

# RSM McGladrey

RSM McGladrey Inc.  
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UNITED NEIGHBORHOOD HEALTH SERVICES, INC.  
617 SOUTH 8TH STREET  
NASHVILLE, TN 37206

DEAR CLIENT,

ENCLOSED ARE THE ORIGINAL AND ONE COPY OF YOUR INCOME TAX RETURNS FOR THE PERIOD ENDED JANUARY 31, 2006 FOR:

UNITED NEIGHBORHOOD HEALTH SERVICES, INC. AS FOLLOWS...

2005 990 - RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX  
2005 SCHEDULE A - ORGANIZATION EXEMPT UNDER 501(C)(3)  
2005 SCHEDULE B - SCHEDULE OF CONTRIBUTORS  
2005 FORM SS-6002 - SUMMARY OF FINANCIAL ACTIVITIES

EACH ORIGINAL SHOULD BE DATED, SIGNED AND FILED IN ACCORDANCE WITH THE FILING INSTRUCTIONS. THE COPY SHOULD BE RETAINED FOR YOUR FILES.

TO ASSIST YOU IN UNDERSTANDING THE SCOPE OF OUR SERVICES AND OTHER MATTERS RELATED TO THE PREPARATION OF YOUR TAX RETURNS, WE HAVE ATTACHED A COPY OF THE "RSM MCGLADREY TAX PREPARATION CONDITIONS AND LIMITATIONS". OUR TAX RETURN PREPARATION SERVICES ARE EXPRESSLY SUBJECT TO THESE CONDITIONS AND LIMITATIONS, AND BY SIGNING YOUR RETURN YOU WILL BE AGREEING TO THEM.

VERY TRULY YOURS,

RSM MCGLADREY INC.

INSTRUCTIONS FOR FILING  
UNITED NEIGHBORHOOD HEALTH SERVICES, INC.  
FORM 990 WITH SCH. A - EXEMPT UNDER 501(C)(3)  
FOR THE PERIOD ENDED JANUARY 31, 2006

\*\*\*\*\*

SIGNATURE...

THE ORIGINAL RETURN SHOULD BE SIGNED (USING FULL NAME AND TITLE)  
AND DATED BY AN AUTHORIZED OFFICER OF THE ORGANIZATION.

FILING...

THE SIGNED RETURN SHOULD BE FILED ON OR BEFORE SEPTEMBER 15, 2006  
WITH...

INTERNAL REVENUE SERVICE  
OGDEN, UT 84201-0027

PAYMENT OF TAX...

NO PAYMENT OF TAX IS REQUIRED.

TO DOCUMENT THE TIMELY FILING OF YOUR TAX RETURN(S), WE SUGGEST THAT  
YOU OBTAIN AND RETAIN PROOF OF MAILING. PROOF OF MAILING CAN BE  
ACCOMPLISHED BY SENDING THE TAX RETURN(S) BY REGISTERED OR CERTIFIED  
MAIL (METERED BY THE U.S. POSTAL SERVICE) OR THROUGH THE USE OF AN IRS  
APPROVED DELIVERY METHOD PROVIDED BY AN IRS DESIGNATED PRIVATE  
DELIVERY SERVICE.

\*\*\*\*\*

# Return of Organization Exempt From Income Tax

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

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

Department of the Treasury  
Internal Revenue Service

**A For the 2005 calendar year, or tax year beginning** 02/01, **2005, and ending** 01/31/2006

- B** Check if applicable:
- Address change
  - Name change
  - Initial return
  - Final return
  - Amended return
  - Application pending

**C Name of organization**  
**UNITED NEIGHBORHOOD HEALTH SERVICES, INC.**

Number and street (or P.O. box if mail is not delivered to street address) Room/suite  
**617 SOUTH 8TH STREET**

City or town, state or country, and ZIP + 4  
**NASHVILLE, TN 37206**

**D Employer identification number**  
**62-1032792**

**E Telephone number**  
**(615) 228-8902**

**F Accounting method:**  Cash  Accrual  
 Other (specify) \_\_\_\_\_

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

*H and I are not applicable to section 527 organizations.*

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

**H(b)** If "Yes," enter number of affiliates **N/A**

**H(c)** Are all affiliates included?  Yes  No  
(If "No," attach a list. See instructions.)

**H(d)** Is this a separate return filed by an organization covered by a group ruling?  Yes  No

**I Group Exemption Number** \_\_\_\_\_

**M Check**  if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

**G Website:** WWW.UNHS.NET

**J Organization type** (check only one)  501(c) ( 3 ) (insert no.)  4947(a)(1) or  527

**K Check here**  if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization chooses to file a return, be sure to file a complete return. **Some states require a complete return.**

**L Gross receipts:** Add lines 6b, 8b, 9b, and 10b to line 12 **7,067,966.**

**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances** (See the instructions.)

Revenue	<b>1</b> Contributions, gifts, grants, and similar amounts received:				
	<b>a</b> Direct public support	<b>1a</b>	546,385.		
	<b>b</b> Indirect public support	<b>1b</b>	126,907.		
	<b>c</b> Government contributions (grants)	<b>1c</b>	3,357,757.		
	<b>d</b> Total (add lines 1a through 1c) (cash \$ 3,910,749. noncash \$ 120,300.)	<b>1d</b>			4,031,049.
	<b>2</b> Program service revenue including government fees and contracts (from Part VII, line 93)	<b>2</b>			3,020,801.
	<b>3</b> Membership dues and assessments	<b>3</b>			
	<b>4</b> Interest on savings and temporary cash investments	<b>4</b>			12,141.
	<b>5</b> Dividends and interest from securities	<b>5</b>			
	<b>6 a</b> Gross rents	<b>6a</b>			
	<b>b</b> Less: rental expenses	<b>6b</b>			
	<b>c</b> Net rental income or (loss) (subtract line 6b from line 6a)	<b>6c</b>			
<b>7</b> Other investment income (describe _____)	<b>7</b>				
Revenue	<b>8 a</b> Gross amount from sales of assets other than inventory	(A) Securities		(B) Other	
		<b>8 a</b>			
	<b>b</b> Less: cost or other basis and sales expenses	<b>8 b</b>			
	<b>c</b> Gain or (loss) (attach schedule)	<b>8 c</b>			
	<b>d</b> Net gain or (loss) (combine line 8c, columns (A) and (B))	<b>8 d</b>			
	<b>9</b> Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>				
	<b>a</b> Gross revenue (not including \$ _____ of contributions reported on line 1a)	<b>9 a</b>			
	<b>b</b> Less: direct expenses other than fundraising expenses	<b>9 b</b>			
	<b>c</b> Net income or (loss) from special events (subtract line 9b from line 9a)	<b>9 c</b>			
	<b>10 a</b> Gross sales of inventory, less returns and allowances	<b>10 a</b>			
<b>b</b> Less: cost of goods sold	<b>10 b</b>				
<b>c</b> Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	<b>10 c</b>				
<b>11</b> Other revenue (from Part VII, line 103)	<b>11</b>			3,975.	
<b>12</b> Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	<b>12</b>			7,067,966.	
Expenses	<b>13</b> Program services (from line 44, column (B))	<b>13</b>			4,935,036.
	<b>14</b> Management and general (from line 44, column (C))	<b>14</b>			907,056.
	<b>15</b> Fundraising (from line 44, column (D))	<b>15</b>			
	<b>16</b> Payments to affiliates (attach schedule)	<b>16</b>			
	<b>17</b> Total expenses (add lines 16 and 44, column (A))	<b>17</b>			5,842,092.
Net Assets	<b>18</b> Excess or (deficit) for the year (subtract line 17 from line 12)	<b>18</b>			1,225,874.
	<b>19</b> Net assets or fund balances at beginning of year (from line 73, column (A))	<b>19</b>			2,127,311.
	<b>20</b> Other changes in net assets or fund balances (attach explanation)	<b>20</b>			
	<b>21</b> Net assets or fund balances at end of year (combine lines 18, 19, and 20)	<b>21</b>			3,353,185.

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

**Part II Statement of Functional Expenses**

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule)				
	(cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc.	94,902.		94,902.	
26	Other salaries and wages	3,059,692.	2,579,465.	480,227.	
27	Pension plan contributions	NONE			
28	Other employee benefits	496,306.	405,822.	90,484.	
29	Payroll taxes	180,155.	147,310.	32,845.	
30	Professional fundraising fees				
31	Accounting fees	54,647.		54,647.	
32	Legal fees	8,087.		8,087.	
33	Supplies	156,101.	144,029.	12,072.	
34	Telephone	108,649.	90,179.	18,470.	
35	Postage and shipping	31,043.	25,766.	5,277.	
36	Occupancy	87,172.	81,070.	6,102.	
37	Equipment rental and maintenance	131,171.	121,989.	9,182.	
38	Printing and publications				
39	Travel	39,774.	33,012.	6,762.	
40	Conferences, conventions, and meetings				
41	Interest	24,930.	23,185.	1,745.	
42	Depreciation, depletion, etc. (attach schedule)	184,875.	171,934.	12,941.	
43	Other expenses not covered above (itemize):				
a	STMT 1	1,184,588.	1,111,275.	73,313.	
b					
c					
d					
e					
f					
g					
44	Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15).	5,842,092.	4,935,036.	907,056.	

Joint Costs. Check  if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?  Yes  No  
 If "Yes," enter (i) the aggregate amount of these joint costs \$ \_\_\_\_\_; (ii) the amount allocated to Program services \$ \_\_\_\_\_; (iii) the amount allocated to Management and general \$ \_\_\_\_\_; and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_

**Part III Statement of Program Service Accomplishments** (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

<p>What is the organization's primary exempt purpose? <b>▶SEE STATEMENT 2</b></p> <p>All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)</p>	<p><b>Program Service Expenses</b> (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)</p>
<p><b>a</b> <u>OPERATED A COMMUNITY BASED HEALTHCARE CLINIC PROVIDING HEALTHCARE SERVICES TO APPROXIMATELY 40,008 VISITS.</u></p> <p>----- ----- -----</p> <p>(Grants and allocations \$ _____ ) If this amount includes foreign grants, check here <input type="checkbox"/></p>	<p>4,935,036.</p>
<p><b>b</b> ----- ----- -----</p> <p>(Grants and allocations \$ _____ ) If this amount includes foreign grants, check here <input type="checkbox"/></p>	
<p><b>c</b> ----- ----- -----</p> <p>(Grants and allocations \$ _____ ) If this amount includes foreign grants, check here <input type="checkbox"/></p>	
<p><b>d</b> ----- ----- -----</p> <p>(Grants and allocations \$ _____ ) If this amount includes foreign grants, check here <input type="checkbox"/></p>	
<p><b>e</b> Other program services (attach schedule) (Grants and allocations \$ _____ ) If this amount includes foreign grants, check here <input type="checkbox"/></p>	
<p><b>f Total of Program Service Expenses</b> (should equal line 44, column (B), Program services). . . . . ▶</p>	<p>4,935,036.</p>

**Part IV Balance Sheets** (See the instructions.)

**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>45</b> Cash - non-interest-bearing	1,282.	<b>45</b>	2,389.
	<b>46</b> Savings and temporary cash investments	535,055.	<b>46</b>	1,118,800.
	<b>47a</b> Accounts receivable	<b>47a</b> 665,286.		
	<b>b</b> Less: allowance for doubtful accounts	<b>47b</b>	402,908.	<b>47c</b> 665,286.
	<b>48a</b> Pledges receivable	<b>48a</b>		
	<b>b</b> Less: allowance for doubtful accounts	<b>48b</b>		<b>48c</b>
	<b>49</b> Grants receivable	120,668.	<b>49</b>	128,925.
	<b>50</b> Receivables from officers, directors, trustees, and key employees (attach schedule)		<b>50</b>	
	<b>51a</b> Other notes and loans receivable (attach schedule)	<b>51a</b>		
	<b>b</b> Less: allowance for doubtful accounts	<b>51b</b>		<b>51c</b>
	<b>52</b> Inventories for sale or use		<b>52</b>	
	<b>53</b> Prepaid expenses and deferred charges	STMT. 3. 68,715.	<b>53</b>	96,655.
	<b>54</b> Investments - securities (attach schedule)	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	<b>54</b>	
	<b>55a</b> Investments - land, buildings, and equipment: basis	<b>55a</b>		
	<b>b</b> Less: accumulated depreciation (attach schedule)	<b>55b</b>		<b>55c</b>
<b>56</b> Investments - other (attach schedule)		<b>56</b>		
<b>57a</b> Land, buildings, and equipment: basis	<b>57a</b> 3,901,653.			
<b>b</b> Less: accumulated depreciation (attach schedule)	<b>57b</b> 1,258,768.	1,564,426.	<b>57c</b> 2,642,885.	
<b>58</b> Other assets (describe <input type="checkbox"/> STMT 4 )	953.	<b>58</b>	953.	
<b>59 Total assets</b> (must equal line 74). Add lines 45 through 58.	2,694,007.	<b>59</b>	4,655,893.	
<b>Liabilities</b>	<b>60</b> Accounts payable and accrued expenses	466,851.	<b>60</b>	619,524.
	<b>61</b> Grants payable		<b>61</b>	
	<b>62</b> Deferred revenue		<b>62</b>	
	<b>63</b> Loans from officers, directors, trustees, and key employees (attach schedule)		<b>63</b>	
	<b>64a</b> Tax-exempt bond liabilities (attach schedule)		<b>64a</b>	
	<b>b</b> Mortgages and other notes payable (attach schedule)	STMT. 5. 99,845.	<b>64b</b>	683,184.
	<b>65</b> Other liabilities (describe <input type="checkbox"/> )		<b>65</b>	
<b>66 Total liabilities.</b> Add lines 60 through 65	566,696.	<b>66</b>	1,302,708.	
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	<b>67</b> Unrestricted	2,127,311.	<b>67</b>	2,953,185.
	<b>68</b> Temporarily restricted		<b>68</b>	400,000.
	<b>69</b> Permanently restricted		<b>69</b>	
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> and complete lines 70 through 74.			
	<b>70</b> Capital stock, trust principal, or current funds		<b>70</b>	
	<b>71</b> Paid-in or capital surplus, or land, building, and equipment fund		<b>71</b>	
	<b>72</b> Retained earnings, endowment, accumulated income, or other funds		<b>72</b>	
<b>73 Total net assets or fund balances</b> (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)	2,127,311.	<b>73</b>	3,353,185.	
<b>74 Total liabilities and net assets/fund balances.</b> Add lines 66 and 73.	2,694,007.	<b>74</b>	4,655,893.	



Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)

75a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings . . . . . 9

Table with 2 columns: Yes, No. Rows 75b, 75c, 75d with 'X' marks.

b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s) . . . . .

c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to this organization through common supervision or common control? Note. Related organizations include section 509(a)(3) supporting organizations.

If "Yes," attach a statement that identifies the individuals, explains the relationship between this organization and the other organization(s), and describes the compensation arrangements, including amounts paid to each individual by each related organization.

d Does the organization have a written conflict of interest policy? . . . . .

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits

(If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

Table with 5 columns: (A) Name and address, (B) Loans and Advances, (C) Compensation, (D) Contributions to employee benefit plans & deferred compensation plans, (E) Expense account and other allowances. Row 1 contains '-0-' in columns B, C, D, and E.

Part VI Other Information (See the instructions.)

76 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity . . . . .

Table with 2 columns: Yes, No. Rows 76, 77, 78a, 78b, 79, 80a, 81a, 81b with 'X' marks.

77 Were any changes made in the organizing or governing documents but not reported to the IRS? . . . . . If "Yes," attach a conformed copy of the changes.

78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? . . . . .

b If "Yes," has it filed a tax return on Form 990-T for this year? . . . . .

79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement . . . . .

80a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization? . . . . .

b If "Yes," enter the name of the organization and check whether it is exempt or nonexempt

81a Enter direct and indirect political expenditures. (See line 81 instructions.) . . . . . 81a NONE

b Did the organization file Form 1120-POL for this year? . . . . . 81b N/A

Part VI Other Information (continued)

		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)		
82 b			N/A
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?		N/A
83 b			N/A
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		N/A
84 b			N/A
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		N/A
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		N/A
85 a			N/A
c	Dues, assessments, and similar amounts from members		N/A
85 c			N/A
d	Section 162(e) lobbying and political expenditures		N/A
85 d			N/A
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		N/A
85 e			N/A
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		N/A
85 f			N/A
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		N/A
85 g			N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		N/A
85 h			N/A
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12		N/A
86 a			N/A
b	Gross receipts, included on line 12, for public use of club facilities		N/A
86 b			N/A
87	501(c)(12) orgs. Enter: a Gross income from members or shareholders		N/A
87 a			N/A
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)		N/A
87 b			N/A
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		X
88			X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 NONE; section 4912 NONE; section 4955 NONE		
b	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		X
89 b			X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		NONE
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization		NONE
90 a	List the states with which a copy of this return is filed		TN
b	Number of employees employed in the pay period that includes March 12, 2005 (See instructions.)	90 b	83
91 a	The books are in care of	IRA JONES, FINANCE DIRECTOR Telephone no. 615-228-8902	
	Located at	617 SOUTH 8TH STREET, NASHVILLE, TN ZIP + 4 37206	
b	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)? If "Yes," enter the name of the foreign country	91 b	X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
c	At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country	91 c	X
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the tax year	92	N/A

Form 990 (2005)

62-1032792

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**Part VII Analysis of Income-Producing Activities (See the instructions.)**

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
53 Program service revenue:					
a PRIVATE INSURANCE					72,844.
b SELF-PAY					1,151,011.
c					
d					
e					
f Medicare/Medicaid payments					1,796,946.
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	12,141.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a					
b OTHER REVENUE			03	3,975.	
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				16,116.	3,020,801.
105 Total (add line 104, columns (B), (D), and (E))					3,036,917.

Note: Line 105 plus line 14, Part I, should equal the amount on line 12, Part I.

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)**

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93A-	PROGRAM SERVICE REVENUE REPRESENTS FEES RECEIVED FROM THE
F	RENDERING OF HEALTH SERVICES. THESE REVENUES ARE USED TO
	PROVIDE A BROAD RANGE OF HEALTH SERVICES TO A LARGELY
	MEDICALLY UNDERSERVED POPULATION.

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)**

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)**

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

**Please Sign Here**

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.

Signature of officer: Mary Bofurack Date: 10/31/2006

Type or print name and title: Mary Bofurack CEO

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**Paid Preparer's Use Only**

Preparer's signature: Alan Woglin Date: 1/31/06 Check if self-employed:

Firm's name (or yours if self-employed), address, and ZIP + 4: RSM MCGLADREY INC. EIN: 41-2944416  
1185 AVENUE OF THE AMERICAS Phone no.:  
NEW YORK, NY 10036

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

**Organization Exempt Under Section 501(c)(3)**

(Except Private Foundation and Section 501(e), 501(f), 501(k), 501(n),  
or 4947(a)(1) Nonexempt Charitable Trust

OMB No. 1545-0047

**2005**

Department of the Treasury  
Internal Revenue Service

**Supplementary Information - (See separate instructions.)**  
▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization

Employer identification number

UNITED NEIGHBORHOOD HEALTH SERVICES, INC.

62-1032792

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
SEE STATEMENT 8				
Total number of other employees paid over \$50,000 . . . ▶	7			

**Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services . . . . . ▶	NONE	

**Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services**  
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
SEE STATEMENT 9		
Total number of other contractors receiving over \$50,000 for other services . . . . . ▶	1	

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

Schedule A (Form 990 or 990-EZ) 2005

Part III Statements About Activities (See page 2 of the instructions.)

Table with 3 columns: Question, Yes, No. Contains questions 1 through 4b regarding lobbying activities and other organizational actions.

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)

- The organization is not a private foundation because it is: (Please check only ONE applicable box.)
5 [ ] A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
6 [ ] A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
7 [ ] A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
8 [ ] A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
9 [ ] A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state
10 [ ] An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the Support Schedule in Part IV-A.)
11a [X] An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)
11b [ ] A community trust. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)
12 [ ] 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 charitable, etc., 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). (Also complete the Support Schedule in Part IV-A.)
13 [ ] An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). Check the box that describes the type of supporting organization: [ ] Type 1 [ ] Type 2 [ ] Type 3

Table with 2 columns: (a) Name(s) of supported organization(s), (b) Line number from above. Includes instruction: Provide the following information about the supported organizations. (See page 6 of the instructions.)

- 14 [ ] An organization organized and operated to test for public safety. Section 509(a)(4). (See page 6 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) Use cash method of accounting.

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Table with columns: Calendar year (or fiscal year beginning in), (a) 2004, (b) 2003, (c) 2002, (d) 2001, (e) Total. Rows include: 15 Gifts, grants, and contributions received; 16 Membership fees received; 17 Gross receipts from admissions, merchandise sold or services performed; 18 Gross income from interest, dividends, amounts received from payments on securities loans; 19 Net income from unrelated business activities not included in line 18; 20 Tax revenues levied for the organization's benefit; 21 The value of services or facilities furnished to the organization by a governmental unit without charge; 22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets; 23 Total of lines 15 through 22; 24 Line 23 minus line 17; 25 Enter 1% of line 23; 26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24; b Prepare a list for your records to show the name of and amount contributed by each person; c Total support for section 509(a)(1) test; d Add: Amounts from column (e) for lines; e Public support (line 26c minus line 26d total); f Public support percentage; 27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: NOT APPLICABLE; b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year; c Add: Amounts from column (e) for lines; d Add: Line 27a total and line 27b total; e Public support (line 27c total minus line 27d total); f Total support for section 509(a)(2) test; g Public support percentage (line 27e (numerator) divided by line 27f (denominator)); h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)); 28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

**Part V Private School Questionnaire** (See page 7 of the instructions.)

NOT APPLICABLE

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
<b>29</b> Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body? . . . . .	<b>29</b>	
<b>30</b> Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships? . . . . .	<b>30</b>	
<b>31</b> Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? . . . . . If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.) ----- ----- -----	<b>31</b>	
<b>32</b> Does the organization maintain the following:	<b>32a</b>	
<b>a</b> Records indicating the racial composition of the student body, faculty, and administrative staff? . . . . .	<b>32a</b>	
<b>b</b> Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? . . . . .	<b>32b</b>	
<b>c</b> Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? . . . . .	<b>32c</b>	
<b>d</b> Copies of all material used by the organization or on its behalf to solicit contributions? . . . . .  If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----	<b>32d</b>	
<b>33</b> Does the organization discriminate by race in any way with respect to:		
<b>a</b> Students' rights or privileges? . . . . .	<b>33a</b>	
<b>b</b> Admissions policies? . . . . .	<b>33b</b>	
<b>c</b> Employment of faculty or administrative staff? . . . . .	<b>33c</b>	
<b>d</b> Scholarships or other financial assistance? . . . . .	<b>33d</b>	
<b>e</b> Educational policies? . . . . .	<b>33e</b>	
<b>f</b> Use of facilities? . . . . .	<b>33f</b>	
<b>g</b> Athletic programs? . . . . .	<b>33g</b>	
<b>h</b> Other extracurricular activities? . . . . .  If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----	<b>33h</b>	
<b>34 a</b> Does the organization receive any financial aid or assistance from a governmental agency? . . . . .	<b>34a</b>	
<b>b</b> Has the organization's right to such aid ever been revoked or suspended? . . . . . If you answered "Yes" to either 34a or b, please explain using an attached statement.	<b>34b</b>	
<b>35</b> Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation . . . . .	<b>35</b>	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions.)

(To be completed ONLY by an eligible organization that filed Form 5768) NOT APPLICABLE

Check a if the organization belongs to an affiliated group. Check b if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures

(The term "expenditures" means amounts paid or incurred.)

Table with 3 columns: Line number, Description, (a) Affiliated group totals, (b) To be completed for ALL electing organizations. Rows 36-44 include lobbying expenditures, exempt purpose expenditures, and nontaxable amounts.

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 11 of the instructions.)

Table titled 'Lobbying Expenditures During 4-Year Averaging Period' with columns for years 2005, 2004, 2003, 2002, and Total. Rows 45-50 cover lobbying nontaxable amount, ceiling, total lobbying expenditures, and grassroots nontaxable amount/ceiling.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

Table with 3 columns: Yes, No, Amount. Rows a-i describe various lobbying activities like volunteers, paid staff, media advertisements, mailings, publications, grants, and direct contact.

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

