	12c	X	
13	Did the organization have a written whistleblower policy?	13	X	
14	Did the organization have a written document retention and destruction policy?	14	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	X	
b	Other officers or key employees of the organization If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).	15b		X
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		X
b	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?	16b		

Section C. Disclosure

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

18 Section 6104 requires an organization to make its 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: ▶

GERARD P. FINN - (914) 591-7300
100 NORTH BROADWAY, IRVINGTON, NY 10533

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 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) GREGORY T. MOONEY CHAIR	2.00	X		X				0.	0.	0.
(2) WILLIAM L. ELLIS, JR BOARD MEMBER	2.00	X						0.	0.	0.
(3) DAWN M. FASANO BOARD MEMBER	2.00	X						0.	0.	0.
(4) LAURENCE R. GOLDING BOARD MEMBER	2.00	X						0.	0.	0.
(5) ANN E. GROW, PH.D BOARD MEMBER	2.00	X						0.	0.	0.
(6) C. EDWARD MIDGLEY BOARD MEMBER	2.00	X						0.	0.	0.
(7) ROBERT S. RUOTOLO BOARD MEMBER	2.00	X						0.	0.	0.
(8) MARY SMITH BOARD MEMBER	2.00	X						0.	0.	0.
(9) LAWRENCE W. THOMAS BOARD MEMBER	2.00	X						0.	0.	0.
(10) SCOTT D. RICHTER VICE CHAIR	2.00	X		X				0.	0.	0.
(11) RONALD W. FILANTE BOARD MEMBER	2.00	X						0.	0.	0.
(12) ALICE KENNY BOARD MEMBER	2.00	X						0.	0.	0.
(13) JOSEPH M. PASTORE BOARD MEMBER	2.00	X						0.	0.	0.
(14) DAVID BARANICK BOARD MEMBER	2.00	X						0.	0.	0.
(15) MARGARET MILLMAN SECRETARY	2.00	X		X				0.	0.	0.
(16) ROBERT M. COSTELLO EXECUTIVE VP AND COO	35.00			X				199,130.	0.	14,465.
(17) LUIS M. RODRIGUEZ, MD SENIOR VICE PRESIDENT	35.00			X				210,130.	0.	5,270.

Name and title	Average hours per week (list any hours for related organizations below line)	Position (do not check more than one box, unless person is both an officer and a director/trustee)						Reportable compensation from the organization (W-2/1099-MISC)	Reportable compensation from related organizations (W-2/1099-MISC)	Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) GERARD FINN CHIEF FINANCIAL OFFICER	35.00			X				173,794.	0.	14,465.
(19) JAMES KAUFMAN PRESIDENT / CEO	35.00			X				184,097.	0.	0.
(20) MOITRI DATTA PSYCHIATRIST	35.00					X		143,654.	0.	0.
(21) TATYANA SARTAN, MD PEDIATRICIAN	35.00					X		146,458.	0.	5,467.
(22) MYRA GRAY ASST EXEC. DIRECTOR - HR	35.00					X		143,014.	0.	246.
(23) DAN R. MARGOSHES DIR. OF FINANCE THROUGH AUG. 2013	35.00					X		121,466.	0.	9,711.
(24) MAURIZIO ZAMBENEDETTI PSYCHIATRIST	35.00					X		128,220.	0.	0.

1b Sub-total ▶	1,449,963.	0.	49,624.
c Total from continuation sheets to Part VII, Section A ▶	0.	0.	0.
d Total (add lines 1b and 1c) ▶	1,449,963.	0.	49,624.

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 ▶ 11

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

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
QUINLAN & FIELDS, 245 SAW MILL RIVER ROAD, SUITE 106, HAWTHRONE, NY 10532	LEGAL SERVICES	297,656.
CAMP VENTURE INC., 25 SMITH STREET, SUITE 512, NANUET, NY 10954	DAY HAB SERVICES	226,634.
MATRIX QUALITY CARE, INC. 4 BRITISH AMERICAN BLVD, LATHAM, NY 12110	HEALTH SERVICES	220,227.
ABS STAFF SOLUTIONS, LLC, 261 MADISON AVE, 9TH FLOOR, NEW YORK, NY 10016	HUMAN RESOURCES/STAFFING	184,371.
O'CONNOR DAVIES LLP 500 MAMARONECK AVENUE, HARRISON, NY 10528	AUDIT SERVICES	131,095.

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 ▶ 6

					(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	1 a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c	199,524.				
	d	Related organizations	1d					
	e	Government grants (contributions)	1e	17,100,514.				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	103,337.				
	g	Noncash contributions included in lines 1a-1f: $						
	h	**Total.** Add lines 1a-1f ▶			17,403,375.			
Program Service Revenue			Business Code					
	2 a	MEDICAID	623990		25,444,965.	25,444,965.		
	b	SOCIAL SECURITY INCOME	623990		1,225,073.	1,225,073.		
	c	SUPP. NUTRITION ASSISTANCE PROGRA	623990		175,188.	175,188.		
	d							
	e							
	f	All other program service revenue						
	g	**Total.** Add lines 2a-2f ▶			26,845,226.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ▶			47,277.			47,277.
	4	Income from investment of tax-exempt bond proceeds ▶						
	5	Royalties ▶						
			(i) Real	(ii) Personal				
	6 a	Gross rents	139,242.					
	b	Less: rental expenses	76,432.					
	c	Rental income or (loss)	62,810.					
	d	Net rental income or (loss) ▶			62,810.			62,810.
			(i) Securities	(ii) Other				
	7 a	Gross amount from sales of assets other than inventory	2,203,064.	34,000.				
	b	Less: cost or other basis and sales expenses	1,968,235.	0.				
	c	Gain or (loss)	234,829.	34,000.				
	d	Net gain or (loss) ▶			268,829.			268,829.
	8 a	Gross income from fundraising events (not including $ 199,524. of contributions reported on line 1c). See Part IV, line 18	a	28,150.				
	b	Less: direct expenses	b	47,778.				
	c	Net income or (loss) from fundraising events ▶			-19,628.			-19,628.
	9 a	Gross income from gaming activities. See Part IV, line 19	a	6,550.				
	b	Less: direct expenses	b	0.				
	c	Net income or (loss) from gaming activities ▶			6,550.			6,550.
	10 a	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					
	11 a	INSURANCE RECOVERY	900099		73,065.			73,065.
	b	PROPERTY TAX REIMBURSEMENT	900099		37,821.			37,821.
	c	OTHER INCOME	900099		17,916.			17,916.
	d	All other revenue						
	e	**Total.** Add lines 11a-11d ▶			128,802.			
	12	**Total revenue.** See instructions. ▶			44,743,241.	26,845,226.	0.	494,640.

332009
10-29-13

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	737,873.	216,852.	521,021.	
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	22,384,749.	20,894,802.	1,318,863.	171,084.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	254,670.	232,804.	19,979.	1,887.
9 Other employee benefits	3,335,243.	3,074,547.	235,731.	24,965.
10 Payroll taxes	1,804,347.	1,649,427.	141,550.	13,370.
11 Fees for services (non-employees):				
a Management				
b Legal	412,972.	371,639.	41,333.	
c Accounting	99,380.		99,380.	
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 Sch O.)	932,823.	744,441.	143,935.	44,447.
12 Advertising and promotion				
13 Office expenses	1,800,123.	1,424,595.	296,154.	79,374.
14 Information technology				
15 Royalties				
16 Occupancy	2,215,901.	2,073,193.	142,708.	
17 Travel	408,227.	392,945.	14,142.	1,140.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	172,277.	161,287.	10,990.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	696,698.	658,842.	37,856.	
23 Insurance	646,584.	541,930.	104,654.	
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 FOSTER CARE PAYMENTS AN	5,103,013.	5,103,013.		
b VEHICLES, FUEL, REPAIR	1,164,271.	1,140,603.	23,668.	
c FOOD AND CLOTHING	630,439.	623,928.	6,511.	
d CHILDREN'S EXPENSE	334,555.	334,555.		
e All other expenses	160,700.	76,696.	84,004.	
25 **Total functional expenses.** Add lines 1 through 24e	43,294,845.	39,716,099.	3,242,479.	336,267.
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 ▶ ☐ if following SOP 98-2 (ASC 958-720)				

					(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing			54,100.	1	54,700.
	2	Savings and temporary cash investments			1,376,655.	2	1,011,856.
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			4,768,903.	4	5,574,528.
	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 instr). Complete Part II of Sch L				6	
	7	Notes and loans receivable, net				7	
	8	Inventories for sale or use				8	
	9	Prepaid expenses and deferred charges			567,904.	9	478,999.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	16,749,805.			
	b	Less: accumulated depreciation	10b	11,783,652.	5,508,491.	10c	4,966,153.
	11	Investments - publicly traded securities			1,964,930.	11	1,991,709.
	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			403,027.	15	390,035.
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)			14,644,010.	16	14,467,980.
Liabilities	17	Accounts payable and accrued expenses			6,288,901.	17	4,823,004.
	18	Grants payable				18	
	19	Deferred revenue			816,000.	19	1,150,104.
	20	Tax-exempt bond liabilities				20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D			154,356.	21	125,952.
	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			7,963,000.	23	7,772,740.
	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			8,543,303.	25	9,415,758.
	26	**Total liabilities.** Add lines 17 through 25			23,765,560.	26	23,287,558.
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☒ and complete lines 27 through 29, and lines 33 and 34.**					
	27	Unrestricted net assets			-9,376,356.	27	-9,115,476.
	28	Temporarily restricted net assets			189,056.	28	230,148.
	29	Permanently restricted net assets			65,750.	29	65,750.
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds				30	
	31	Paid-in or capital surplus, or land, building, or equipment fund				31	
	32	Retained earnings, endowment, accumulated income, or other funds				32	
	33	Total net assets or fund balances			-9,121,550.	33	-8,819,578.
	34	Total liabilities and net assets/fund balances			14,644,010.	34	14,467,980.

1	Total revenue (must equal Part VIII, column (A), line 12)	1	44,743,241.
2	Total expenses (must equal Part IX, column (A), line 25)	2	43,294,845.
3	Revenue less expenses. Subtract line 2 from line 1	3	1,448,396.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	-9,121,550.
5	Net unrealized gains (losses) on investments	5	143,703.
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	-1,290,127.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	-8,819,578.

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: ☐ Cash ☒ Accrual ☐ Other If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		X
	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: ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	2b	X	
	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: ☒ Separate basis ☐ Consolidated basis ☐ 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?	2c	X	
	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?	3a	X	
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b	X	

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 ABBOTT HOUSE

Employer identification number 13-1991946

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)		
(ii) A family member of a person described in (i) above?	11g(ii)		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)		

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(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	
Total									

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

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.")	29,762,665.	27,094,196.	19,526,180.	18,884,557.	17,403,375.	112,670,973.
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	29,762,665.	27,094,196.	19,526,180.	18,884,557.	17,403,375.	112,670,973.
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.						112,670,973.

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	29,762,665.	27,094,196.	19,526,180.	18,884,557.	17,403,375.	112,670,973.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	335,301.	308,398.	430,653.	406,450.	186,519.	1,667,321.
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.)	256,338.	200,878.	51,947.	175,366.	128,802.	813,331.
11 **Total support.** Add lines 7 through 10						115,151,625.

12 Gross receipts from related activities, etc. (see instructions) 12 125,993,004.

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** ▶ ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f)) 14 97.85 %

15 Public support percentage from 2012 Schedule A, Part II, line 14 15 98.15 %

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 ▶ ☒

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 ▶ ☐

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 ▶ ☐

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 ▶ ☐

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 ▶ ☐

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 A (Form 990 or 990-EZ) 2013

332023 09-25-13

SCHEDULE A, PART II, LINE 10, EXPLANATION FOR OTHER INCOME:

OTHER INCOME

2009 AMOUNT: $ 256,338.

2010 AMOUNT: $ 30,659.

2011 AMOUNT: $ 7,068.

2013 AMOUNT: $ 17,916.

PROPERTY INSURANCE RECOVERY

2010 AMOUNT: $ 113,479.

2011 AMOUNT: $ 44,879.

2012 AMOUNT: $ 162,624.

2013 AMOUNT: $ 73,065.

FEE REIMBURSEMENT

2010 AMOUNT: $ 56,740.

PARKING TICKET REIMBURSEMENT

2012 AMOUNT: $ 6,792.

TRAINING INCOME

2012 AMOUNT: $ 5,950.

PROPERTY TAX REIMBURSEMENT

2013 AMOUNT: $ 37,821.

Internal Revenue Service | its instructions is at *www.irs.gov/form990.*

Name of the organization

ABBOTT HOUSE

Employer identification number

13-1991946

Organization type (check one):

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

Check if your organization is covered by the **General Rule** or a **Special Rule.**

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

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

Special Rules

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

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

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

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

ABBOTT HOUSE 13-1991946

Part I **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	DUTCHESS COUNTY DEPARTMENT OF SOCIAL SERVICES 60 MARKET STREET POUGHKEEPSIE, NY 12601-3299	$ 995,033.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
2	NYC ADMINISTRATION FOR CHILDREN SERVICES 150 WILLIAM STREET NEW YORK, NY 10038	$ 9,516,685.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
3	ORANGE COUNTY DEPARTMENT OF SOCIAL SERVICES 11 QUARRY ROAD, BOX Z GOSHEN, NY 10924-0678	$ 1,306,529.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
4	SULLIVAN COUNTY DEPARTMENT OF SOCIAL SERVICES 16 COMMUNITY LANE, P.O. BOX 231 LIBERTY, NY 12754	$ 638,611.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
5	WESTCHESTER COUNTY DEPARTMENT OF SOCIAL SERVICES 112 EAST POST ROAD, COUNTY OFFICE BUILDING #2 WHITE PLAINS, NY 10601-5113	$ 4,140,097.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)

ABBOTT HOUSE 13-1991946

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

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

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

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

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

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

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

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

Use duplicate copies of Part III if additional space is needed.

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

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

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

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

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

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

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

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

Internal Revenue Service ▶ Information about Schedule D (Form 990) and its instructions is at *www.irs.gov/form990.* Inspection

Name of the organization ABBOTT HOUSE

Employer identification number 13-1991946

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

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

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

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds 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? ☐ Yes ☐ No

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

1 Purpose(s) of conservation easements held by the organization (check all that apply).

- ☐ Preservation of land for public use (e.g., recreation or education)
- ☐ Protection of natural habitat
- ☐ Preservation of open space
- ☐ Preservation of an historically important land area
- ☐ Preservation of a certified historic structure

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.

			Held at the End of the Tax Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d	

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? ☐ Yes ☐ No

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

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

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

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.

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.

b 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:

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

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

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

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

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

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09-25-13

(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
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☒ Yes ☐ No

b If "Yes," explain the arrangement in Part 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	2,055,947.	1,824,237.	1,887,551.	1,589,750.	1,647,259.
b Contributions					4,157.
c Net investment earnings, gains, and losses	425,388.	248,744.	-62,078.	311,380.	278,194.
d Grants or scholarships					
e Other expenditures for facilities and programs					335,000.
f Administrative expenses	19,034.	17,034.	1,236.	13,579.	4,860.
g End of year balance	2,462,301.	2,055,947.	1,824,237.	1,887,551.	1,589,750.

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ▶ 96.57 %

b Permanent endowment ▶ 2.67 %

c Temporarily restricted endowment ▶ .76 %

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
(i) unrelated organizations	3a(i)		X
(ii) related organizations	3a(ii)		X
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

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		1,697,474.		1,697,474.
b Buildings		10,342,415.	7,588,913.	2,753,502.
c Leasehold improvements		1,081,611.	903,603.	178,008.
d Equipment		2,308,978.	1,974,931.	334,047.
e Other		1,319,327.	1,316,205.	3,122.

Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶ 4,966,153.

(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. (Col. (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. (Col. (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)	
(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) ACCRUED PENSION	8,502,515.
(3) DUE TO GOVERNMENT AGENCIES	913,243.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 25.)* ▶	9,415,758.

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 ☒

1	Total revenue, gains, and other support per audited financial statements			1	45,011,154.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:				
a	Net unrealized gains on investments	2a	143,703.		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII.)	2d	124,210.		
e	Add lines 2a through 2d			2e	267,913.
3	Subtract line 2e from line 1			3	44,743,241.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII.)	4b			
c	Add lines 4a and 4b			4c	0.
5	Total revenue. Add lines 3 and 4c. *(This must equal Form 990, Part I, line 12.)*			5	44,743,241.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements			1	43,419,055.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIII.)	2d	124,210.		
e	Add lines 2a through 2d			2e	124,210.
3	Subtract line 2e from line 1			3	43,294,845.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII.)	4b			
c	Add lines 4a and 4b			4c	0.
5	Total expenses. Add lines 3 and 4c. *(This must equal Form 990, Part I, line 18.)*			5	43,294,845.

Part XIII Supplemental Information.

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

PART IV, LINE 2B:

EXPLANATION: FUNDS ARE HELD BY ABBOTT HOUSE ON BEHALF OF CLIENTS. SUCH FUNDS REPRESENT AMOUNTS RECEIVED BY CLIENTS AND OTHER CLIENTS' FUNDS DEPOSITED WITH ABBOTT HOUSE FOR SAFEKEEPING. THESE FUNDS ARE DISBURSED BY ABBOTT HOUSE AT THE REQUEST OF, OR ON BEHALF OF, CLIENTS FOR THEIR PERSONAL USE.

PART V, LINE 4:

EXPLANATION: THE AGENCY'S ENDOWMENT CONSISTS OF INDIVIDUAL FUNDS ESTABLISHED FOR A VARIETY OF PURPOSES WHICH CONSIST OF BOTH DONOR-RESTRICTED ENDOWMENT FUNDS AND FUNDS DESIGNATED BY THE BOARD OF DIRECTORS TO FUNCTION AS AN ENDOWMENT.

PART X, LINE 2:

EXPLANATION: THE AGENCY RECOGNIZES THE EFFECT OF INCOME TAX POSITIONS ONLY IF THOSE POSITIONS ARE MORE LIKELY THAN NOT TO BE SUSTAINED. MANAGEMENT HAS DETERMINED THAT THE AGENCY HAD NO UNCERTAIN TAX POSITIONS THAT WOULD REQUIRE FINANCIAL STATEMENT RECOGNITION OR DISCLOSURE. THE AGENCY IS NO LONGER SUBJECT TO EXAMINATIONS BY APPLICABLE TAXING JURISDICTIONS FOR FISCAL PERIODS PRIOR TO JUNE 30, 2011.

PART XI, LINE 2D - OTHER ADJUSTMENTS:

RENT EXPENSES REPORTED ON FORM 990, PART VIII, LINE 6B	76,432.
SPECIAL EVENT EXPENSES REPORTED ON FORM 990, PART VIII, LINE 8B	47,778.
TOTAL TO SCHEDULE D, PART XI, LINE 2D	124,210.

PART XII, LINE 2D - OTHER ADJUSTMENTS:

RENT EXPENSES REPORTED ON FORM 990, PART VIII, LINE 6B	76,432.
SPECIAL EVENT EXPENSES REPORTED ON FORM 990, PART VIII, LINE 8B	47,778.
TOTAL TO SCHEDULE D, PART XII, LINE 2D	124,210.

organization entered more than $15,000 on Form 990-EZ, line 6a.

▶ Attach to Form 990 or Form 990-EZ.

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

Department of the Treasury
Internal Revenue Service

Open To Public Inspection

Name of the organization
ABBOTT HOUSE

Employer identification number
13-1991946

Part I **Fundraising Activities.** Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

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

a ☐ Mail solicitations

b ☐ Internet and email solicitations

c ☐ Phone solicitations

d ☐ In-person solicitations

e ☐ Solicitation of non-government grants

f ☐ Solicitation of government grants

g ☐ Special fundraising events

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

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization.

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

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

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Schedule G (Form 990 or 990-EZ) 2013

332081
09-12-13

		(a) Event #1 GALA (event type)	(b) Event #2 GOLF OUTING (event type)	(c) Other events NONE (total number)	(d) Total events (add col. (a) through col. (c))
Revenue	1 Gross receipts	164,118.	63,556.		227,674.
	2 Less: Contributions	141,768.	57,756.		199,524.
	3 Gross income (line 1 minus line 2)	22,350.	5,800.		28,150.
Direct Expenses	4 Cash prizes				
	5 Noncash prizes	1,120.	136.		1,256.
	6 Rent/facility costs	23,098.	2,400.		25,498.
	7 Food and beverages				
	8 Entertainment	17,070.	800.		17,870.
	9 Other direct expenses	1,449.	1,705.		3,154.
	10 Direct expense summary. Add lines 4 through 9 in column (d) ▶				47,778.
	11 Net income summary. Subtract line 10 from line 3, column (d) ▶				-19,628.

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

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes ______ % ☐ No	☐ Yes ______ % ☐ No	☐ Yes ______ % ☐ No	▨
	7 Direct expense summary. Add lines 2 through 5 in column (d) ▶				
	8 Net gaming income summary. Subtract line 7 from line 1, column (d) ▶				

9 Enter the state(s) in which the organization operates gaming activities: ____________

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain: ____________

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

b If "Yes," explain: ____________

to administer charitable gaming? ☐ Yes ☐ No

13 Indicate the percentage of gaming activity operated in:

a The organization's facility .... 13a %

b An outside facility .... 13b %

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

Name ▶

Address ▶

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

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

c If "Yes," enter name and address of the third party:

Name ▶

Address ▶

16 Gaming manager information:

Name ▶

Gaming manager compensation ▶ $

Description of services provided ▶

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions:

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No

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

Part IV **Supplemental Information.** Provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule J (Form 990) and its instructions is at *www.irs.gov/form990.*

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization: ABBOTT HOUSE

Employer identification number: 13-1991946

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

☐ First-class or charter travel
☐ Travel for companions
☐ Tax indemnification and gross-up payments
☐ Discretionary spending account
☐ Housing allowance or residence for personal use
☐ Payments for business use of personal residence
☐ Health or social club dues or initiation fees
☐ Personal services (e.g., maid, chauffeur, chef)

			Yes	No
b	If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?	2		

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

☐ Compensation committee
☐ Independent compensation consultant
☒ Form 990 of other organizations
☐ Written employment contract
☐ Compensation survey or study
☒ Approval by the board or compensation committee

			Yes	No
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:			
a	Receive a severance payment or change-of-control payment?	4a		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b		X
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		X
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
	Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:			
a	The organization?	5a		X
b	Any related organization?	5b		X
	If "Yes" to line 5a or 5b, describe in Part III.			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:			
a	The organization?	6a		X
b	Any related organization?	6b		X
	If "Yes" to line 6a or 6b, describe in Part III.			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7		X
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8		X
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9		

LHA **For Paperwork Reduction Act Notice, see the Instructions for Form 990.**

Schedule J (Form 990) 2013

Schedule J (Form 990) 2013 ABBOTT HOUSE 13-1991946

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

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, or

Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Comp reported a in prior F
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) ROBERT M. COSTELLO	(i)	199,130.	0.	0.	0.	14,465.	213,595.	
EXECUTIVE VP AND COO	(ii)	0.	0.	0.	0.	0.	0.	
(2) LUIS M. RODRIGUEZ, MD	(i)	210,130.	0.	0.	0.	5,270.	215,400.	
SENIOR VICE PRESIDENT	(ii)	0.	0.	0.	0.	0.	0.	
(3) GERARD FINN	(i)	173,794.	0.	0.	0.	14,465.	188,259.	
CHIEF FINANCIAL OFFICER	(ii)	0.	0.	0.	0.	0.	0.	
(4) JAMES KAUFMAN	(i)	184,097.	0.	0.	0.	0.	184,097.	
PRESIDENT / CEO	(ii)	0.	0.	0.	0.	0.	0.	
(5) TATYANA SARTAN, MD	(i)	146,458.	0.	0.	0.	5,467.	151,925.	
PEDIATRICIAN	(ii)	0.	0.	0.	0.	0.	0.	
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
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	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Name of the organization
ABBOTT HOUSE

Employer identification number
13-1991946

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

AND ABANDONED CHILDREN AND THEIR FAMILIES AND TO OFFER OUR SERVICES WITH COMPASSION, ALWAYS MINDFUL OF THE DIGNITY OF EACH PERSON SERVED, WITH A GOAL OF SECURING A SAFE, PERMANENT AND LOVING HOME FOR EACH CHILD WHO COMES TO US.

AS THE PROVIDER OF DAY AND RESIDENTIAL SERVICES FOR DEVELOPMENTALLY DISABLED CHILDREN AND ADULTS, WE CELEBRATE THE VALUE AND POTENTIAL OF EACH PERSON AS WE COMMIT OUR RESOURCES TO ENABLE EACH INDIVIDUAL TO DEVELOP TO HIS/HER POTENTIAL.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

FOUNDED IN 1963, ABBOTT HOUSE IS A NONPROFIT ORGANIZATION SERVING FOSTER CHILDREN, CHILDREN AWAITING FAMILY REUNIFICATION, YOUTH WITH MENTAL HEALTH ISSUES, AND ADULTS WITH DEVELOPMENTAL DISABILITIES AND THEIR FAMILIES. WE ARE COMMITTED TO PRESERVING FAMILY LIFE THROUGH EARLY INTERVENTION, QUALITY CARE, ADVOCACY, AND AFTER-CARE SERVICES. ABBOTT HOUSE IS 675 DEDICATED PROFESSIONALS, 350 FOSTER AND ADOPTIVE PARENTS, AND 120 VOLUNTEERS, ALL FOCUSED ON THE SINGULAR MISSION OF SERVING UPWARDS OF 7,000 INDIVIDUALS AND FAMILIES ENTRUSTED TO ITS CARE ANNUALLY. ABBOTT HOUSE IS A COMMUNITY-BASED HUMAN SERVICES AGENCY WITH PROGRAMS THROUGHOUT THE LOWER HUDSON VALLEY AND NEW YORK CITY.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

THE GOAL FOR CHILDREN AND YOUTH IN FOSTER CARE IS TO PROVIDE SAFETY AND

CREATE PERMANENCY - WHETHER THAT MEANS WORKING WITH FAMILIES TO HEAL AND REUNITE OR CAREFULLY FINDING THE RIGHT FOSTER OR ADOPTIVE FAMILY FOR EACH YOUNG PERSON.

- ABBOTT HOUSE PROVIDES SOCIAL SUPPORT SERVICES AS WELL AS MEDICAL AND MENTAL HEALTH CARE FOR ABUSED, NEGLECTED AND EMOTIONALLY DISTURBED CHILDREN AND TEENAGERS, AND THEIR FAMILIES.

- BRIDGES TO HEALTH PROVIDES HEALTHCARE MANAGEMENT AND SUPPORTIVE SERVICES TO FOSTER CHILDREN WITH COMPLEX MEDICAL, DEVELOPMENTAL, AND MENTAL HEALTH NEEDS IN BOTH THEIR LOCAL COMMUNITY AND THEIR HOMES.

- ABBOTT HOUSE ALSO PROVIDES POST ADOPTION SERVICES TO FAMILIES FOLLOWING THE ADOPTION PROCESS.

- ABBOTT HOUSE USES MODELS OF CASE AND FAMILY MANAGEMENT THAT ARE PROVEN TO WORK IN IMPROVING FAMILY DYNAMICS AND OUTCOMES FOR CHILDREN.

TRANSITIONAL RESOURCES FOR CHILDREN - SHORT-TERM RESIDENTIAL CARE FOR CHILDREN AWAITING FAMILY REUNIFICATION

THE GOAL FOR THESE CHILDREN IS TO PLACE THEM WITH FAMILY MEMBERS OR SPONSORS WITHIN 30 TO 60 DAYS OF ARRIVAL IN OUR RESIDENTIAL CENTER IN IRVINGTON.

- CHILDREN RECEIVE ROOM AND BOARD, CASE MANAGEMENT, INDIVIDUAL COUNSELING, MEDICAL AND EDUCATIONAL SERVICES, RECREATION/LEISURE ACTIVITIES, ACCULTURATION, LEGAL SERVICES, TRANSPORTATION, AND ACCESS

TO RELIGIOUS SERVICES.

- ACCULTURATION IS ENHANCED BY MULTI-LINGUAL AND MULTICULTURAL STAFF AND VOLUNTEERS.

FORM 990, PART III, LINE 4B, PROGRAM SERVICE ACCOMPLISHMENTS:

THE GOAL FOR THE DEVELOPMENTALLY DISABLED PERSONS AT ABBOTT HOUSE HOMES IS TO CRAFT THEIR SKILLS, INTERESTS, AND ABILITIES TO EMPOWER THEM TO LIVE AS INDEPENDENTLY AS POSSIBLE.

- ABBOTT HOUSE PROVIDES RESIDENTIAL CARE, MEDICAID SERVICE COORDINATION, AND DAY HABILITATION SERVICES FOR ADULTS WITH DEVELOPMENTAL DISABILITIES.

-OTHER SERVICES INCLUDE: SELF-ADVOCACY, A PROGRAM THAT TEACHES INDIVIDUALS LEADERSHIP SKILLS WHILE EMPOWERING THEM TO SPEAK ABOUT ISSUES THEY FIND IMPORTANT; AND THE ABBOTT HOUSE SPECIAL OLYMPICS, A NON-COMPETITIVE, SKILL-BUILDING ATHLETIC PROGRAM.

FORM 990, PART III, LINE 4C, PROGRAM SERVICE ACCOMPLISHMENTS:
EMOTIONALLY DISTURBED YOUTH AND YOUTH OFFENDERS - RESIDENTIAL CARE AND TARGETED COUNSELING SERVICES

THE GOAL FOR THESE YOUNG PEOPLE IS TO ADDRESS THE ISSUES THAT BROUGHT THEM INTO CARE, WHILE LIVING IN A FAMILY-LIKE ENVIRONMENT IN NEIGHBORHOOD SETTINGS.

- THE PLEASANTVILLE COMMUNITY RESIDENCE, FUNDED BY THE OFFICE OF MENTAL

HEALTH, PROVIDES RESIDENTIAL CARE FOR EMOTIONALLY DISTURBED ADOLESCENTS.

- THE NON-SECURE DETENTION PROGRAM PROVIDES TEMPORARY RESIDENTIAL CARE FOR YOUTH ACCUSED OF COMMITTING DELINQUENT OR CRIMINAL ACTS. THE PRIMARY AIM OF THE PROGRAM IS TO PROVIDE YOUTH WITH NEW SKILLS AND OPPORTUNITIES SO THAT THEIR FIRST CONTACT WITH THE JUSTICE SYSTEM WILL BE THEIR LAST.

FORM 990, PART VI, SECTION B, LINE 11:

EXPLANATION: ABBOTT HOUSE HAS ITS FORM 990 PREPARED BY AN OUTSIDE ACCOUNTING FIRM AND HAS ESTABLISHED THE FOLLOWING REVIEW PROCESS TO ENSURE THAT THE INFORMATION REPORTED IS COMPLETE AND ACCURATE. WHEN THE FORM 990 HAS BEEN PREPARED, REVIEWED BY MANAGEMENT AND IS READY TO BE FILED WITH THE INTERNAL REVENUE SERVICE, IT IS ELECTRONICALLY SENT TO THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS FOR ANY COMMENTS. ANY COMMENTS ARE THEN GROUPED, SUMMARIZED AND PROVIDED TO THE OUTSIDE ACCOUNTANTS. EACH ISSUE IS DOCUMENTED AND ADDRESSED UNTIL THE RETURN IS FINALIZED AND APPROVED FOR FILING. AT THE BOARD MEETING FOLLOWING THE FILING OF THE FORM 990, THE CEO AND CFO PRESENT THE FORM 990 TO THE ENTIRE BOARD. THE 990 IS ELECTRONICALLY SENT TO THE ENTIRE BOARD BEFORE THE MEETING.

FORM 990, PART VI, SECTION B, LINE 12C:

EXPLANATION: EACH KEY EMPLOYEE, BOARD MEMBER AND OFFICER OF ABBOTT HOUSE SHALL COMPLETE A CONFLICT OF INTEREST QUESTIONNAIRE AT THE TIME OF HIS/HER APPOINTMENT. THE QUESTIONNAIRE FOR THE KEY EMPLOYEES WILL BE REVIEWED BY THE PRESIDENT AND CEO, WHO WILL ATTEMPT TO RESOLVE ANY ACTUAL OR POTENTIAL CONFLICTS. IN ADDITION, THE QUESTIONNAIRE FOR THE BOARD MEMBERS AND

OFFICERS SHALL BE REVIEWED BY THE CHAIRMAN OF THE BOARD IN CONSULTATION WITH THE PRESIDENT AND CEO, WHO WILL ATTEMPT TO RESOLVE ANY ACTUAL OR POTENTIAL CONFLICTS. THEREAFTER, THE QUESTIONNAIRE WILL BE COMPLETED ON AN ANNUAL BASIS FOR EMPLOYEES, OFFICERS, AND BOARD MEMBERS.

A KEY EMPLOYEE, BOARD MEMBER OR OFFICER, WHO HAS AN INTEREST MUST IMMEDIATELY DISCLOSE TO THE PRESIDENT AND CEO, THE EXISTENCE AND NATURE OF HIS OR HER INTEREST IN THE PROPOSED NEGOTIATION, TRANSACTION OR ARRANGEMENT BETWEEN ABBOTT HOUSE AND ANOTHER INDIVIDUAL OR ORGANIZATION. RECORDS OF SUCH DISCLOSURE SHALL INCLUDE THE NAME OF THE INTERESTED PERSON, THE NATURE OF THE INTEREST, A RECORD OF ANY DETERMINATION MADE BY THE PRESIDENT AND CEO. FOR BOARD MEMBERS AND OFFICERS, THE RECORD WILL ALSO INCLUDE ANY DETERMINATION MADE BY THE BOARD AND THE NAMES OF PERSONS WHO WERE PRESENT FOR THE DISCUSSIONS AND ANY VOTES.

AN INTERESTED PERSON MAY NOT PARTICIPATE IN THE PROPOSED NEGOTIATION, TRANSACTION OR ARRANGEMENT.

FORM 990, PART VI, SECTION B, LINE 15A:

EXPLANATION: THE SALARIES FOR THE PRESIDENT AND CHIEF EXECUTIVE OFFICER ARE DETERMINED BY A RECOMMENDATION FROM THE CHAIRMAN OF THE BOARD. THE PROCEDURES THAT THE CHAIRMAN FOLLOWS ARE:

- REVIEWS THE PERFORMANCE OF THE CHIEF EXECUTIVE AS MEASURED AGAINST PREVIOUSLY AGREED OBJECTIVES
- GATHERS INFORMATION ON COMPENSATION PAID TO CHIEF EXECUTIVES OF COMPARABLE ORGANIZATIONS
- MEETS WITH THE CHIEF EXECUTIVE TO DISCUSS AND DOCUMENT STRENGTHS, WEAKNESSES AND GOALS FOR THE UPCOMING YEAR.

ONCE THESE STEPS HAVE BEEN COMPLETED, THE CHAIRMAN OF THE BOARD PRESENTS HIS OR HER FINDINGS AND RECOMMENDATIONS TO THE EXECUTIVE COMMITTEE AND THEN PRESENTS THE COMPENSATION PROPOSAL TO THE BOARD OF DIRECTORS IN AN EXECUTIVE SESSION. THE BOARD'S APPROVAL IS DOCUMENTED IN THE MINUTES TO THE MEETING.

THE SALARIES FOR THE OTHER OFFICERS AND KEY EMPLOYEES ARE DETERMINED BY THE CHIEF EXECUTIVE OFFICER. THE PROCEDURES THAT THE CEO FOLLOWS ARE:

- REVIEWS THE PERFORMANCE OF THE OFFICERS AND KEY EMPLOYEES AS MEASURED AGAINST PREVIOUSLY AGREED OBJECTIVES
- GATHERS INFORMATION ON COMPENSATION PAID TO OFFICERS AND KEY EMPLOYEES OF COMPARABLE ORGANIZATIONS
- MEETS WITH THE OFFICERS AND KEY EMPLOYEES TO DISCUSS AND DOCUMENT STRENGTHS, WEAKNESSES AND GOALS FOR THE UPCOMING YEAR.

ONCE THESE STEPS HAVE BEEN COMPLETED, THE CEO THEN MAKES THE DETERMINATION AS TO THE OFFICERS AND KEY EMPLOYEES SALARY.

FORM 990, PART VI, SECTION C, LINE 19:

EXPLANATION: THE ORGANIZATION MAKES ITS FORM 990 AVAILABLE FOR PUBLIC INSPECTION AS REQUIRED UNDER SECTION 6104 OF THE INTERNAL REVENUE CODE. THE RETURN IS POSTED ON GUIDESTAR.ORG AND OTHER SIMILAR TYPES OF WEBSITES. IN ADDITION, THE FINANCIAL STATEMENTS, CONFLICT OF INTEREST POLICY, ARTICLES OF INCORPORATION, FORM 990, FORM 1023, AND BY-LAWS ARE ALSO AVAILABLE UPON WRITTEN REQUEST OR BY CALLING THE ORGANIZATION DIRECTLY.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

PENSION LIABILITY ADJUSTMENT	-1,290,127.

FORM 990, PART XII, LINE 2C:

EXPLANATION: THE ORGANIZATION HAS A COMMITTEE THAT ASSUMES RESPONSIBILITY FOR OVERSIGHT OF THE AUDIT OF ITS FINANCIAL STATEMENTS AND SELECTION OF AN INDEPENDENT ACCOUNTANT. THIS PROCESS DID NOT CHANGE FROM THE PRIOR YEAR.

Abbott House

Financial Statements

June 30, 2014 and 2013

O'CONNOR
DAVIES

PKF

Independent Auditors' Report

Board of Directors
Abbott House

We have audited the accompanying financial statements of Abbott House, which comprise the statements of financial position as of June 30, 2014 and 2013, and the related statements of activities, functional expenses, and cash flows for the years 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 auditors' 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.

O'CONNOR DAVIES, LLP
500 Mamaroneck Avenue, Suite 301, Harrison, NY 10528 | Tel: 914.381.8900 | Fax: 914.381.8910 | www.odpkf.com

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Abbott House as of June 30, 2014 and 2013, and the changes in its net assets (deficit) and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 23 and 24 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.

O'Connor Davies, LLP

November 24, 2014

Abbott House

Statements of Financial Position

	June 30, 2014	 2013
ASSETS		
Current Assets		
Cash and cash equivalents	$ 595,964	$ 1,339,738
Accounts Receivable		
Government agencies, net	5,553,514	4,723,349
Other	21,014	45,554
Prepaid expenses and other current assets	478,999	567,904
Total Current Assets	6,649,491	6,676,545
Investments	2,462,301	2,055,947
Other assets	390,035	403,027
Property, plant and equipment, net	4,966,153	5,508,491
	$ 14,467,980	$ 14,644,010
LIABILITIES AND NET ASSETS (DEFICIT)		
Current Liabilities		
Line of credit	$ 400,000	$ -
Mortgages and other notes payable	520,885	645,220
Accounts payable and accrued expenses	2,553,167	3,666,415
Custodial funds	125,952	154,356
Deferred revenue	48,000	48,000
Accrued vacation and salaries	2,269,837	2,329,390
Total Current Liabilities	5,917,841	6,843,381
Mortgages and other notes payable, net of current portion	6,851,855	7,317,780
Deferred revenue, net of current portion	1,102,104	1,061,096
Accrued pension cost	8,502,515	7,208,720
Other liabilities	913,243	1,334,583
Total Liabilities	23,287,558	23,765,560
Net Assets (Deficit)		
Unrestricted	(9,115,476)	(9,376,356)
Temporarily restricted	230,148	189,056
Permanently restricted	65,750	65,750
Total Net Assets (Deficit)	(8,819,578)	(9,121,550)
	$ 14,467,980	$ 14,644,010

Abbott House

Statements of Activities

	Year Ended June 30, 2014				Year Ended June 30, 2013			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
PUBLIC SUPPORT AND REVENUE								
Governmental agencies	$ 43,219,222	$ -	$ -	$ 43,219,222	$ 43,487,221	$ -	$ -	$ 43,487,221
Contributions	307,839	52,457	-	360,296	111,682	50,970	-	162,652
Rental income	139,242	-	-	139,242	357,873	-	-	357,873
Other revenue	866,604	-	-	866,604	437,502	-	-	437,502
Net assets released from restrictions	11,365	(11,365)	-	-	102,734	(102,734)	-	-
Total Public Support and Revenue	44,544,272	41,092	-	44,585,364	44,497,012	(51,764)	-	44,445,248
EXPENSES								
Program services	39,792,531	-	-	39,792,531	41,590,974	-	-	41,590,974
Management and general	3,242,480	-	-	3,242,480	3,672,006	-	-	3,672,006
Fundraising	384,044	-	-	384,044	150,215	-	-	150,215
Total Expenses	43,419,055	-	-	43,419,055	45,413,195	-	-	45,413,195
Excess (Deficiency) of Public Support and Revenue over Expenses	1,125,217	41,092	-	1,166,309	(916,183)	(51,764)	-	(967,947)
NON-OPERATING ACTIVITIES								
Interest and dividends	47,258	-	-	47,258	43,398	-	-	43,398
Realized and unrealized gain on investments	378,532	-	-	378,532	205,815	-	-	205,815
Total Non-Operating Activities	425,790	-	-	425,790	249,213	-	-	249,213
OTHER CHANGES								
Pension liability adjustment	(1,290,127)	-	-	(1,290,127)	1,724,702	-	-	1,724,702
Change in Net Assets (Deficit)	260,880	41,092	-	301,972	1,057,732	(51,764)	-	1,005,968
NET ASSETS (DEFICIT)								
Beginning of year	(9,376,356)	189,056	65,750	(9,121,550)	(10,434,088)	240,820	65,750	(10,127,518)
End of year	$ (9,115,476)	$ 230,148	$ 65,750	$ (8,819,578)	$ (9,376,356)	$ 189,056	$ 65,750	$ (9,121,550)

Abbott House

Statement of Functional Expenses

	Year Ended June 30, 2014			
	Program Services	Management and General	Fundraising	Total
PERSONNEL				
Employee salaries	$ 21,106,281	$ 1,811,302	$ 171,084	$ 23,088,667
Employee fringe benefits	4,962,151	425,842	40,222	5,428,215
Total Personnel Costs	26,068,432	2,237,144	211,306	28,516,882
OTHER THAN PERSONNEL COSTS				
Transportation and workers' expense	392,945	14,142	1,140	408,227
Allowances, children	76,696	-	-	76,696
Activities, children	94,852	-	-	94,852
Tutoring, children	239,703	-	-	239,703
Purchase of services	744,142	117,194	44,447	905,783
Food and clothing	623,928	6,512	-	630,440
Program and household supplies	805,781	127,158	743	933,682
Rent	1,163,748	23,588	-	1,187,336
Utilities and telephone	883,543	118,022	-	1,001,565
Vehicles, fuel, repairs and maintenance	1,140,603	23,668	-	1,164,271
Office and medical supplies	395,605	139,180	126,408	661,193
Professional fees	371,938	167,454	-	539,392
Insurance	541,930	104,654	-	646,584
Interest	425,975	29,027	-	455,002
Taxes and facility tax	60,855	12,877	-	73,732
Bad debt expense	-	84,004	-	84,004
Depreciation and amortization	658,842	37,856	-	696,698
Total Expenses Before Foster-Parent Expenses	34,689,518	3,242,480	384,044	38,316,042
FOSTER-PARENT EXPENSES				
Foster-parent payments and stipends	5,103,013	-	-	5,103,013
Total Expenses	$ 39,792,531	$ 3,242,480	$ 384,044	$ 43,419,065

See notes to financial statements

Abbott House

Statement of Functional Expenses

	Year Ended June 30, 2013			
	Program Services	Management and General	Fundraising	Total
PERSONNEL				
Employee salaries	$ 22,020,867	$ 2,016,470	$ 85,799	$ 24,123,136
Employee fringe benefits	5,209,883	477,073	20,299	5,707,255
Total Personnel Costs	27,230,750	2,493,543	106,098	29,830,391
OTHER THAN PERSONNEL COSTS				
Transportation and workers' expense	449,599	10,630	1,472	461,701
Allowances, children	118,766	-	-	118,766
Activities, children	91,512	-	-	91,512
Tutoring, children	186,879	-	-	186,879
Purchase of services	1,005,999	128,422	1,242	1,135,663
Food and clothing	599,433	5,740	61	605,234
Program and household supplies	796,314	120,039	877	917,230
Rent	1,137,180	26,624	300	1,164,104
Utilities and telephone	895,140	79,847	351	975,338
Vehicles, fuel, repairs and maintenance	893,375	76,774	15	970,164
Office and medical supplies	288,492	238,055	37,312	563,859
Professional fees	351,000	154,229	-	505,229
Insurance	610,736	31,069	-	641,805
Interest	433,533	28,199	2,487	464,219
Taxes and facility tax	56,485	11,445	-	67,930
Bad debt expense	-	225,034	-	225,034
Depreciation and amortization	671,146	42,356	-	713,502
Total Expenses Before Foster-Parent Expenses	35,816,339	3,672,006	150,215	39,638,560
FOSTER-PARENT EXPENSES				
Foster-parent payments and stipends	5,774,380	-	-	5,774,380
Initial clothing and special payments	255	-	-	255
Total Foster-Parent Expenses	5,774,635	-	-	5,774,636
Total Expenses	$ 41,590,974	$ 3,672,006	$ 150,215	$ 45,413,195

See notes to financial statements

Abbott House

Statements of Cash Flows

	Year Ended June 30,	
	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 301,972	$ 1,005,968
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	696,698	713,502
Realized and unrealized gain on investments	(378,532)	(205,815)
Gain on disposal of equipment	-	(21,260)
Bad debt expense	84,004	225,034
Pension liability adjustment	1,290,127	(1,724,702)
Changes in operating assets and liabilities		
Accounts receivable, governmental agencies	(914,169)	2,338,431
Accounts receivable, other	24,540	(33,549)
Prepaid expenses and other assets	101,897	(540,837)
Accounts payable and accrued liabilities	(1,113,248)	644,853
Custodial funds	(28,404)	(4,458)
Deferred revenue	41,008	(48,000)
Accrued pension cost	3,668	(540,993)
Other liabilities	(421,340)	86,671
Accrued vacation and salaries	(59,553)	41,782
Net Cash from Operating Activities	(371,332)	1,936,627
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(154,360)	(64,094)
Proceeds from sale of property, plant and equipment	-	21,260
Purchase of investments	(2,230,886)	(760,583)
Proceeds from sale of investments	2,203,064	734,688
Net Cash from Investing Activities	(182,182)	(68,729)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of mortgages and other notes payable	(590,260)	(668,395)
Net borrowings on line of credit	400,000	(600,000)
Net Cash from Financing Activities	(190,260)	(1,268,395)
Net Change in Cash and Cash Equivalents	(743,774)	599,503
CASH AND CASH EQUIVALENTS		
Beginning of year	1,339,738	740,235
End of year	$ 595,964	$ 1,339,738
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid for interest	$ 455,002	$ 464,219

See notes to financial statements

1. Organization

Abbott House (the "Agency") is a not-for-profit organization which provides care for abandoned, neglected, abused, and developmentally disabled children and adults through family foster care, group homes and various in-home and preventive family services, in association with programs of New York City and other local jurisdictions, as well as with the New York State Office for Persons with Developmental Disabilities ("OPWDD"), Office of Mental Health ("OMH") and the Department of Health and Human Services for its federally funded program: the unaccompanied alien children program.

The Agency is qualified as a tax exempt organization under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is not subject to Federal income taxes. The Internal Revenue service has classified the Agency as an organization that is not a private foundation as defined in Section 509(a) of the Internal Revenue Code.

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Net assets, revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Unrestricted amounts are those currently available at the discretion of the Agency for use in its operations. 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 are those which are received through donor gifts to be maintained in perpetuity by the Agency.

Operating Measure

The Agency has elected to present an operating measure in its statement of activities. Accordingly, items affecting operations are segregated from those not affecting operations. All investment activity and other changes are treated as non-operating.

Cash and Cash Equivalents

The Agency considers all highly liquid financial instruments with a maturity of three months or less at the time of purchase to be cash equivalents, with the exception of money-market funds, which are held as part of the investment portfolio.

2. Summary of Significant Accounting Policies *(continued)*

Allowance for Doubtful Accounts

An allowance for doubtful accounts is estimated based on a combination of write-off history, aging analysis and specific known troubled accounts.

Fair Value Measurements

The Agency follows U.S. GAAP guidance on fair value measurements which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

Investments

Investments are carried at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the determination of the change in net assets.

Property, Plant and Equipment

Property, plant and equipment are stated at cost at the date of acquisition. Depreciation is provided using the straight-line method over the estimated useful lives of the respective assets, generally ranging from three to forty years. Leasehold improvements are capitalized and amortized using the straight-line method over the lesser of the term of the lease, or the estimated useful life of the improvement.

Accrued Vacation

Employees accrue vacation beginning on their date of hire, with a provision to carry over a maximum of one year's vacation to future periods. The Agency's obligation for accrued vacation is reported as an expense and liability in the accompanying financial statements and represents the cost of unused employee vacation time payable in the event of employee terminations. At June 30, 2014 and 2013, accrued vacation obligations were $1,013,942 and $1,145,008.

Revenue Recognition

Contributions are recorded as revenue upon the earlier of the receipt of cash or other assets or the receipt of unconditional pledges. Contributions are considered available for unrestricted use unless specifically restricted by the donor. The Agency records contributions as temporarily or permanently restricted if they are received with donor stipulations that limit their use through either purpose or time restrictions.

2. Summary of Significant Accounting Policies *(continued)*

Revenue Recognition (continued)

Revenue from government contracts and grants is recognized when costs are incurred or other services are performed and requisitions for reimbursement are submitted. The asset "accounts receivable, governmental agencies" represents revenues earned and either billed or unbilled pursuant to the terms of the contracts or grants.

Rental income is recognized based upon service rendered in accordance with contractual provisions.

Functional Allocation of Expenses

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Agency.

Income Taxes

The Agency recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that the Agency had no uncertain tax positions that would require financial statement recognition or disclosure. The Agency is no longer subject to examinations by applicable taxing jurisdictions for fiscal periods prior to June 30, 2011.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is November 24, 2014.

3. Concentration of Credit Risk

The financial instruments that potentially subject the Agency to concentration of credit risk consist primarily of accounts receivable, cash accounts and temporary cash investments in financial institutions.

For the years ended June 30, 2014 and 2013, approximately 52% of program revenue was received from the New York State Medicaid Program.

4. Accounts Receivable - Governmental Agencies

The Agency provides program services which are covered under various third-party payor agreements. Receivables for these services consist of the following at June 30:

	2014	2013
New York State Medicaid	$ 1,394,868	$ 1,168,936
New York State agencies	1,296,812	1,601,269
New York City agencies	1,691,264	1,769,594
New York counties - other	938,731	941,611
Federal Grant	580,939	-
Other	60,900	41,939
	5,963,514	5,523,349
Allowance for doubtful accounts	(410,000)	(800,000)
	$ 5,553,514	$ 4,723,349

5. Property, Plant and Equipment

Property, plant and equipment consist of the following at June 30:

	2014	2013
Land	$ 1,697,474	$ 1,697,474
Buildings and improvements	10,342,415	10,333,965
Vehicles	1,319,327	1,319,327
Equipment and software	2,308,978	2,194,589
Leasehold improvements	1,081,611	1,052,791
	16,749,805	16,598,146
Accumulated depreciation and amortization	(11,783,652)	(11,089,655)
	$ 4,966,153	$ 5,508,491

6. Investments

The Agency maintains an investment pool for its long-term investments which includes the Board Restricted Fund and the endowment funds. The pool is managed to achieve the maximum prudent long-term return. The Agency's Board of Directors must authorize when the principal and investment income from the Board Restricted Fund may be used for operations. The principal of the endowment funds are permanently restricted and investment income generated from them may only be used for educational purposes.

The Agency's investments as of June 30, categorized by the fair value hierarchy for those investments valued at fair value is as follows:

	2014		2013	
	Cost	Fair Value	Cost	Fair Value
Level 1 Inputs				
Equity securities	$ 1,525,580	$ 1,697,480	$ 832,833	$ 1,000,369
Mutual funds - equities	293,210	294,229	535,555	385,809
Mutual funds -fixed income	-	-	570,710	578,752
	1,818,790	1,991,709	1,939,098	1,964,930
Cash	470,592	470,592	91,017	91,017
	$ 2,289,382	$ 2,462,301	$ 2,030,115	$ 2,055,947

Net investment income consists of the following for the years ended June 30:

	2014	2013
Interest and dividends	$ 47,258	$ 43,398
Net realized gain on sale of investments	234,829	78,002
Net unrealized gain (loss) on investments	143,703	127,813
	$ 425,790	$ 249,213

7. Mortgages and Other Notes Payable

Mortgage and other notes payable consist of the following at June 30:

	2014	2013
Mortgage notes payable, OPWDD and OMH (a)	$ 323,223	$ 353,098
Mortgage notes payable, bank (b)	7,010,578	7,513,084
Vehicle and equipment loans, due in varying installments through April 2016, bearing interest from 3.2% to 6.99% (c)	38,939	96,818
Line-of-credit borrowings (d)	400,000	-
	7,772,740	7,963,000
Current portion	(920,885)	(645,220)
	$ 6,851,855	$ 7,317,780

(a) These obligations consist of three nonrecourse mortgage notes maturing in 2017. They bear interest at rates ranging from 5.4% to 9.1%, per annum and require semi-annual debt-service payments ranging from $17,479 to $21,552, including interest. The notes are payable to OPWDD and OMH for the purchase of property in connection with mental-health programs and are collateralized by those properties.

(b) These obligations consist of a term loan and 12 mortgage notes payable in monthly installments, bearing interest at rates ranging from 2.43% to 7.72%, per annum through 2020. The term loan was scheduled to mature on September 28, 2014. Subsequent to year end, the bank extended the maturity date of this note to September 28, 2015. Monthly principal and interest payments bearing interest at a rate per year equal to the LIBOR three month or six month fixed rate plus 300 basis points (currently 3.40%) remain in effect. The term loan requires a balloon payment of $3,600,000 at the maturity date. The term loan is secured by a pledge on all assets and a first priority mortgage on real property located at 100 North Broadway, Irvington, New York. The mortgage notes are payable to a bank for the purchase and renovation of property in connection with mental-health programs and are collateralized by those properties.

The Agency entered into several interest rate swap agreements ("Swaps") with a major financial institution ("Counter-party") for certain mortgages on Agency owned properties. Under these agreements, the Agency has fixed the interest rates on five floating rate mortgages. The terms of these Swaps require the Agency to pay a fixed rate of interest ranging from 7.05% to 7.72%, per annum on outstanding loan balances, with principle amortizing at the same fixed rates over the terms of the loan and Swaps. The counter-party makes payments to the mortgage note holder at a floating rate of interest based on LIBOR with payments being calculated on a notional amount which, throughout the life of the Swap, mirrors the balance of the outstanding debt.

7. Mortgages and Other Notes Payable *(continued)*

The difference of the Swap fixed and floating rate of interest is settled on a monthly basis. The notional amount of the Swap (and outstanding principle balance of the mortgage note) was $1,201,661 and $1,364,240 at June 30, 2014 and 2013. The fair value of the Swap agreement at June 30, 2014 and 2013 was a liability of approximately $153,000 and $200,000 in favor of the bank valued utilizing level 2 inputs. While U.S. GAAP requires recognition of the fair value of this Swap, management has not recorded this liability as they consider it to be immaterial and intend to hold the Swap through its maturity date at which time the fair value of the Swap is expected to be zero.

(c) These obligations are collateralized by various vehicles.

(d) The line-of-credit and overdraft line limit bear per annum interest rates equal to the LIBOR 30-day daily floating rate plus 225 basis points and 250 basis points. The line-of-credit and overdraft line limit require monthly interest payments with the entire outstanding principal balance due 364 days after closing. The line-of-credit is secured by a pledge on all assets and a second priority mortgage on real property located at 100 North Broadway, Irvington, New York.

The annual principal payments are as follows for the years ending June 30:

2015	$ 920,885
2016	4,149,250
2017	547,467
2018	577,493
2019	878,403
Thereafter	699,242
	$ 7,772,740

Interest expense on the above notes for 2014 and 2013 aggregated approximately $455,000 and $464,000.

8. Conveyance of Property

In July 2005, the Agency entered into an agreement with an unrelated party to provide a communication easement and an access to utility, of a portion of its rooftop property. The conveyance provides for easement income of approximately $1,200,000 for a period not to exceed 25 years. At June 30, 2014 and 2013, deferred revenue reported in the accompanying statements of financial position was $768,000 and $816,000, which represented easement fees received in advance, but not yet earned.

9. Pension Plan

The Agency has a defined-benefit pension plan (the "Plan") covering all of the eligible employees who elect to participate. Employees who participate in the plan are required to make minimum contributions as defined by the Plan. Plan assets are held in an investment account administered by a Third Party Administrator. In accordance with the provisions of the Plan, three directors of the Agency serve as trustees empowered to invest and reinvest the Plan's assets in accordance with the funding policy established by the Board of Directors of the Agency. Effective September 30, 2009 the Plan was frozen. Participants as of that date no longer receive future service credits. Employees who did not meet the eligibility requirements as of that date will not be eligible in the future. It is the policy of the Agency annually to fund normal pension cost, as determined on an actuarial basis.

In fiscal year 2013, the Agency, on the recommendation of its actuarial consultants, changed the Plan's discount rate assumption which resulted in an increase from 4.68% to 5.10%. This increase was caused by Abbott House changing from the Pension Benefit Guaranty Corporation ("PBGC") discount model to a bond discount rate model. The actuarial assumption decrease of $1,848,559 affected a significant component of the projected benefit obligation calculation resulting in a $755,488 net decrease in the project benefit obligation.

In October 2014, the Plan filed for a distress termination with the PBGC. The Agency did not make its scheduled October 15, 2013 contribution to the Plan nor has the Agency made any contributions subsequent to that date.

The following table sets forth the Plan's funded status and other pension-related amounts and assumptions for the years ended June 30:

	Pension Benefits	
	2014	2013
Projected benefit obligation at June 30	$ 24,191,659	$ 21,255,000
Fair value of plan assets at June 30	15,689,144	14,046,280
Funded status	$ (8,502,515)	$ (7,208,720)
Accumulated benefit obligation	$ 24,191,659	$ 21,255,000
Net periodic cost recognized in statement of activities	254,671	445,355
Amortization of amounts previously not recognized as a component of net periodic cost	197,160	481,929
Accrued pension cost recognized in statement of financial position	8,502,515	7,208,720
Employer contributions to plan during the year	251,003	986,348
Employee contributions to plan during the year	-	-
Benefits paid during the year	737,901	761,164

9. Pension Plan *(continued)*

	2014	2013
Assumptions:		
Discount rate	4.68%	5.10%
Expected long-term return on plan assets	8.50%	8.50%
Rate of compensation increase	0.00%	0.00%

The table below reflects the amounts recognized as changes in unrestricted net assets arising from the Plan at June 30, 2014 and 2013 that have not yet been recognized in net periodic pension cost. The actuarial loss expected to be amortized in 2015 is estimated to be $350,000. There was no unrecognized prior service cost.

	2014	2013
Unrecognized actuarial losses	$ 8,062,928	$ 8,427,187

Plan investments are made for the purpose of providing retirement reserves for the present and future benefit of participants of the Plan. The assets will be invested with the care, skill and diligence that a prudent person acting in this capacity would exercise to comply with all objectives outlined herein, the Investment Advisors Act of 1940, the Employee Retirement Income Security Act of 1974 ("ERISA") and all other governing statutes.

The benchmark investment objective will be to minimally achieve an ongoing annual average return of 8.5% or better among all the pension assets. This is the actuarial objective the Agency must achieve to meet its long-term pension obligations.

The primary objective for the Agency Board of Directors will be to provide a balance among capital appreciation, preservation of capital and the production of current income. The objectives of the Plan will be pursued as a long-term goal designed to meet the benchmark objective for the Plan without undue risk.

The Agency Board of Directors recognizes that risk (i.e., the uncertainty of future events), volatility (i.e., the potential for variability of asset values) and the possibility of loss in purchasing power (due to inflation) are present to some degree in all types of investment vehicles. While high levels of risk are to be avoided, the assumption of risk is warranted in order to allow the investment manager the opportunity to achieve satisfactory long-term results consistent with the objective of the Plan.

9. Pension Plan *(continued)*

The following table shows estimated future benefit distributions expected to be paid from the Plan for each of the years in the period ending June 30, and for the five years thereafter in the aggregate:

2015	$1,695,548
2016	1,010,200
2017	1,147,315
2018	936,222
2019	1,219,194
2020 to 2024	6,338,372

The Agency's pension plan assets are investments in collective trusts composed of domestic and international fixed income and equity mutual funds. The Agency's pension plan assets at June 30, were valued using Level 2 inputs with a fair value.

The fair value of the pension plan assets at June 30 are as follows:

	2014	2013
Aggressive growth portfolio	$ -	$ 506,257
Stocks	6,504,554	-
Fixed income index portfolio	-	4,862,867
Mutual funds	5,107,724	-
Fundamental value portfolio	-	970,954
Exchange trade funds	960,374	-
International growth portfolio	-	910,735
Corporate bonds	1,954,815	-
Large company value portfolio	-	1,004,694
Treasury-agency bonds	409,811	-
Mid cap fundamental value portfolio	-	744,256
Cash and cash equivalents	751,866	-
Multi asset portfolio	-	1,397,567
Overseas equity portfolio	-	874,037
Small company growth portfolio	-	469,934
Small company value portfolio	-	373,192
Strategic growth portfolio	-	1,931,787
	$15,689,144	$ 14,046,280

10. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at June 30:

	2014	2013
Mentoring and training	$ 48,829	$ 48,954
Preventive services	14,900	-
Property and equipment	15,058	15,058
Other program services	151,361	125,044
	$ 230,148	$ 189,056

Net assets released by satisfying the time or purpose restrictions for the years ended June 30, specified by donors were as follows:

	2014	2013
Mentoring and training	$ 125	$ 89
Preventive services	3,800	-
Other program services	7,440	102,645
	$ 11,365	$ 102,734

11. Permanently Restricted Net Assets

Permanently restricted net assets consist of the historical value of contributions which require the corpus to be invested in perpetuity to produce income for general purposes.

12. Accounting and Reporting for Endowments

The Endowments

The Agency's endowment consists of individual funds established for a variety of purposes which consist of both donor-restricted endowment funds and funds designated by the Board of Directors to function as an endowment.

Interpretation of Relevant Law

During 2010, New York State adopted the Uniform Prudent Management of Institutional Funds Act ("NYPMIFA"). NYPMIFA includes provisions that differ from previous law, including elimination of the historic dollar value with respect to endowment spending, establishment of new standards governing the expenditure and modification of restrictions on endowment funds, and revision of the prudence standard for the management and investment of endowment funds.

In accordance with the adoption of NYPMIFA, the Agency reviewed all of its endowment funds and determined that a net asset reclassification was not necessary.

12. Accounting and Reporting for Endowments *(continued)*

Interpretation of Relevant Law (continued)

The Board of Directors of the Agency has interpreted the NYPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Agency classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Agency in a manner consistent with the standard of prudence prescribed by NYPMIFA.

Endowment Investment Composition by Type of Fund

	June 30, 2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ -	$ 18,660	$ 65,750	$ 84,410
Board-designated endowment funds	2,377,891	-	-	2,377,891
Total funds	$ 2,377,891	$ 18,660	$ 65,750	$2,462,301

	June 30, 2013			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ -	$ 18,660	$ 65,750	$ 84,410
Board-designated endowment funds	1,971,537	-	-	1,971,537
Total funds	$ 1,971,537	$ 18,660	$ 65,750	$2,055,947

12. Accounting and Reporting for Endowments *(continued)*

Changes in Endowment Investments

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, June 30, 2012	$ 1,739,817	$ 18,670	$ 65,750	$1,824,237
Investment income	42,860	69	-	42,929
Net appreciation (realized and unrealized)	205,815	-	-	205,815
Investment fees	(16,955)	(79)	-	(17,034)
Endowment investments, June 30, 2013	1,971,537	18,660	65,750	2,055,947
Investment income	46,856	-	-	46,856
Net appreciation (realized and unrealized)	378,532	-	-	378,532
Investment fees	(19,034)	-	-	(19,034)
Endowment investments, June 30, 2014	$ 2,377,891	$ 18,660	$ 65,750	$2,462,301

Return Objectives and Risk Parameters

The Agency has adopted investment and spending policies for endowment assets that attempt to increase the value of the endowment and only to use it for operational purposes with Board of Directors consent. Endowment assets include those assets of donor-restricted funds that the Agency must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 Index while assuming a moderate level of investment risk. The Agency expects its endowment funds, over time, to provide an average rate of return of approximately 6 percent annually. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Agency relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Agency targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Abbott House

Schedule of Functional Expenses - Program Services
Year Ended June 30, 2014

	Foster Boarding Homes	OMH Program	SPDD Program	Medical	Preparing Youth for Adulthood	Group Homes	Total
PERSONNEL							
Employee salaries	$ 4,471,774	$ 451,171	$ 8,453,648	$ 5,793,048	$ 139,877	$ 1,796,763	$ 21,106,281
Employee fringe benefits	1,051,328	106,072	1,987,478	1,361,963	32,886	422,424	4,962,151
Total Personnel Costs	5,523,102	557,243	10,441,126	7,155,011	172,763	2,219,187	26,068,432
OTHER THAN PERSONNEL COSTS							
Transportation and workers' expense	246,154	2,331	37,061	67,468	1,884	38,047	392,945
Allowances, children	31,463	1,309	4,797	-	9,860	29,277	76,696
Activities, children	15,545	9,460	40,811	-	13,440	15,596	94,852
Tutoring, children	5,247	895	231,760	-	205	1,596	239,703
Purchase of services	236,089	153	27,716	476,067	15	4,102	744,142
Food and clothing	58,938	33,669	392,626	5,172	1,250	132,273	623,928
Program and household supplies	117,667	17,232	306,469	296,977	25	68,411	806,781
Rent	423,079	1,153	218,621	299,334	-	221,561	1,163,748
Utilities and telephone	245,839	23,889	380,746	138,504	7	94,558	883,543
Vehicles, fuel, repairs and maintenance	317,226	40,360	594,267	53,034	-	135,716	1,140,603
Office and medical supplies	95,307	1,094	149,931	136,704	131	12,438	395,605
Professional fees	357,386	36	13,810	405	10	291	371,938
Insurance	163,429	9,611	270,715	46,977	-	51,198	541,930
Interest	63,301	16,204	262,957	38,622	-	24,891	425,975
Taxes and facility tax	25,384	1,152	12,576	17,135	-	4,608	60,855
Depreciation and amortization	96,969	16,468	424,106	72,769	-	48,490	658,842
Total Expenses Before Foster-Parent Expenses	8,022,135	732,259	13,829,095	8,804,199	199,590	3,102,240	34,689,518
FOSTER-PARENT EXPENSES							
Foster-parent payments and stipends	5,103,013	-	-	-	-	-	5,103,013
Total Expenses	$ 13,125,148	$ 732,259	$ 13,829,095	$ 8,804,199	$ 199,590	$ 3,102,240	$ 39,792,531

Abbott House

Schedule of Functional Expenses - Program Services
Year Ended June 30, 2013

	Residential Treatment Center	Foster Boarding Homes	OMH Program	SPDD Program	Medical	Preparing Youth for Adulthood	Group Homes	Total
PERSONNEL								
Employee salaries	$ 9,328	$ 5,364,523	$ 387,124	$ 9,166,056	$ 5,018,408	$ 143,114	$ 1,886,509	$ 22,020,887
Employee fringe benefits	2,063	1,186,433	85,617	2,027,191	1,109,885	31,652	417,226	5,209,883
Total Personnel Costs	11,391	6,550,956	472,741	11,193,247	6,128,293	174,766	2,303,735	27,230,760
OTHER THAN PERSONNEL COSTS								
Transportation and workers' expense	-	261,794	4,028	56,410	52,555	2,886	41,611	449,599
Allowances, children	-	24,432	577	4,933	-	22,960	20,791	118,766
Activities, children	-	33,238	9,600	38,300	-	2,735	17,558	91,512
Tutoring, children	-	7,619	571	1,809	-	12,721	1,040	186,879
Purchase of services	-	106,632	7	25,856	489,193	4	1,909	1,005,999
Food and clothing	-	62,633	26,054	374,612	4,114	1,723	139,902	599,433
Program and household supplies	248	76,976	13,922	322,606	328,610	-	57,240	798,314
Rent	-	510,839	898	205,495	169,163	-	209,632	1,137,180
Utilities and telephone	-	311,574	15,140	339,078	125,441	150	98,096	895,140
Vehicles, fuel, repairs and maintenance	1,129	191,227	37,854	643,166	48,878	57	163,103	893,375
Office and medical supplies	-	83,831	1,072	100,989	36,034	160	11,247	288,492
Professional fees	-	339,138	4,608	48,971	-	-	563	351,000
Insurance	-	175,635	5,686	263,850	44,951	-	54,102	610,736
Interest	-	74,130	18,439	307,858	36,161	-	29,886	433,533
Taxes and facility tax	-	18,770	-	68,484	9,158	-	3,618	56,485
Depreciation and amortization	-	119,101	13,081	480,544	60,015	-	51,437	671,146
Total Expenses Before Foster-Parent Expenses	12,768	8,947,325	623,278	14,476,208	7,552,466	218,162	3,205,370	35,816,339
FOSTER-PARENT EXPENSES								
Foster-parent payments and stipends	-	5,774,380	-	-	-	-	-	5,774,380
Initial clothing and special payments	-	255	-	-	-	-	-	255
Total Foster-Parent Expenses	-	5,774,635	-	-	-	-	-	5,774,635
Total Expenses	$ 12,768	$ 14,721,960	$ 623,278	$ 14,476,208	$ 7,552,466	$ 218,162	$ 3,205,370	$ 41,590,974