

**CARE OF SOUTHEASTERN MICHIGAN**

**ANNUAL FINANCIAL REPORT  
with Supplementary Information**

**FOR THE YEAR ENDED  
SEPTEMBER 30, 2015**



# CARE OF SOUTHEASTERN MICHIGAN

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
CARE of Southeastern Michigan  
Fraser, Michigan

### **Report on the Financial Statements**

We have audited the accompanying financial statements of CARE of Southeastern Michigan (a nonprofit organization) which comprise the statement of financial position as of September 30, 2015, and the related statements of activities, functional expenses, and cash flows for the year 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.

### ***Auditor's Responsibility***

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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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.

## ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CARE of Southeastern Michigan as of September 30, 2015, and the change in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Report on Summarized Comparative Information***

We have previously audited CARE of Southeastern Michigan's 2014 financial statements, and our report dated April 16, 2015 expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

## ***Other Matter***

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information as listed in the table of contents and presented on pages 13-17 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.

## ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 5, 2016 on our consideration of CARE of Southeastern Michigan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CARE of Southeastern Michigan's internal control over financial reporting and compliance.

  
Certified Public Accountants

April 5, 2016

**CARE OF SOUTHEASTERN MICHIGAN**

**STATEMENTS OF FINANCIAL POSITION**

**SEPTEMBER 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 284,782	\$ 377,791
Investments	196,379	180,978
Accounts receivable -		
Grants	283,646	279,274
Fees and other	9,869	9,324
Prepaid expenses	43,617	37,970
Property and equipment, net of accumulated depreciation	<u>468,969</u>	<u>477,336</u>
Total Assets	<u>\$ 1,287,262</u>	<u>\$ 1,362,673</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 55,504	\$ 31,841
Accrued payroll and related liabilities	24,797	2,590
Accrued paid time-off	30,529	45,146
Line of credit	-	85,000
Refundable advances	180,730	135,898
Note payable	<u>-</u>	<u>33,658</u>
Total Liabilities	<u>291,560</u>	<u>334,133</u>
<b>NET ASSETS</b>		
Unrestricted	935,638	970,073
Temporarily restricted	<u>60,064</u>	<u>58,467</u>
Total Net Assets	<u>995,702</u>	<u>1,028,540</u>
Total Liabilities and Net Assets	<u>\$ 1,287,262</u>	<u>\$ 1,362,673</u>

See Notes to Financial Statements

**CARE OF SOUTHEASTERN MICHIGAN**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2015 AND 2014**

	2015	2014
<b>Unrestricted Net Assets:</b>		
<b>Revenues, Gains, and Other Support:</b>		
Grants and awards -		
Governmental Agencies -		
MCOSA	\$ 1,114,807	\$ 1,088,561
Other	425,765	656,918
Other grants and awards	112,280	120,669
	1,652,852	1,866,148
MCOSA fees -		
Participant fees and collections	95,690	78,863
Medicaid/Adult Benefit Waiver	226,417	240,204
Other fees	415,815	384,256
Miscellaneous	100,794	82,038
Investment return	( 7,483)	6,392
Net assets released from restrictions	403	-
	2,484,488	2,657,901
<b>Expenses and Losses:</b>		
Program services	2,089,366	2,528,271
Supporting services	429,557	135,526
	2,518,923	2,663,797
Change in Unrestricted Net Assets	( 34,435)	( 5,896)
Unrestricted Net Assets at the beginning of the year	970,073	975,969
<b>Unrestricted Net Assets at the end of the year</b>	935,638	970,073
<b>Temporarily Restricted Net Assets:</b>		
Revenues, Gains, and Other Support:		
Other	2,000	10,546
Net Assets released from restriction	( 403)	-
Change in Temporarily Restricted Net Assets	1,597	10,546
Temporarily Restricted Net Assets at the beginning of the year	58,467	47,921
<b>Temporarily Restricted Net Assets at the end of the year</b>	60,064	58,467
<b>Total Net Assets at the end of the year</b>	\$ 995,702	\$ 1,028,540

See Notes to Financial Statements

**CARE OF SOUTHEASTERN MICHIGAN**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED SEPTEMBER 30, 2015  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	Program Services	Supporting Services			Total	
		General and Administrative	Fundraising	Total	2015	2014
Wages and salaries	\$ 1,339,414	\$ 223,049	\$ 72,072	\$ 295,121	\$ 1,634,535	\$ 1,808,421
Fringe benefits	273,673	47,825	14,585	62,410	336,083	418,133
	<u>1,613,087</u>	<u>270,874</u>	<u>86,657</u>	<u>357,531</u>	<u>1,970,618</u>	<u>2,226,554</u>
Supplies and materials -						
Office	92,496	3,072	6,962	10,034	102,530	79,500
Education/training	27,836	-	-	-	27,836	21,475
Printing	10,386	-	4,008	4,008	14,394	7,371
Cleaning supplies	7,717	-	516	516	8,233	8,116
Postage	5,426	-	1,305	1,305	6,731	7,085
Travel -						
Mileage and parking	53,284	-	1,004	1,004	54,288	46,147
Airfare	392	-	-	-	392	1,246
Lodging	462	-	13	13	475	2,990
Per diem	75	-	-	-	75	942
Ground transportation	-	-	-	-	-	140
Conferences	7,313	-	566	566	7,879	5,859
Other -						
Affiliate network	17,865	-	-	-	17,865	12,150
Assistance to clients	15,697	-	-	-	15,697	17,184
Organizational expenses	19,738	186	714	900	20,638	24,100
Contractual labor	29,396	-	253	253	29,649	23,611
Computer labor/ hardware/software	23,507	-	2,388	2,388	25,895	36,328
Insurance	17,363	-	708	708	18,071	16,409
Rent	9,380	-	222	222	9,602	12,274
Trainer	23,775	-	-	-	23,775	1,826
Utilities	17,229	-	1,139	1,139	18,368	16,248
Maintenance and repair	20,607	16,742	1,360	18,102	38,709	13,088
Other	59,997	1,202	13,437	14,639	74,636	50,579
Depreciation	16,338	15,166	1,063	16,229	32,567	32,575
Total Expenses	<u>\$ 2,089,366</u>	<u>\$ 307,242</u>	<u>\$ 122,315</u>	<u>\$ 429,557</u>	<u>\$ 2,518,923</u>	<u>\$ 2,663,797</u>

See Notes to Financial Statements

**CARE OF SOUTHEASTERN MICHIGAN**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED SEPTEMBER 30, 2015 AND 2014**

	2015	2014
<b>Cash Flows from Operating Activities:</b>		
Change in Net Assets	\$( 32,838)	\$ 4,650
Adjustments to reconcile change in net assets to cash provided by operating activities:		
Depreciation expense	32,567	32,575
Unrealized loss (gain) on investments	15,877	( 5,500)
Changes in assets and liabilities:		
(Increase) decrease in -		
Receivables	( 4,917)	( 20,774)
Prepaid expenses	( 5,647)	( 974)
Increase (decrease) in -		
Accounts payable	23,663	( 402)
Accrued liabilities	7,590	2,241
Refundable advances	44,832	( 4,296)
<b>Net Cash Provided by Operating Activities</b>	<b>81,127</b>	<b>7,520</b>
<b>Cash Flows from Investing Activities:</b>		
Purchase of capital assets	( 24,200)	-
Purchase of investments	( 31,278)	-
<b>Net Cash Used in Investing Activities</b>	<b>( 55,478)</b>	<b>-</b>
<b>Cash Flows from Financing Activities:</b>		
Draws (payments) on line of credit	( 85,000)	10,000
Payments on note payable	( 33,658)	( 38,235)
<b>Net Cash Used in Financing Activities</b>	<b>( 118,658)</b>	<b>( 28,235)</b>
Decrease in Cash and Cash Equivalents	( 93,009)	( 20,715)
<b>Cash and Cash Equivalents at beginning of year</b>	<b>377,791</b>	<b>398,506</b>
<b>Cash and Cash Equivalents at end of year</b>	<b>\$ 284,782</b>	<b>\$ 377,791</b>
<b>Supplementary Information for Statement of Cash Flows:</b>		
Interest paid on long-term debt	<b>\$ 1,203</b>	<b>\$ 3,273</b>

See Notes to Financial Statements



# CARE OF SOUTHEASTERN MICHIGAN

## NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2015

### NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

#### DESCRIPTION OF ORGANIZATION:

CARE of Southeastern Michigan's mission is to educate, link, and support individuals, families, businesses and communities affected by family concerns, workplace challenges, mental health conditions, and the misuse of alcohol, tobacco, and other drugs.

#### SIGNIFICANT ACCOUNTING POLICIES:

The Organization's accounting policies are in accordance with accounting principles generally accepted in the United States of America. The following is a summary of policies, which are considered significant to the Organization:

**BASIS OF ACCOUNTING** - The financial statements of the Organization are reported on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America for not-for-profit organizations.

**BASIS OF PRESENTATION** - Financial statement presentation follows the requirements of the Financial Accounting Standards Board in its Accounting Standards Codification (ASC) Statement 958. In accordance with ASC 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Organization has no permanently restricted net assets.

A description of the types of programs utilized by the Organization is as follows:

Macomb County Office of Substance Abuse (MCOSA) Programs -

- Prevention Program - Provides education and training to individuals, families, and community groups to reduce the misuse of alcohol, tobacco, and other drugs.
- Pathways to Potential - Provides trauma informed and culturally competent evidence based strategies to reduce underage drinking and prescription drug abuse in the Warren-Centerline community.
- Case Management Services - Provides assessment, planning, service coordination, and recovery support for individuals involved with methadone treatment and women seeking substance abuse treatment.
- DHHS Collaborative Project - This project is a collaboration between MCOSA and the Michigan Department of Health and Human Services (DHHS) to operate the Substance Abuse Supportive Services (SASS) Program. Case managers are employed to provide intensive case management services to parents referred by DHHS. Case managers provide assessments and referrals for treatment, aftercare support, and crisis intervention.

# CARE OF SOUTHEASTERN MICHIGAN

## NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2015

### NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (cont'd):

- Peer Recovery Coaching - Provides peer recovery coaches to act as mentors, motivators, allies, role models, problem solvers, and advocates to the individuals being served to better develop and enhance their resources and skills to manage their recovery.

#### Other Programs -

- CARE provides a number of programs funded through grants, contracts, contractual agreements, fees, and fundraising efforts. Additional funding sources include contractual agreements with businesses and schools to provide employee assistance and student assistance services, Detroit Wayne Mental Health Authority, Michigan Department of Health and Human Services, Prisoner Re-entry, Macomb Intermediate School District – Great Start Initiative, and the United Way.

**CASH AND CASH EQUIVALENTS** - The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

**INVESTMENTS** - The Organization reports its investments in accordance with generally accepted accounting principles for not-for-profit organizations, which establish accounting standards for investments in certain equity securities and for all debt securities. The guidance prescribes that covered investments be reported in the statement of financial position at fair value with any realized or unrealized gains or losses reported in the Statement of Activities. Donated investments are recorded at the “fair” value on the date received and thereafter carried in accordance with the above provisions. Investments are composed of mutual funds and preferred stocks carried at fair value, and fixed annuities carried at contract value, which approximates fair value.

Investment income is recognized as revenue in the period it is earned and gains and losses are recognized as changes in net assets in the accounting period in which they occur.

**ACCOUNTS RECEIVABLE** - Accounts receivable consists of amounts due for fees and other reimbursements and amounts due from funding sources as of September 30, for the reimbursement of allowable grant expenditures for services and goods incurred by the Organization. Based on management’s estimate, no allowance for doubtful accounts has been established due to the nature of the receivables.

**PROPERTY AND EQUIPMENT** - Property and equipment consists of building, building improvements, furniture and fixtures, and computer equipment and are stated at cost at the date of purchase or at fair market value at the date of donation. Assets are defined by the Organization as assets with an initial individual cost of more than \$5,000. Major additions are capitalized, while maintenance and repairs, which do not improve or extend the life of the respective assets, are expensed currently. Gains and losses from disposals are included in earnings. Depreciation is computed on the straight-line method over the life of the assets.

# CARE OF SOUTHEASTERN MICHIGAN

## NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2015

### NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (cont'd):

The estimated useful lives of the assets are as follows:

Building and improvements	7 - 40 years
Furniture and fixtures	5 - 7 years
Computer and software	3 - 7 years

**ACCRUED PAID TIME-OFF** - Individual employees have vested rights upon lay-off to receive payments for unused time-off under limits and conditions specified in the personnel policies of the Organization.

**INCOME TAXES** - The Organization is a nonprofit corporation and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax exempt purpose is subject to taxation as unrelated business income.

**REFUNDABLE ADVANCES** - Refundable advances represent unexpended grant funds received at the Organization's year-end. The funds are approved for use in future or ongoing programs and are not earned in the current year.

**GRANT REVENUES** - The major source of revenue from the Organization is from grants. The funds available under grants and contracts are recognized as revenue in the accounting period when the expenditures are incurred and the grant funds earned.

**FUNCTIONAL EXPENSES** - Expenses are charged directly to a program based on specific identification. The Organization operates predominately based on grants and performs fundraising activities for special events related to the grant programs. Indirect expenditures have been allocated based on a percentage of wages of direct program personnel for each program to the total wages of direct program personnel, the number of clients served, or building square footage, whichever most directly applies. In prior years, administrative costs directly attributable to grants were reported as part of program services. For 2015, the administrative costs directly related to grants are reported as supporting services (general and administrative).

**ESTIMATES** - In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**COMPARATIVE DATA** - The financial statements include certain prior-year summarized comparative information in total but not by the functional classification. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended September 30, 2014 from which the summarized information was derived.

**CARE OF SOUTHEASTERN MICHIGAN**

**NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2015**

**NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (cont'd):**

In prior years, administrative costs directly attributable to grants were reported as part of program services. For 2015, the administrative costs directly related to grants are reported as supporting services (general and administrative).

**SUBSEQUENT EVENTS** - In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through April 5, 2016, the date the financial statements were available to be issued.

**NOTE 2 - CASH, CASH EQUIVALENTS, AND INVESTMENTS:**

**Concentration of Credit Risk -**

Financial instruments that potentially subject CARE of Southeastern Michigan to credit risk include cash and cash equivalents on deposit with financial institutions. At September 30, 2015, the Organization had bank balances of \$353,967 at financial institutions, all of which was covered by depository insurance.

**Investments -**

At September 30, investments of the Organization consist of the following:

	<u>2015</u>	<u>2014</u>
Mutual Funds	\$ 190,589	\$ 175,050
Preferred Stocks	<u>5,790</u>	<u>5,928</u>
Total	<u>\$ 196,379</u>	<u>\$ 180,978</u>

The Organization had the following return on investment for the year ended September 30:

	<u>2015</u>	<u>2014</u>
Interest and Dividends	\$ 8,394	\$ 892
Unrealized (Loss) Gain on Investments	<u>(15,877)</u>	<u>5,500</u>
Total	<u>\$( 7,483)</u>	<u>\$ 6,392</u>

**NOTE 3 - CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS:**

CARE of Southeastern Michigan's operations are concentrated in substance abuse funded by Macomb County Office of Substance Abuse (MCOSA). MCOSA grants and fees represent \$1,436,914 or 58% of total revenue for the year ended September 30, 2015. Receivables from MCOSA of \$219,229 represent 75% of receivables at September 30, 2015.

**CARE OF SOUTHEASTERN MICHIGAN**

**NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2015**

**NOTE 4 - CAPITAL ASSETS:**

The following is a summary of capital assets at September 30, 2015:

Building and improvements	\$ 785,271
Furniture and fixtures	57,525
Computer and software	<u>132,621</u>
	975,417
Accumulated depreciation	( <u>506,448</u> )
	<u>\$ 468,969</u>

Depreciation expense for the year ended September 30, 2015 was \$32,567.

**NOTE 5 - FAIR VALUE MEASUREMENTS:**

In accordance with ASC 820, CARE of Southeastern Michigan uses fair value measurements to record adjustments to certain assets. The ASC 820 defines fair value as “the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.” The Codification also sets out a fair value hierarchy ranking the levels of the inputs used as assumptions in the valuation techniques used to value an asset or liability. The fair value hierarchy gives the highest priority to quoted prices in an active market for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of hierarchy are described as follows:

Level 1 - inputs are quoted market prices in active markets for identical assets or liabilities that are accessible at the measurement date. An active market is a market in which transactions of the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - inputs are from other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs include quoted market prices of similar assets or liabilities in active markets, quoted market prices for identical or similar assets or liabilities in markets that are not active, and pricing models developed principally from inputs from or corroborated by observable market data by correlation or other means.

Level 3 - inputs are unobservable and allowed in situations where there is little, if any, market activity for the assets or liabilities at the measurement date. These inputs reflect the reporting entity’s own assumptions about assumptions that would be used by market participants.

The following table presents the Organization’s fair value hierarchy for the assets and liabilities measured at fair value as of September 30, 2015:

**Assets Measured at Fair Value on a Recurring Basis:**

	Total	Level 1	Level 2	Level 3
Investments -				
Mutual Funds	\$ 190,589	\$ 190,589	\$ -	\$ -
Preferred Stocks	<u>5,790</u>	<u>5,790</u>	<u>-</u>	<u>-</u>
	<u>\$ 196,379</u>	<u>\$ 196,379</u>	<u>\$ -</u>	<u>\$ -</u>

Level 1 classification consists of mutual funds and preferred stocks with observable market prices.

# CARE OF SOUTHEASTERN MICHIGAN

## NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2015

### **NOTE 6 - LINE OF CREDIT:**

The Organization has a line of credit dated April 19, 2012 with a maximum amount to draw of \$200,000 through April 19, 2016. The line of credit has a variable interest rate and any outstanding obligation is collateralized by the assets of the Organization. At September 30, 2015, the Organization had \$0 outstanding.

### **NOTE 7 - CONTINGENT LIABILITIES:**

In the normal course of operations, the Organization participates in various federal or state grant programs from year to year. The grant programs are often subject to additional audits by agents of the grantor's, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement, which may arise as a result of these audits, cannot be reasonably determined at this time, although management believes the amount, if any, would not be material.

### **NOTE 8 - TEMPORARILY RESTRICTED NET ASSETS:**

Temporarily restricted net assets represent restricted programs in which the net assets must be used for purposes in which the grants pertain.

In 2004, Nonprofit Finance Fund awarded CARE a conditional grant in the amount of \$39,360 over ten years (June 1, 2004 thru May 31, 2014) to support the creation of a building reserve fund to be used to carry out specified building system replacements. In addition, it awarded CARE annual matching grants of up to \$2,000 for reimbursement of preventative maintenance contract expenses. Receipt of these funds is conditional upon: 1) meeting 1:1 matching grant requirements by depositing funds into a designated building reserve account; and 2) carrying out specified building system replacements or preventative maintenance as approved by the grantor. At September 30, 2015, CARE had accumulated grants and matching amounts of \$60,064, which is to be used for building maintenance and improvements.

**SUPPLEMENTARY FINANCIAL INFORMATION**

**CARE OF SOUTHEASTERN MICHIGAN**

**COMBINING SCHEDULE OF EXPENSES - MCOSA PROGRAMS  
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	<u>Prevention</u>	<u>Pathways to Potential</u>	<u>Case Management</u>	<u>DHHS Collaborative</u>	<u>Peer Recovery Coaching</u>	<u>Total</u>
Wages and salaries	\$ 428,347	\$ 26,309	\$ 79,305	\$ 152,119	\$ 327,202	\$ 1,013,282
Fringe benefits	83,969	2,856	13,808	39,381	57,322	197,336
	<u>512,316</u>	<u>29,165</u>	<u>93,113</u>	<u>191,500</u>	<u>384,524</u>	<u>1,210,618</u>
Supplies and materials -						
Office	18,271	28,535	6,255	4,743	16,754	74,558
Education/training	19,484	5,988	156	-	86	25,714
Printing	925	5,410	1,190	163	473	8,161
Cleaning supplies	2,733	66	514	804	876	4,993
Postage	2,305	150	171	289	416	3,331
Travel -						
Mileage and parking	11,637	852	3,010	3,054	25,652	44,205
Airfare	-	392	-	-	-	392
Lodging	81	152	17	34	70	354
Per diem	3	63	1	1	3	71
Conferences	1,407	-	729	97	4,393	6,626
Other -						
Assistance to clients	-	-	1,620	4,241	5,479	11,340
Organizational expenses	5,470	-	693	1,450	5,638	13,251
Contractual labor	21,587	-	-	-	-	21,587
Computer labor/ hardware/software	5,117	1,478	4,156	1,619	5,590	17,960
Insurance	4,545	96	967	1,891	3,869	11,368
Rent	1,214	32	213	361	390	2,210
Trainer	-	21,283	-	-	-	21,283
Utilities	6,049	154	1,144	1,802	2,013	11,162
Maintenance and repair	7,134	238	1,355	2,118	2,586	13,431
Other	10,963	460	1,474	3,730	24,671	41,298
Depreciation	5,888	175	1,002	1,764	1,907	10,736
Total Expenses	<u>\$ 637,129</u>	<u>\$ 94,689</u>	<u>\$ 117,780</u>	<u>\$ 219,661</u>	<u>\$ 485,390</u>	<u>\$ 1,554,649</u>



**CARE OF SOUTHEASTERN MICHIGAN**

**COMBINING SCHEDULE OF EXPENSES - OTHER PROGRAMS  
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Fee Based Assessments	DWMHA	WorkLife Solutions	Student Assistance Center	Prisoner Re-entry
Wages and salaries	\$ 29,459	\$ 49,622	\$ 172,875	\$ 68,280	\$ 127,046
Fringe benefits	5,950	11,500	39,487	13,132	28,697
	<u>35,409</u>	<u>61,122</u>	<u>212,362</u>	<u>81,412</u>	<u>155,743</u>
Supplies and materials -					
Office	1,210	3,036	6,062	1,757	2,807
Education and training	-	1,728	344	50	-
Printing	186	84	1,842	108	3
Cleaning supplies	567	78	941	573	88
Postage	161	111	919	621	63
Travel -					
Mileage and parking	81	1,408	1,775	484	1,714
Airfare	-	-	-	-	-
Lodging	9	10	27	14	29
Per diem	-	-	1	1	1
Ground transportation	-	-	-	-	-
Conferences	24	29	118	40	423
Other -					
Affiliate network	-	-	17,865	-	-
Assistance to clients	-	-	-	-	-
Organizational expenses	337	423	3,040	563	1,048
Contractual labor	-	35	25	-	-
Computer labor					
hardware/software	523	507	1,403	657	1,362
Insurance	467	572	1,530	763	1,630
Rent	231	6,039	407	239	37
Trainer	-	235	2,257	-	-
Utilities	1,238	190	2,083	1,263	232
Maintenance and repair	1,492	206	2,478	1,510	234
Other	446	878	14,913	1,131	73
Depreciation	1,078	197	1,949	1,127	179
	<u>43,459</u>	<u>76,888</u>	<u>272,341</u>	<u>92,313</u>	<u>165,666</u>
Total Expenses	<u>\$ 43,459</u>	<u>\$ 76,888</u>	<u>\$ 272,341</u>	<u>\$ 92,313</u>	<u>\$ 165,666</u>

	Flinn	United Way	Special Projects	Total
Wages and salaries	\$ 3,990	\$ 78,317	\$ 33,170	\$ 562,759
Fringe benefits	565	18,296	7,574	125,201
	<u>4,555</u>	<u>96,613</u>	<u>40,744</u>	<u>687,960</u>
Supplies and materials -				
Office	26	2,998	2,660	20,556
Education and training	-	-	-	2,122
Printing	-	2	-	2,225
Cleaning supplies	-	197	280	2,724
Postage	-	75	145	2,095
Travel -				
Mileage and parking	70	3,509	38	9,079
Airfare	-	-	-	-
Lodging	-	16	3	108
Per diem	-	1	-	4
Ground transportation	-	-	-	-
Conferences	-	46	7	687
Other -				
Affiliate network	-	-	-	17,865
Assistance to clients	-	695	3,662	4,357
Organizational expenses	-	701	375	6,487
Contractual labor	5,750	-	1,999	7,809
Computer labor				
hardware/software	-	827	268	5,547
Insurance	-	884	149	5,995
Rent	-	93	124	7,170
Trainer	-	-	-	2,492
Utilities	-	452	609	6,067
Maintenance and repair	-	518	738	7,176
Other	2	1,098	158	18,699
Depreciation	-	469	603	5,602
Total Expenses	<u>\$ 10,403</u>	<u>\$ 109,194</u>	<u>\$ 52,562</u>	<u>\$ 822,826</u>

**CARE OF SOUTHEASTERN MICHIGAN**

**SCHEDULE OF BUDGETED, REPORTED, AND AUDITED AMOUNTS - MCOSA PROGRAMS  
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	<u>Final Budget</u>	<u>Reported Amounts</u>	<u>Audited Amounts</u>	<u>Variance</u>
<b>PREVENTION</b>				
Expenses:				
Salaries and wages	\$ 424,661	\$ 428,347	\$ 428,347	\$ -
Fringe benefits	84,942	83,969	83,969	-
Supplies and materials	43,634	43,718	43,718	-
Travel and conferences	11,922	13,128	13,128	-
Other	68,960	67,967	67,967	-
Total Expenses	<u>\$ 634,119</u>	<u>\$ 637,129</u>	<u>\$ 637,129</u>	<u>\$ -</u>
Funding Sources:				
Macomb County Office of Substance Abuse	\$ 543,638	\$ 541,439	\$ 541,439	\$ -
Fees and collections	90,481	95,690	95,690	-
Total Funding Sources	<u>\$ 634,119</u>	<u>\$ 637,129</u>	<u>\$ 637,129</u>	<u>\$ -</u>
<b>PATHWAYS TO POTENTIAL</b>				
Expenses:				
Salaries and wages	\$ 26,497	\$ 26,309	\$ 26,309	\$ -
Fringe benefits	3,834	2,856	2,856	-
Supplies and materials	27,255	25,998	40,149	( 14,151) a)
Travel and conferences	1,500	659	1,459	( 800) a)
Other	36,377	38,867	23,916	14,951 a)
Total Expenses	<u>\$ 95,463</u>	<u>\$ 94,689</u>	<u>\$ 94,689</u>	<u>\$ -</u>
Funding Sources:				
Macomb County Office of Substance Abuse	<u>\$ 95,463</u>	<u>\$ 94,689</u>	<u>\$ 94,689</u>	<u>\$ -</u>
<b>CASE MANAGEMENT</b>				
Expenses:				
Salaries and wages	\$ 77,984	\$ 79,305	\$ 79,305	\$ -
Fringe benefits	19,378	13,808	13,808	-
Supplies and materials	12,523	12,984	8,286	4,698 a)
Travel and conferences	4,812	3,757	3,757	-
Other	8,773	7,926	12,624	( 4,698) a)
Total Expenses	<u>\$ 123,470</u>	<u>\$ 117,780</u>	<u>\$ 117,780</u>	<u>\$ -</u>
Funding Sources:				
Macomb County Office of Substance Abuse	<u>\$ 123,470</u>	<u>\$ 117,780</u>	<u>\$ 117,780</u>	<u>\$ -</u>

**CARE OF SOUTHEASTERN MICHIGAN**

**SCHEDULE OF BUDGETED, REPORTED, AND AUDITED AMOUNTS - MCOSA PROGRAMS  
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	<u>Final Budget</u>	<u>Reported Amounts</u>	<u>Audited Amounts</u>	<u>Variance</u>
<b>DHHS COLLABORATIVE</b>				
Expenses:				
Salaries and wages	\$ 180,535	\$ 152,119	\$ 152,119	\$ -
Fringe benefits	59,766	39,381	39,381	-
Supplies and materials	5,257	4,777	5,999	( 1,222) a)
Travel and conferences	8,394	3,092	3,186	( 94) a)
Other	<u>22,258</u>	<u>20,292</u>	<u>18,976</u>	<u>1,316 a)</u>
Total Expenses	<u>\$ 276,210</u>	<u>\$ 219,661</u>	<u>\$ 219,661</u>	<u>\$ -</u>
Funding Sources:				
Macomb County Office of Substance Abuse	\$ 108,804	\$ 107,309	\$ 107,309	\$ -
Department of Health & Human Services	<u>149,588</u>	<u>112,352</u>	<u>112,352</u>	<u>-</u>
Total Funding Sources	<u>\$ 258,392</u>	<u>\$ 219,661</u>	<u>\$ 219,661</u>	<u>\$ -</u>
<b>PEER RECOVERY COACHING</b>				
Expenses:				
Salaries and wages	\$ 326,185	\$ 322,202	\$ 327,202	\$( 5,000)
Fringe benefits	58,636	56,939	57,322	( 383)
Supplies and materials	18,282	18,605	18,605	-
Travel and conferences	33,668	30,118	30,118	-
Other	<u>30,223</u>	<u>33,209</u>	<u>52,143</u>	<u>( 18,934) b)</u>
Total Expenses	<u>\$ 466,994</u>	<u>\$ 461,073</u>	<u>\$ 485,390</u>	<u>\$( 24,317)</u>
Funding Sources:				
Macomb County Office of Substance Abuse	\$ 280,906	\$ 285,865	\$ 253,590	\$ 32,275
Fees and collections - Medicaid/Adult Benefit Waiver	<u>186,088</u>	<u>175,208</u>	<u>226,417</u>	<u>( 51,209)</u>
Total Funding Sources	<u>\$ 466,994</u>	<u>\$ 461,073</u>	<u>\$ 480,007</u>	<u>\$( 18,934) b)</u>

a) These variances are a result of the grant including the expense in a different line item than where it is reported in the audit.

b) This variance is due to the claims/use tax that are paid on the Medicaid monies received