"FORGET-ME-NOT"

FAMILY CENTERED SERVICES of ALASKA, INC.

July 10, 2007

Michael Frawley, Grants Administrator
State of Alaska
Dept. of Health and Social Services
P.O. Box 110650
Juneau, AK 99811-0650

Re: Grant #06-4-C-5010

Dear Mike,

Enclosed are the 4th quarter Federal Denali Commission Grant reports for Family Centered Services of Alaska.

The procedures for the award closeout in the grant award indicated that I have 60 days following the period of performance date to complete my final grant report. As we are still incurring costs on the building due to the completion of the electrical punch list I will complete a final report within the 60 day period. To help expedite the process I have included with my quarterly report a final request for funding, a plat of the land with a legal description and some pictures of our facility.

If you need anything additional please contact me at 374-2736.

Sincerely,

Kathy L Cannone

Kathy L. Cannone, CPA
Finance Officer

Cc: John Regitano, Executive Director

1825 Marika Road • Fairbanks, Alaska 99709 • Telephone (907) 474-0890 • Fax (907) 474-3621

Attachment F

Denali Commission Quarterly
Project Narrative and Funds Disbursement Request

Project Name: Consolidated Behavioral Health Center

Agency: Family Centered Services of Alaska, Inc. Reporting Period: June 30, 2007

Grant #: 06-4-C-5010 Amount of Funds Requested $46,247.88

1. What is the status of the project; include portions completed?
Both program and administrative personnel have moved into the building. The building houses offices for the Executive Director, fiscal department and quality assurance in the administrative portion. Programs operating out of the facility include the Alternatives to Out of State Placement Program (ATOP), Therapeutic Family Homes Program (TFH), and the clinical and psychiatric departments.

2. Is the project on schedule; if not, how will this be dealt with?
The project is on schedule as projected.

3. Is the project on budget; if not, how will this be dealt with?
The project is approximately $94,155 over budget. This is due to a reallocation of direct administration costs associated with the project that was not in the original budget. Since all costs have already been paid there is no impact on the project.

4. Other comments/problems and solutions:
Our project manager has talked with the city inspector regarding our occupancy permit. We have a verbal acknowledgement that we are cleared to occupy the building on a provisional permit. We have some final punch list items with regard to our electrical contract to complete and our signage for the building is ordered but has not arrived yet. We will not be able to get an unconditional occupancy permit until landscaping is complete. Our landscaping should be completed by the end of July.

Attachment G

Denali Commission
Quarterly Project Financial Report

Project Name: Consolidated Behavioral Health Center

Agency: Family Centered Services of Alaska, Inc. Reporting Period: June 30, 2007

Grant #: 06-4-C-5010

Please include the following information:
(Use additional pages as necessary)

Budget Information:

1. The total project budget—Denali Commission and other funds combined $3,761,141
2. The total project expenditures as of the end of the most recent quarter: $3,855,296
3. The total amount of Denali Commission funds committed to the project: $500,000
4. The total expenditure of Denali Commission funds for the project as of the end of this reporting period: $500,000
5. The percentage of expenditures to the total budget: 13%.
6. Project Performance Analysis (use PPA form on page2 of 641)

Project Schedule:

Show the project schedule with milestone dates for design and construction.

Form 641A

Attachment G

Denali Commission
Quarterly Project Financial Report
Project Performance Analysis (PPA) Form

Project Name: **Consolidated Behavioral Health Center**

Agency: Family Centered Services of Alaska, Inc Reporting Period: June 30, 2007

Grant #: 06-4-C-5010

NOTE: Include Denali Commission Grant Funds Only on this form.

Line Items:	Approved Budget:	Actual Cost to Date:	Scheduled Completion Date:	Actual Work Performed:
Land	$220,000	$221,445.82	12/05	12/12/2005
Environmental Study	$4,000	$2,200	12/05	1/6/2006
Architectural Design	$200,000	$199,141	5/8/2006	10/13/06 final billing for design work
Architectural Contract	$30,000	$30,000	6/30/2007	1/11/2007 final billing for consultation work
Permitting & Fees	$46,000	$47,213.18	7/10/2006	6/30/2007
Totals:	$500,000	$500,000		

Kathy L Cannone
Signature

Date:

Kathy L Cannone, CFO
Print Name and Title:

Form 641B