

UMMA COMMUNITY CLINIC 2009 ANNUAL REPORT

UMMA COMMUNITY CLINIC

MISSION, VISION AND VALUES

Our Mission

Our mission is to promote the well-being of the underserved by providing access to high quality healthcare for all, regardless of ability to pay.

Our Vision

UMMA envisions itself as part of a larger network of institutions addressing the health and wellbeing of the underserved and indigent, mindful of the cultural, spiritual, social and economic realities that impinge upon them and the traditional barriers to accessing care.

UMMA shall strive to:

- Cultivate and expand a robust network of collaborative relationships with individuals, organizations and institutions among the community at large.
- Pursue opportunities for interaction and understanding between Muslim Americans and people of all other cultural, economic and religious backgrounds.

Maintaining its role as a pioneering institution established by Muslim Americans,

UMMA shall continue to:

- Play an active leadership role in increasing awareness among Muslim Americans of domestic social issues and their moral obligation to address them.
- Exemplify the positive contributions of Muslims to American society.
- Serve as a model institutional excellence for the Muslim American community, by upholding the highest standards in all aspects of its services, activities and governance.
- Provide medical education and training to future health professionals; UMMA shall also provide students of other disciplines exposure to the medical and social issues unique to the urban poor.

Values

The services, activities and governance of UMMA shall reflect the Islamic values and moral principles which inspired its founders. These include the core values which are universally shared and revered by society at large:

- Service
- Compassion
- Human Dignity
- Social Justice
- Ethical Conduct

MY UMMA

 **UMMA**[®]
COMMUNITY CLINIC
Healthcare for all, inspired by Islam



President
Obama Invites
UMMA to the
White House
see pg. 3



A Healthy
Ramadan
see pg. 10



Cover Story
see pg. 5

SUMMER 2010



Letter from the Chair

Dear Friends:

It has been another exciting year for UMMA. We recently received federal funding under the American Recovery and Reinvestment Act, recognizing our high-quality services to patients in need. We opened our clinic's doors for an additional day each week, extending hours to include Mondays — and increasing appointments by 35 percent as a result. We acquired new software that will help us track and better manage our patients' health status. And — as noted on page 3 — we were also recognized at the White House.

I extend heartfelt thanks to UMMA's staff for their critical role in accomplishing these successes. Each of them is deeply committed to the principles that inspire UMMA, and I am honored to work with them.

More than ever, in the current economic environment, local residents are turning to UMMA for care. Please, help us to help these patients in today's hard times.

Thank you in advance for your generosity.

Best regards,
Munaf Kadri, MD
Chair, Board of Directors

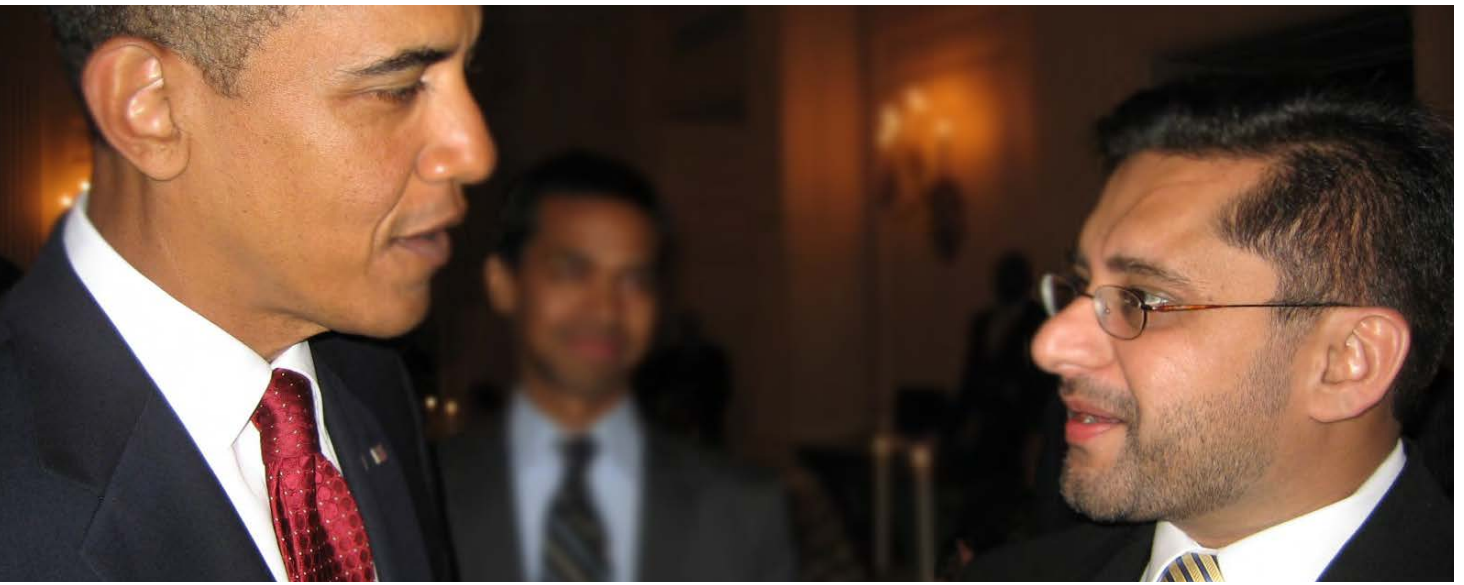
The New Face of UMMA

We are excited to announce that UMMA has been awarded important federal funding — through the American Recovery and Reinvestment Act, or stimulus package — to expand our clinic facility. The grant will allow us to add more than 1,000 square feet of space to our building, housing three new exam rooms and an urgently needed enlargement of our waiting room.

When construction is complete in 2011, we will have increased the size of our clinic by more than 33 percent.

With the economic downturn, more South Los Angeles residents have lost their employment, and thus their healthcare coverage. As a result, the need for UMMA's services is greater than ever. Clinic expansion will help us meet the growing need, allowing us to accommodate approximately 5,400 additional patient visits each year. And, as we expand care, we will also create new healthcare jobs for members of our community.

UMMA charges for service on a sliding-fee scale, and many of our patients pay nothing based on their low family income. Thus, while our expansion project has been fully funded, services in our expanded facility will require ongoing community support. Can you help by making a donation today? Please help us to serve patients in need!



President Obama Invites UMMA to the White House

On September 1, 2009, President Barack Obama welcomed UMMA Community Clinic to the White House.

In observance of Ramadan, a small number of Muslim-American organizations from around the nation were selected to join the president for a special iftar dinner, where they were recognized for their outstanding contributions to American society.

Mansur Khan, MD, co-founder of UMMA, was invited to represent our organization, which is the first charitable medical clinic in the United States to be founded by Muslim Americans.

“This is a tribute to everyone at UMMA who works tirelessly every day to care for Los Angeles’ poorest residents,” says Dr. Khan.

“America’s leaders have recognized that UMMA is at the forefront of a renewed spirit of civic engagement and community service among Muslim Americans,” adds Dr. Khan.

The president was joined at the iftar dinner by members of his Cabinet and by senior members of Congress. “Ramadan is a time of intense devotion and reflection,” he emphasized, during an inspirational speech to dinner guests. “It’s a time of service and support for those in need.”

“America’s leaders have recognized that UMMA is at the forefront of a renewed spirit of civic engagement and community service among Muslim Americans,” adds Dr. Khan.



VOLUNTEER PROFILE



Beyond the Call of Duty

Saeed Jaffer, MD, is a busy man. He runs his own dermatology practice in Covina, commutes from his home (where he lives with his wife and two children) in Pasadena, and still finds time to volunteer at a variety of community clinics, including UMMA Community Clinic.

Since 2001, Dr. Jaffer has helped UMMA patients who suffer from dermatologic problems that would otherwise go untreated.

He also teaches medical residents and visiting students at UMMA about dermatology, and assists other UMMA doctors in diagnosing and treating patients with skin diseases, including cancers.

Dr. Jaffer, who obtained his medical degree at Harvard University, finds his volunteer work uniquely satisfying. “There are some patients who come in with serious dermatologic problems they’ve had for years, because they couldn’t afford the care they needed,” he says. “By treating the problem, we’re able to improve the overall quality of their lives — and that’s very rewarding for me.”

How You Can Help

With Your Support:

- ✓ **\$100 can provide 10 asthma patients with Albuterol** (asthma medication)
- ✓ **\$500 can fully vaccinate 17 children against Hepatitis B**
- ✓ **\$1,500 can provide 50 diabetic patients with all their oral diabetic medications for a year**
- ✓ **\$5,000 can provide health care for 15 uninsured patients for a full year**

UMMA works with one of the nation’s most underserved communities, while uniting people of diverse backgrounds in compassionate service.

PATIENT PROFILE

A Place to Call Home

Arturo Garcia, a 52-year-old father of six, has lived in Los Angeles for more than 15 years. Over the years, he fell on hard times: “I lost myself, I lost everything, and became homeless. I was sleeping in the streets,” he says.

He ultimately found a place for him and his spouse to live in South Los Angeles. However, Garcia did not have any form of health coverage. When he began to feel sick and dizzy one morning in 2004, his spouse brought him to UMMA for care.

Following consultation with an UMMA physician, Garcia was diagnosed with diabetes. He has been a patient at UMMA ever since, receiving treatment for both diabetes and for high cholesterol.

While UMMA has not charged Garcia for care, based on his income level, “Whenever I can, I donate five, 10 or 20 dollars to the clinic because I’m so grateful,” he says.

“They’re the best doctors. I have nothing but the best to say about UMMA.”

Garcia also brings fruit or a fresh loaf of bread to share with staff, every time he visits UMMA. “It’s just my way of saying thank you,” he says.



INSPIRING YOUNG MINDS



Investing in the Future

In December 2009, more than 1,300 students throughout the greater Los Angeles area participated in UMMA's annual calendar drive. The drive raised money both for our clinic and for the students' schools.

This year, the students raised more than \$25,000, of which an estimated \$18,000 was donated to UMMA.

Top fundraisers at each school were then invited to UMMA to participate in Doctor for a Day, wearing white coats and shadowing UMMA physicians to learn about anatomy and medicine.

"This drive is a way to involve Muslim children in the work of UMMA at an early age," says Mansur Khan, MD, one of UMMA's founders. "We want to create an ongoing partnership so we can be a continuous resource for them and their schools."

Ali Zia, 9, of Orange Crescent School in Orange County, sold more than 100 calendars, winning an invitation to Doctor for a Day. "The people UMMA serves don't have that much money so I want to give a lot to them," says Ali.

Yasmeen Zia, Ali's mother, feels that being Doctor for a Day provided a valuable learning experience for her son. And, she adds, "This was an opportunity for us to tell Ali more about UMMA's good work. I hope other parents will get their children involved in projects like this."





Visit UMMA

UMMA's doors are open to you! We encourage friends and neighbors to tour our facility and see what a difference your support can make. To schedule a visit, contact Suzanne Khazaal at (323) 967-0375.



A SPECIAL THANK YOU



In 2009, UMMA received a special service grant from the Taproot Foundation. This innovative support involved the foundation assembling a team of professional volunteers to provide pro bono services toward an important project at UMMA — the updating of our branding, messaging and marketing strategies.

The project will allow us to reach out more effectively to patients and other friends, making UMMA a more accessible and communicative provider of care for our community.

UMMA extends sincere thanks to the Taproot Foundation for its important help. We are also extremely grateful to the dedicated team of volunteer experts — Account Director Mike Kraus, Project Manager Yasmeen Hibrawi, Brand Strategist Amy Detrick, Marketing Manager Karin Hollink and Copywriter Ben Thompson — who participated in our project.

Kraus was particularly interested in working on UMMA's project, because it presented an opportunity "to gain insight about Islam directly from the source," he says. "UMMA is a community clinic that employs the fundamental teachings of Islam to guide it in serving its patient base, regardless of their ability to pay. In essence, it's health care for all, inspired by Islam," he adds.

Hibrawi was impressed by UMMA's mission: to help all patients, regardless of religion or ethnicity, a core belief of the Islamic faith. "UMMA is a vehicle for true Islamic values, and all Muslims can be proud of this place," she says.

Thank you for your support in 2009

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- Islamic Relief USA
- L.A. Care Health Plan
- Taproot Foundation

Benefactor

- Bank of America
- Ali Gilani

Advocate

- Blue Shield of California

Partner

- Ali Amin
- Daniel A. Capen, MD
- Kaiser Permanente West Los Angeles
- Pharmtox LLC
- The Waterford Foundation

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- Sabadia Family Foundation
- Andrew O. Schreiber, MD Inc.
- Kyle Wadsworth
- Faruk & Yasmeen Zia

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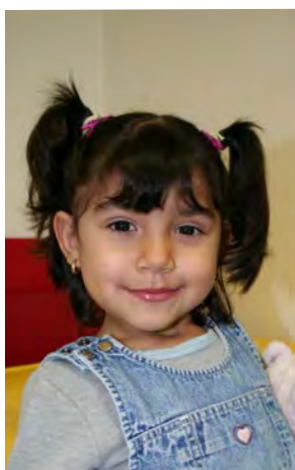
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FACES OF UMMA



A Healthy Ramadan

Ramadan falls within the ninth month of the lunar calendar and throughout the month, Muslims fast from sunrise to sunset. Fasting disciplines oneself to be more patient, increase spirituality, build stronger bonds with family, friends and neighbors and appreciate the blessings of a meal at the end of the fast.

Maintaining a well-balanced diet during the month of Ramadan, by eating healthier foods, has a vital influence on your well-being. Follow the nutritional guidelines below so that your fast period does not sway away from the principles of good nutrition.



Fiber-rich Foods

Fiber-rich foods have the ability to keep you fuller over a period of time. Fiber-rich foods slow down digestion in the small intestine, slowing the absorption of sugar and regulating blood sugar levels.

Examples of fiber-rich foods include kidney, lima and black beans, peas, apples (with skin), avocado and oats. Complex carbohydrates include root vegetables, peas, beans, lentils, oatmeal, brown rice and pita bread.



Avoid Overeating

Having gone all day without food, you might be tempted to "gorge" after sundown. Prophet Mohammad (peace be upon him) said we should keep "a third for food, a third for drink and a third for breath." Not only can overeating lead to discomfort, but it also negates the principle of self-control in Ramadan.



Foods to Avoid

Very spicy foods can cause indigestion and heartburn, thus, should be avoided in your food intake. Fried foods and those high in sugar can cause similar health problems, and also contribute to weight gain. Eating foods rich in fiber can help reduce the build-up of acid in the stomach, reducing heartburn, as well as feelings of heaviness in the stomach.

Maintain a Well-Balanced Diet

To remain healthy during Ramadan, a balanced combination of food from the major food groups should be consumed—with healthful quantities of grains, fruits, vegetables, meats and dairy.

Complex carbohydrates derived from unprocessed foods are rich in nutrients and fiber and release energy slowly throughout the day. Complex starches are digested slowly because of their cellulose and fiber content. Eating such foods before sunrise helps reduce feelings of hunger later in the day.



Muslims break the fast with either dried or fresh dates. Dates are known to be rich in natural fibers and comprise of other nutrients like oil, calcium, sulfur, iron, potassium, phosphorous, manganese, copper, magnesium, etc.

Benefits of dates:

- * According to research, dates are effective in preventing abdominal cancer.
- * They are energy boosters, because of all the natural sugars packed in each date.
- * Dates acquire laxative properties, which alleviates those with constipation.
- * Dates are low in sodium, but rich in potassium which helps prevent strokes and blood pressure levels from rising.
- * They increase the body's libido.
- * They slow down the process of early tooth decay.
- * Since dates contain a high level of iron, dates improve the hemoglobin content in one's blood.
- * The natural sugars in dates stimulate the intestine which will reduce hunger and food intake.

Pearls of Wisdom

O Children of Adam! Wear your beautiful apparel at every time and place of prayer- eat and drink- but waste not by excess, for Allah loveth not the wasters. Sacred Text

Nothing is worse than a person who fills his stomach. It should be enough for the son of Adam to have a few bites to satisfy his hunger. If he wishes more, it should be: One-third for his food, one-third for his liquids, and one-third for his breath. Prophetic Wisdom

UMMA Board of Directors 2010

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**University Muslim Medical
Association, Inc.**

Financial Report

December 31, 2009

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Independent Auditor's Report

To the Board of Directors
University Muslim Medical Association, Inc.
Los Angeles, California

We have audited the accompanying balance sheet of University Muslim Medical Association, Inc. ("UMMA") as of December 31, 2009, and the related statements of operations and changes in net assets, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of UMMA's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of UMMA as of December 31, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

McGladrey & Pullen, LLP

New York, New York
October 13, 2010

University Muslim Medical Association, Inc.

Balance Sheet
December 31, 2009

ASSETS

Current Assets:

Cash	\$ 956,443
Patient services receivable, net (Note 3)	178,301
Contracts receivable	4,902
Prepaid expenses and other	<u>37,033</u>

Total current assets 1,176,679

Property and Equipment, net (Note 4) 1,124,952

Total assets \$ 2,301,631

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable and accrued expenses	\$ 7,912
Accrued compensation	112,473
Refundable advance (Note 4)	<u>800,000</u>

Total current liabilities 920,385

Commitments and Contingencies (Notes 4, 5 and 9)

Net Assets:

Unrestricted	1,146,973
Temporarily restricted (Note 7)	<u>234,273</u>

Total net assets 1,381,246

Total liabilities and net assets \$ 2,301,631

See Notes to Financial Statements.

University Muslim Medical Association, Inc.

Statement of Operations and Changes in Net Assets
Year Ended December 31, 2009

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue:			
Patient services, net (Note 5)	\$ 896,133	\$ -	\$ 896,133
DHHS grants (Note 6)	493,089	-	493,089
Contract services - County of Los Angeles Department of Health	253,771	-	253,771
Donated services (Note 8)	233,120	-	233,120
Contributions	650,950	30,449	681,399
Other	26,740	-	26,740
Total revenue	<u>2,553,803</u>	<u>30,449</u>	<u>2,584,252</u>
Expenses:			
Salaries and benefits	1,458,788	-	1,458,788
Other than personnel services	1,052,292	-	1,052,292
Total expenses	<u>2,511,080</u>	<u>-</u>	<u>2,511,080</u>
Income prior to depreciation and amortization	42,723	30,449	73,172
Depreciation and Amortization	57,306	-	57,306
Operating (loss) income	(14,583)	30,449	15,866
Nonoperating Revenue - donated equipment	36,167	-	36,167
Increase in net assets	21,584	30,449	52,033
Net Assets:			
Beginning	1,125,389	203,824	1,329,213
Ending	<u>\$ 1,146,973</u>	<u>\$ 234,273</u>	<u>\$ 1,381,246</u>

See Notes to Financial Statements.

University Muslim Medical Association, Inc.

Statement of Functional Expenses
Year Ended December 31, 2009

	Program Services	General and Administrative	Fund-Raising	Total
Salaries and wages	\$ 905,313	\$ 240,571	\$ 50,200	\$ 1,196,084
Fringe benefits	206,499	45,128	11,077	262,704
Consultants and contractual services	152,092	56,036	89,868	297,996
Professional fees	65,510	16,340	6,266	88,116
Consumable supplies	147,199	9,532	3,152	159,883
Space costs	24,811	13,659	1,725	40,195
Insurance	13,965	1,411	518	15,894
Repairs and maintenance	65,779	31,595	3,980	101,354
Telephone	11,845	9,463	889	22,197
Travel, conferences and meetings	3,915	23,149	610	27,674
Dues and subscriptions	6,853	7,751	95	14,699
Printing, publications and postage	2,828	7,951	8,222	19,001
Staff development	13,072	5,780	86	18,938
Donated goods and services	233,120	-	-	233,120
Other	1,255	3,423	8,547	13,225
	1,854,056	471,789	185,235	2,511,080
Depreciation and amortization	30,755	23,415	3,136	57,306
Total functional expenses	\$ 1,884,811	\$ 495,204	\$ 188,371	\$ 2,568,386

See Notes to Financial Statements.

University Muslim Medical Association, Inc.

Statement of Cash Flows
Year Ended December 31, 2009

Cash Flows From Operating Activities:	
Cash received from patient services	\$ 775,688
Cash received from DHHS grants	583,395
Cash received from contract services	253,771
Cash received from other revenue	708,139
Cash paid for personnel costs	(1,346,315)
Cash paid for other than personnel costs	<u>(877,687)</u>
Net cash provided by operating activities	96,991
Cash Used in Investing Activity - purchase of property and equipment	<u>(123,780)</u>
Net decrease in cash	(26,789)
Cash:	
Beginning	<u>983,232</u>
Ending	<u><u>\$ 956,443</u></u>
Reconciliation of Increase in Net Assets to Net Cash Provided by Operating Activities:	
Increase in net assets	<u>\$ 52,033</u>
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation and amortization	57,306
Donated property, plant and equipment	(36,167)
Changes in operating assets and liabilities:	
Decrease in contracts receivable	90,306
Increase in patient services receivable	(120,445)
Decrease in prepaid expenses and other	52,733
Decrease in accounts payable and accrued expenses	(39,092)
Increase in accrued compensation	<u>40,317</u>
Total adjustments	<u>44,958</u>
Net cash provided by operating activities	<u><u>\$ 96,991</u></u>

See Notes to Financial Statements.

University Muslim Medical Association, Inc.

Notes to Financial Statements

Note 1. Organization

University Muslim Medical Association, Inc. ("UMMA") operates a not-for-profit healthcare center in the State of California in the city of Los Angeles. UMMA provides a broad range of health services to an impoverished and medically underserved community, regardless of ability to pay.

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

Note 2. Significant Accounting Policies

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

UMMA maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. UMMA has not experienced any losses in such accounts.

Patient accounts receivable are reported at their outstanding unpaid principal balances reduced by an allowance for doubtful accounts. UMMA estimates doubtful accounts based on historical bad debts, factors related to specific payors' ability to pay and current economic trends.

Property and equipment is recorded at cost or, if donated, at fair value at date of donation. Depreciation and amortization is recorded on a straight-line basis over the estimated useful lives of the assets, which range from 5 to 10 years for equipment. UMMA capitalizes all purchases of property and equipment in excess of \$2,500.

Contributions are recorded as either temporarily or permanently restricted revenue if they are received with donor stipulations that limit the use of the donated asset. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted assets are reclassified to unrestricted net assets and reported in the statement of operations and changes in net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions expire during the same fiscal year are recognized as unrestricted revenue. Contributions awarded for the acquisition of long-lived assets are reported as nonoperating revenue. Conditional contributions received are recorded as refundable advances and will be recognized as the conditions are met.

Revenue from government grants and contracts designated for use in specific activities is recognized in the period when expenditures have been incurred in compliance with the grantor's requirements. Cash received in excess of revenue recognized is recorded as refundable advances. At December 31, 2009, UMMA has received grants and contracts from governmental entities in the aggregate amount of \$606,100 that have not been recorded in these financial statements as they have not been earned. These grants and contracts require UMMA to provide certain healthcare services during specified periods. If such services are not provided during the periods, the governmental entities are not obligated to expend the funds allotted under the grants and contracts.

Patient services revenue is reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered. Self-pay revenue is recorded at published charges with charitable allowances deducted to arrive at net self-pay revenue. All other patient services revenue is recorded at published charges with contractual allowances deducted to arrive at patient services revenue, net.

Donated pharmaceuticals, equipment and services are recorded at their estimated fair market value.

University Muslim Medical Association, Inc.

Notes to Financial Statements

Note 2. Significant Accounting Policies (Continued)

Interest earned on federal funds is recorded as a payable to the Public Health Service (the "PHS") in compliance with OMB Circular A-110.

UMMA was incorporated as a not-for-profit corporation under the laws of the State of California and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, there is no provision for income taxes.

On January 1, 2009, UMMA adopted the accounting standard on accounting for uncertainty in income taxes, codified in Accounting Standards Codification ("ASC") 740, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, UMMA may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses derecognition, classification, interest and penalties on income taxes, and accounting in interim periods.

Management evaluated UMMA's tax positions and concluded that UMMA had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. With few exceptions, UMMA is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before 2007, which is the standard statute of limitations look-back period.

UMMA evaluates events occurring after the date of the financial statements to consider whether or not the impact of such events needs to be reflected or disclosed in the financial statements. Such evaluation is performed through the date the financial statements are available to be issued, which was October 13, 2010 for these financial statements.

Note 3. Patient Services Receivable, Net

Patient services receivable, net, consists of the following:

Medi-Cal, Medicare and other State of California programs	\$ 174,796
Self-pay	3,505
	<u>\$ 178,301</u>

Note 4. Property and Equipment, Net

Property and equipment, net, at cost, consists of the following:

Land	\$ 656,000
Building and building improvements	280,083
Furniture and equipment	326,111
Leasehold improvements	42,565
	<u>1,304,759</u>
Less accumulated depreciation and amortization	198,907
	<u>1,105,852</u>
Construction-in-progress	19,100
	<u>\$ 1,124,952</u>

University Muslim Medical Association, Inc.**Notes to Financial Statements**

Note 4. Property and Equipment, Net (Continued)

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

On March 23, 2009, UMMA entered into an agreement with the Community Redevelopment Corporation of Los Angeles, California (CRC/LA) to receive property from CRC/LA as a conditional contribution. UMMA is required per the agreement to provide eligible services in the amount of \$800,000 and visits as defined by the agreement over a ten-year period.

Cash Flow Noncash Transactions: UMMA recorded property and a refundable advance of \$800,000 for the year ended December 31, 2009.

Note 5. Patient Services, Net

For the year ended December 31, 2009, patient services revenue consist of the following:

	Gross Revenue	Contractual Allowances	Net Patient Services Revenue
Medi-Cal, Medicare and other State of California programs	\$ 2,650,935	\$ 1,759,630	\$ 891,305
Self-pay	18,593	13,765	4,828
	<u>\$ 2,669,528</u>	<u>\$ 1,773,395</u>	<u>\$ 896,133</u>

Note 6. DHHS Grants

For the year ended December 31, 2009, UMMA recognized the following DHHS grants:

Grant Number	Grant Period	Total Grant	Revenue Recognized
6 H80CS10609-01-02	08/01/2008-04/30/2009	\$ 347,291	\$ 154,291
6 H80CS10609-02-01	05/01/2009-04/30/2010	485,472	317,675
6 H8BCS11832-01-01	03/27/2009-03/26/2011	134,595	21,122
6H8BCS13586-01-02	06/28/2009-06/28/2011	324,830	-
			<u>\$ 493,088</u>

Note 7. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at December 31, 2009:

Zakat	\$ 69,037
Pillars of Tolerance Project	33,826
California Wellness program	<u>131,410</u>
	<u>\$ 234,273</u>

University Muslim Medical Association, Inc.

Notes to Financial Statements

Note 8. Donated Equipment and Services

For the year ended December 31, 2009, donated equipment and services consist of the following:

Pharmaceuticals	\$ 209,268
Donated equipment and services	<u>60,019 *</u>
	<u><u>\$ 269,287</u></u>

*Includes nonoperating donated equipment of \$36,167

Note 9. Commitments and Contingencies

UMMA contracted with various funding agencies to perform certain healthcare services and receives Medi-Cal and Public Private Partnership program of Los Angeles County ("PPP") revenue from the state and federal governments. Reimbursements received under these contracts and payments from Medi-Cal and Medicare are subject to audit by federal and state governments and other agencies. Upon audit, if discrepancies are discovered, UMMA could be held responsible for refunding the agencies for the amounts in question.

Medi-Cal and PPP revenue is reimbursed to UMMA at the net reimbursement rates as determined by each program. Reimbursement rates are subject to revisions under the provisions of cost reimbursement regulations. Adjustments for such revisions are recognized in the fiscal year incurred.

UMMA leases space under a month-to-month operating lease at 711 Florence Avenue, Los Angeles, California. Rent expense for the year ended December 31, 2009 amounted to \$11,986. There are no future lease commitments.