

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

FINANCIAL STATEMENTS
(With Supplementary Information)

September 30, 2017 and 2016

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

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INDEPENDENT AUDITOR'S REPORT

April 2, 2018

To the Board of Directors
CARE of Southeastern Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of CARE of Southeastern Michigan ("CARE," a Michigan non-profit Corporation), which comprise the statement of financial position as of September 30, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, as well as the related notes to the financial statements.

Management's Responsibility for the Financial Statements

CARE's 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 CARE'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 CARE's internal control. Accordingly, we express no such opinion.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Auditor's Responsibility (continued)

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 as of September 30, 2017, and the changes 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.

Prior-Year Financial Statements

The financial statements of CARE as of, and for the year ended, September 30, 2016 were audited by other auditors whose report dated February 20, 2017 expressed an unmodified opinion on those statements.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report, dated April 2, 2018, on our consideration of CARE'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's internal control over financial reporting and compliance.


CERTIFIED PUBLIC ACCOUNTANTS
Detroit, Michigan

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

STATEMENTS OF FINANCIAL POSITION

September 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 269,864	\$ 131,287
Grants receivable (no allowance considered necessary)	427,298	458,432
Accounts receivable (no allowance considered necessary)	12,186	30,870
Prepaid expenses	38,925	50,948
	<u>748,273</u>	<u>671,537</u>
Total Current Assets		
	<u>748,273</u>	<u>671,537</u>
Other Assets:		
Investments (Note C)	221,296	207,885
Fixed assets, net (Note D)	429,874	454,705
	<u>651,170</u>	<u>662,590</u>
Total Other Assets		
	<u>651,170</u>	<u>662,590</u>
Total Assets	<u><u>\$ 1,399,443</u></u>	<u><u>\$ 1,334,127</u></u>

See notes to financial statements.

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

September 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	\$ 93,114	\$ 84,253
Accrued payroll and related liabilities	87,437	76,204
Line of credit (Note F)	-0-	65,367
Deferred grants	95,227	135,723
	<u>275,778</u>	<u>361,547</u>
Total Liabilities		
Net Assets:		
Unrestricted	952,766	914,936
Temporarily restricted (Note B)	170,899	57,644
	<u>1,123,665</u>	<u>972,580</u>
Total Net Assets		
Total Liabilities and Net Assets		
	<u><u>\$ 1,399,443</u></u>	<u><u>\$ 1,334,127</u></u>

See notes to financial statements.

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

STATEMENTS OF ACTIVITIES

For the Years Ended September 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Changes in Unrestricted Net Assets:		
Revenue and gains:		
Grants and awards:		
Governmental grants:		
Macomb County Office of Substance Abuse ("MCOSA")	\$ 1,689,785	\$ 1,286,669
Other governmental grants	549,666	445,183
Other grants and awards	221,845	180,845
	<u>2,461,296</u>	<u>1,912,697</u>
Total Grants and Awards	2,461,296	1,912,697
Other revenue and gains:		
Fees:		
MCOSA participant fees and collections	91,084	76,905
MCOSA Medicaid/Adult Benefit Waiver	-0-	235,630
Other fees	369,983	378,123
Miscellaneous income	116,569	94,032
Interest income	3,735	5,067
Net realized and unrealized gain on investments	10,111	7,574
	<u>3,052,778</u>	<u>2,710,028</u>
Total Unrestricted Revenue and Gains	3,052,778	2,710,028
Net assets released from restrictions (Note B)	17,184	2,420
	<u>17,184</u>	<u>2,420</u>
Total Unrestricted Revenue, Gains, and Other Support	<u>\$ 3,069,962</u>	<u>\$ 2,712,448</u>

See notes to financial statements.

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

STATEMENTS OF ACTIVITIES (CONTINUED)

For the Years Ended September 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Changes in Unrestricted Net Assets (continued):		
Expenses:		
Program services	\$ 2,483,472	\$ 2,254,435
Supporting services:		
Management and general	370,361	323,154
Fund raising	178,299	155,561
Total Supporting Services	548,660	478,715
Total Expenses	3,032,132	2,733,150
Net Increase (Decrease) in Unrestricted Net Assets	37,830	(20,702)
Changes in Temporarily Restricted Net Assets:		
Contributions	130,439	-0-
Net assets released from restrictions (Note B)	(17,184)	(2,420)
Net Increase (Decrease) in Temporarily Restricted Net Assets	113,255	(2,420)
Net Increase (Decrease) in Net Assets	151,085	(23,122)
Net Assets, Beginning of Year	972,580	995,702
Net Assets, End of Year	\$ 1,123,665	\$ 972,580

See notes to financial statements.

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

STATEMENTS OF FUNCTIONAL EXPENSES

**For the Year Ended September 30, 2017
(With Comparative Totals for the Year Ended September 30, 2016)**

	2017				Total Expenses	
	Supporting Services				2017	2016
	Program Services	Management and General	Fund Raising	Total Supporting Services		
Employee Compensation:						
Salaries and wages	\$ 1,574,012	\$ 291,147	\$ 91,649	\$ 382,796	\$ 1,956,808	\$ 1,742,554
Employee benefits	300,689	54,086	15,225	69,311	370,000	354,246
Total Employee Compensation	1,874,701	345,233	106,874	452,107	2,326,808	2,096,800
Supplies and Materials:						
Office	142,475	2,984	7,856	10,840	153,315	166,180
Education and training	25,361				25,361	23,539
Printing	4,356		7,011	7,011	11,367	7,172
Cleaning supplies	6,622		501	501	7,123	8,908
Postage	3,920		2,499	2,499	6,419	5,868
Total Supplies and Materials	182,734	2,984	17,867	20,851	203,585	211,667
Travel and Conferences:						
Mileage and parking	63,120		1,649	1,649	64,769	70,275
Conferences	10,603	586	99	685	11,288	21,226
Lodging and other	3,307		9	9	3,316	2,851
Total Travel and Conferences	77,030	586	1,757	2,343	79,373	94,352
Other Expenses:						
Affiliate network	26,813				26,813	21,150
Assistance to clients	26,103				26,103	14,950
Organizational expenses	21,701	13,080	529	13,609	35,310	28,521
Contractual labor	18,577		6,084	6,084	24,661	35,613
Computer expenses	104,184		4,023	4,023	108,207	50,992
Insurance	18,702		680	680	19,382	19,219
Rent	3,730		171	171	3,901	8,400
Trainer	14,228		34	34	14,262	17,224
Utilities	15,769		1,162	1,162	16,931	14,891
Repairs and maintenance	24,473		1,875	1,875	26,348	15,911
Depreciation	15,281	8,375	1,175	9,550	24,831	25,964
Miscellaneous expenses	59,446	103	36,068	36,171	95,617	77,496
Total Other Expenses	349,007	21,558	51,801	73,359	422,366	330,331
Total Expenses	\$ 2,483,472	\$ 370,361	\$ 178,299	\$ 548,660	\$ 3,032,132	\$ 2,733,150

See notes to financial statements.

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended September 30, 2016

	<u>Supporting Services</u>				<u>Total Expenses</u>
	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total Supporting Services</u>	
Employee Compensation:					
Salaries and wages	\$ 1,391,892	\$ 254,435	\$ 96,227	\$ 350,662	\$ 1,742,554
Employee benefits	287,339	51,809	15,098	66,907	354,246
Total Employee Compensation	1,679,231	306,244	111,325	417,569	2,096,800
Supplies and Materials:					
Office	155,046	5,375	5,759	11,134	166,180
Education and training	23,539				23,539
Printing	3,634		3,538	3,538	7,172
Cleaning supplies	8,397		511	511	8,908
Postage	4,366		1,502	1,502	5,868
Total Supplies and Materials	194,982	5,375	11,310	16,685	211,667
Travel and Conferences:					
Mileage and parking	68,666	122	1,487	1,609	70,275
Conferences	18,551	900	1,775	2,675	21,226
Lodging and other	2,837		14	14	2,851
Total Travel and Conferences	90,054	1,022	3,276	4,298	94,352
Other Expenses:					
Affiliate network	21,150				21,150
Assistance to clients	14,950				14,950
Organizational expenses	27,227		1,294	1,294	28,521
Contractual labor	28,102		7,511	7,511	35,613
Computer expenses	47,840		3,152	3,152	50,992
Insurance	18,423		796	796	19,219
Rent	8,262		138	138	8,400
Trainer	17,224				17,224
Utilities	14,052		839	839	14,891
Repairs and maintenance	14,856	170	885	1,055	15,911
Depreciation	15,511	9,507	946	10,453	25,964
Miscellaneous expenses	62,571	836	14,089	14,925	77,496
Total Other Expenses	290,168	10,513	29,650	40,163	330,331
Total Expenses	\$ 2,254,435	\$ 323,154	\$ 155,561	\$ 478,715	\$ 2,733,150

See notes to financial statements.

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

STATEMENTS OF CASH FLOWS

For the Years Ended September 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash Flows from Operating Activities:		
Net increase (decrease) in net assets	\$ 151,085	\$ (23,122)
Adjustments to reconcile net increase (decrease) in net assets to net cash provided (used) by operating activities:		
Depreciation	24,831	25,964
Net realized and unrealized gain on investments	(10,111)	(7,574)
(Increase) decrease in:		
Grants receivable	31,134	(174,786)
Accounts receivable	18,684	(21,001)
Prepaid expenses	12,023	(7,331)
Increase (decrease) in:		
Accounts payable	8,861	28,749
Accrued payroll and payroll liabilities	11,233	20,878
Deferred grants	(40,496)	(45,007)
	<u>207,244</u>	<u>(203,230)</u>
Net Cash Provided (Used) by Operating Activities		
Cash Flows from Investing Activities:		
Purchases of investments	(3,300)	(29,592)
Proceeds from sales of investments	-0-	25,660
Acquisition of fixed assets	-0-	(11,700)
	<u>(3,300)</u>	<u>(15,632)</u>
Net Cash Provided (Used) by Investing Activities		
Cash Flows from Financing Activities:		
Proceeds issued on line of credit	-0-	255,367
Payments on line of credit	(65,367)	(190,000)
	<u>(65,367)</u>	<u>(65,367)</u>
Net Cash Provided (Used) by Financing Activities	<u>\$ (65,367)</u>	<u>\$ 65,367</u>

See notes to financial statements.

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

STATEMENTS OF CASH FLOWS (CONTINUED)

For the Years Ended September 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 138,577	\$ (153,495)
Cash and Cash Equivalents Balance, Beginning of Year	<u>131,287</u>	<u>284,782</u>
Cash and Cash Equivalents Balance, End of Year	<u>\$ 269,864</u>	<u>\$ 131,287</u>
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the year for interest	<u>\$ -0-</u>	<u>\$ 836</u>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

September 30, 2017 and 2016

NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The mission of CARE of Southeastern Michigan (“CARE”) is to strengthen resiliency in people and their communities through prevention, education, and services that improve the quality of life. A description of the types of programs provided by CARE is as follows:

Macomb County Office of Substance Abuse (“MCOSA”) Programs

Prevention Program

This program provides education and training to individuals, families, and community groups to reduce the misuse of alcohol, tobacco, and other drugs.

Project VOX

This project is a grassroots collaborative comprised of individuals in recovery, their family members, friends, supporters, and allies. The purpose is to unify the voices of individuals who are living with a substance abuse disorder in order to reshape public attitudes and eliminate the stigma toward addiction.

Case Management Services

This program provides assessment, planning, service coordination, and recovery support for individuals involved with methadone treatment and women seeking substance abuse treatment.

Michigan Department of Health and Human Services Collaborative Project

This project is a collaborative between MCOSA and the Michigan Department of Health and Human Services (“DHHS”) to operate the Substance Abuse Supportive Services 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.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2017 and 2016

NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Nature of Activities (continued)

MCOSA Programs (continued)

Peer Recovery Coaching

This program provides peer recovery coaches to act as mentors, motivators, allies, role model, problem solvers, and advocates to the individuals being served to better develop and enhance their resources and skills to manage their recovery.

Partnership for Success

This program builds upon the experience and established prevention infrastructures to address top substance abuse prevention priorities in communities of high need.

Opioid Overdose Peer

This program provides peer recovery coaches at local hospitals to connect individuals who have experienced an overdose or are abusing drugs or alcohol to treatment and recovery services. The program uses a Screening, Brief Intervention, and Referral to Treatment (“SBIRT”) model.

Drug Court Peer

This program provides peer recovery coaching services in partnership with local drug and sobriety courts to support individuals on their journey to recovery from drug or alcohol abuse.

Project Assert

This program provides peer recovery coaching at local hospitals to screen and connect individuals to treatment services using a SBIRT model.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2017 and 2016

NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Nature of Activities (continued)

MCOSA Programs (continued)

Maintaining Independence and Sobriety through Systems Integration, Outreach, and Networking (“MISSION”)

This program provides case management and peer coaching services to individuals who have a history of an opioid addiction and mental illness and are returning to the community after a period of incarceration.

Other Programs

CARE provides a number of programs funded through grants, contracts, contractual agreements, fees, and fund raising efforts. Additional funding sources include contractual agreements with businesses and schools to provide employee assistance and student assistance services, the Detroit Wayne Mental Health Authority, DHHS, the Friend of the Court, Prisoner Re-entry, the Macomb Intermediate School District – Great Start Initiative, the County of Macomb Community Corrections, Lakeshore Legal Aid, and the United Way for Southeastern Michigan.

Principles of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Financial Statement Presentation

CARE reports 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.

Cash Equivalents

For purposes of the statements of cash flows, CARE considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2017 and 2016

NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recognition of Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. CARE reports contributions of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statements of activities as net assets released from restrictions.

Grants

Grants are recorded as receivable when earned. Grant revenue is deferred to the extent that the funds are restricted for use in future periods.

Grant revenue is reported at estimated net realizable amounts for services rendered and includes estimated retroactive adjustments due to future audits, reviews, and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews, and investigations.

Use of Estimates

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 and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Fixed Assets

Fixed assets are recorded at cost and are depreciated over their estimated useful lives using the straight-line method of depreciation. The estimated useful lives range from three to 40 years. CARE capitalizes all expenditures for fixed assets in excess of \$5,000. For grant purposes, equipment purchases used specifically for funded programs are reported as an expense.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2017 and 2016

NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

CARE's investments are stated at fair value. Fair value is defined 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 (an exit price).

Investments in preferred stocks are valued at quoted market prices. Investments in registered investment companies are valued at quoted market prices, which represent the net asset value of shares held by CARE as of the end of the year.

Purchases and sales of investments are reflected on a trade-date basis. Gains and losses on sales of securities are based on average costs. Dividend income is recorded on the ex-dividend date. Net appreciation includes gains and losses on investments bought and sold, as well as held, during the year. Realized gains and losses represent the difference between the proceeds received and the cost of investments sold. Unrealized gains and losses represent the change in the fair value of investments during the year.

Tax-Exempt Status

No provision has been established for income taxes since CARE is exempt from income taxes under Internal Revenue Code section 501(c)(3) and is not classified as a private foundation by the Internal Revenue Service. CARE's management is not aware of any unrecognized tax benefits as of September 30, 2017 or 2016.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Fair Value Measurements

CARE uses fair value measurements in the preparation of its financial statements, which utilize various inputs, including those that can be readily observable, corroborated, or are generally unobservable. CARE utilizes market-based data and valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2017 and 2016

NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (continued)

Additionally, CARE applies assumptions that market participants would use in pricing an asset or liability, including assumptions about risk.

The measurement of fair value includes a hierarchy based on the quality of inputs used to measure fair value and provides specific disclosure requirements based on the hierarchy. Financial assets and liabilities are categorized into a three-level fair value hierarchy based on the inputs to the valuations technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable inputs.

The various levels of the fair value hierarchy are described as follows:

- Level 1 - Financial assets and liabilities whose values are based on unadjusted quoted market prices for identical assets and liabilities in an active market that CARE has the ability to access
- Level 2 - Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable for substantially the full term of the asset or liability
- Level 3 - Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement

The use of observable market data, when available, in making fair value measurements is required. When inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement.

Concentration of Credit Risk

Financial instruments which potentially subject CARE to concentrations of credit risk consist principally of cash, cash equivalents, grants receivable, and investments.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2017 and 2016

NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Concentration of Credit Risk (continued)

Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limit of \$250,000 per depositor at each financial institution. Cash and cash equivalents on deposit did not exceed the federally insured limit as of September 30, 2017. Grants receivable are due from various agencies as reimbursements to CARE for the costs of providing various program services. As discussed in Note C, investments are diversified among various registered investment companies and preferred stocks.

Significant Providers

CARE's operations are concentrated in substance abuse programs funded by MCOSA. MCOSA grants and fees totaled \$1,795,062 and \$1,599,204 for the years ended September 30, 2017 and 2016, respectively, or 54 percent and 59 percent of total revenue for the years ended September 30, 2017 and 2016, respectively. Amounts receivable from MCOSA were \$327,939 and \$392,214 as of September 30, 2017 and 2016, respectively.

Reclassifications

Certain reclassifications have been made to the accompanying financial statements as of, and for the year ended, September 30, 2016 to conform to the classifications used as of, and for the year ended, September 30, 2017.

Subsequent Events

CARE has evaluated subsequent events through April 2, 2018, the date that the accompanying financial statements were available to be issued.

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2017 and 2016

NOTE B - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available as of September 30, 2017 and 2016 for the following programs:

	<u>2017</u>	<u>2016</u>
Restricted for program activities:		
Operation Rx	\$ 97,134	\$ -0-
Building for the Future	55,224	57,644
Outpatient Program	14,165	-0-
Prevention T3	1,663	-0-
For clients	1,556	-0-
Project VOX	1,157	-0-
	<u>\$ 170,899</u>	<u>\$ 57,644</u>

Net assets were released from donor restrictions during the years ended September 30, 2017 and 2016 by incurring expenses satisfying the restricted purposes specified by donors, or by occurrence of other events specified by donors, as follows:

	<u>2017</u>	<u>2016</u>
Purpose restrictions accomplished for the following programs or purposes:		
Operation Rx	\$ 2,866	\$ -0-
Building for the Future	2,420	2,420
Outpatient Program	523	-0-
Prevention T3	1,429	-0-
Project VOX	9,946	-0-
	<u>\$ 17,184</u>	<u>\$ 2,420</u>

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2017 and 2016

NOTE C – INVESTMENTS AND FAIR VALUE

CARE's fair value hierarchy for those assets measured at fair value on a recurring basis as of September 30, 2017 and 2016 are summarized as follows:

	<u>Fair Value Measurements</u>			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
2017				
Assets:				
Investments at fair value:				
Registered investment companies	\$ 215,474	\$ -0-	\$ -0-	\$ 215,474
Preferred stocks	5,822			5,822
Total Investments	221,296	-0-	-0-	221,296
Cash and cash equivalents	269,864			269,864
	<u>\$ 491,160</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 491,160</u>
2016				
Assets:				
Investments at fair value:				
Registered investment companies	\$ 201,960	\$ -0-	\$ -0-	\$ 201,960
Preferred stocks	5,925			5,925
Total Investments	207,885	-0-	-0-	207,885
Cash and cash equivalents	131,287			131,287
	<u>\$ 339,172</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 339,172</u>

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2017 and 2016

NOTE D - FIXED ASSETS

Fixed assets are summarized by major classifications as follows as of September 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Buildings and improvements	\$ 785,271	\$ 785,271
Furniture and fixtures	54,126	54,126
Computer and software	<u>28,106</u>	<u>28,106</u>
	867,503	867,503
Less: Accumulated depreciation	<u>(437,629)</u>	<u>(412,798)</u>
	<u><u>\$ 429,874</u></u>	<u><u>\$ 454,705</u></u>

NOTE E - LEASES

CARE leases equipment under operating leases that expire at various dates through September 2022. Future payments on these leases as of September 30, 2017 are as follows:

For the Years Ending September 30:	
2018	\$ 8,335
2019	8,098
2020	7,387
2021	7,387
2022	<u>7,387</u>
Total Minimum Lease Payments	<u><u>\$ 38,594</u></u>

Rental expense for the years ended September 30, 2017 and 2016 was \$7,925 per year.

NOTE F – LINE OF CREDIT

CARE has a \$200,000 line of credit with a bank. The line of credit has a variable interest rate and is secured by the assets of CARE. The outstanding balance on the line of credit was \$-0- and \$65,367 as of September 30, 2017 and 2016, respectively.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2017 and 2016

NOTE G - NEW ACCOUNTING PRONOUNCEMENTS

The Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2014-09, *Revenue from Contracts with Customers*, in May 2014. The objectives of this ASU are to improve upon revenue recognition requirements by providing a single comprehensive model to determine the measurement of revenue and timing of recognition. The core principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. This ASU also requires expanded qualitative and quantitative disclosures regarding the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. ASU 2014-09 applies to CARE’s financial statements for the year ending September 30, 2020 and is to be applied retrospectively. Early adoption prior to the year ending September 30, 2018 is not permitted. CARE’s management has not determined the impact on its financial statements as a result of implementing ASU 2014-09.

The FASB issued ASU 2016-02, *Leases (Topic 842)*, in February 2016. ASU 2016-02 requires the recognition by lessees of assets and liabilities that arise from all lease transactions, except for leases with a lease term of 12 months or less. The lessee accounting model under ASU 2016-02 retains two types of leases: finance leases, which are to be accounted for in substantially the same manner as the existing accounting for capital leases, and operating leases, which are to be accounted for (both in the statement of activities and the statement of cash flows) in a manner consistent with existing accounting for operating leases. ASU 2016-02 also requires expanded qualitative and quantitative disclosures regarding the amount, timing, and uncertainty of cash flows arising from leases. ASU 2016-02 applies to CARE’s financial statements for the year ending September 30, 2021, with earlier implementation permitted. CARE’s management has not determined the impact on its financial statements as a result of implementing ASU 2016-02.

The FASB issued ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, in August 2016. ASU 2016-14 modifies the requirements related to financial statement presentation for non-profit organizations. The major provisions of ASU 2016-14 are as follows:

- Information about net assets and changes in net assets will be reported for two classes of net assets: *net assets with donor restrictions* and *net assets without donor restrictions*.
- Reporting of expenses by both function and nature in one location will be required for all non-profit organizations.
- Either the direct method or the indirect method for presenting operating cash flows may continue to be used, but the requirement for those entities using the direct method to prepare a reconciliation with the indirect method will be eliminated.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2017 and 2016

NOTE G - NEW ACCOUNTING PRONOUNCEMENTS (CONTINUED)

- Quantitative information that communicates the availability of the organization's financial assets as of the statement of financial position date to meet cash needs for general expenditures within one year will be required to be presented on the face of the financial statements or in the notes to the financial statements.
- Qualitative information on how the organization manages its liquid available resources and liquidity risks will be required to be disclosed in the notes to the financial statements.
- Reporting of the "underwater" amounts of donor-restricted endowment funds in net assets with donor restrictions and enhanced disclosures about "underwater" endowments will be required.
- Other enhanced disclosures regarding board designations and appropriations, the nature of net assets with donor restrictions, and functional expense allocation methods will also be required.

ASU 2016-14 applies to CARE's financial statements for the year ending September 30, 2019, with earlier implementation permitted, and is to be applied retrospectively, with certain disclosure exceptions in the year of implementation. CARE's management has not determined the impact on its financial statements as a result of implementing ASU 2016-14.

SUPPLEMENTARY INFORMATION

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

April 2, 2018

To the Board of Directors
CARE of Southeastern Michigan

We have audited the financial statements of CARE of Southeastern Michigan (a Michigan non-profit Corporation) as of, and for the year ended, September 30, 2017, and our report thereon dated April 2, 2018, which expressed an unmodified opinion on those financial statements, appears on pages 1 and 2. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The combining schedules of expenses for Macomb County Office of Substance Abuse programs and for other programs, as well as the schedules of budgeted, reported, and audited expenses and funding sources for Macomb County Office of Substance Abuse programs, are presented for the purposes of additional analysis and are 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, such information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.


CERTIFIED PUBLIC ACCOUNTANTS
Detroit, Michigan

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

COMBINING SCHEDULE OF EXPENSES – MACOMB COUNTY OFFICE OF SUBSTANCE ABUSE PROGRAMS

For the Year Ended September 30, 2017

	Prevention Program	Project VOX	Case Management Services	Michigan Department of Health and Human Services ("DHHS") Collaborative Project	Peer Recovery Coaching	Partnership for Success	Opioid Overdose Peer	Drug Court Peer	Project Assert	Maintaining Independence and Sobriety through Systems Integration, Outreach, and Networking ("MISSION")	Total
Employee Compensation:											
Salaries and wages	\$ 463,157	\$ 42,469	\$ 81,720	\$ 152,497	\$ 396,453	\$ 81,250	\$ 23,232	\$ 20,921	\$ 88	\$ 4,375	\$ 1,266,162
Employee benefits	92,686	7,911	20,224	32,262	65,899	15,232	2,677	2,176	135	661	239,863
Total Employee Compensation	555,843	50,380	101,944	184,759	462,352	96,482	25,909	23,097	223	5,036	1,506,025
Supplies and Materials:											
Office	31,720	12,590	2,008	4,583	35,754	8,763	7,283	7,390	1,136	432	111,659
Education and training	21,807					450					22,257
Printing	1,506	42	84	129	1,339	162	216	56			3,534
Cleaning supplies	1,847	119	394	849	657	280	15	19	5	12	4,197
Postage	1,756	23	80	300	262	94	1	1			2,517
Total Supplies and Materials	58,636	12,774	2,566	5,861	38,012	9,749	7,515	7,466	1,141	444	144,164
Travel and Conferences:											
Mileage and parking	10,580	2,108	4,416	3,742	26,317	1,516	97	648	1	187	49,612
Conferences	1,129	55	615	444	2,949	156	40	60	6	12	5,466
Lodging and other	111	5	12	25	496	12					661
Total Travel and Conferences	\$ 11,820	\$ 2,168	\$ 5,043	\$ 4,211	\$ 29,762	\$ 1,684	\$ 137	\$ 708	\$ 7	\$ 199	\$ 55,739

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

COMBINING SCHEDULE OF EXPENSES – MACOMB COUNTY OFFICE OF SUBSTANCE ABUSE PROGRAMS (CONTINUED)

For the Year Ended September 30, 2017

	<u>Prevention Program</u>	<u>Project VOX</u>	<u>Case Management Services</u>	<u>DHHS Collaborative Project</u>	<u>Peer Recovery Coaching</u>	<u>Partnership for Success</u>	<u>Opioid Overdose Peer</u>	<u>Drug Court Peer</u>	<u>Project Assert</u>	<u>MISSION</u>	<u>Total</u>
Other Expenses:											
Assistance to clients	\$ -0-	\$ -0-	\$ 3,438	\$ 12,935	\$ 4,702	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 21,075
Organizational expenses	5,265	434	945	2,805	4,526	960	258	375			15,568
Contractual labor	18,315	1	3	7	5	2					18,333
Computer expenses	22,119	1,763	3,617	4,998	22,076	2,263	5,926	5,692	2,718	2,915	74,087
Insurance	4,159	415	903	1,820	3,906	832	116	190	88	170	12,599
Rent	616	37	137	279	219	94	4	6	2	5	1,399
Trainer	178	21	44	91	11,025	1,570	24	618			13,571
Utilities	4,337	283	937	1,996	1,666	672	31	42	19	42	10,025
Repairs and maintenance	6,694	399	1,501	3,121	2,465	1,041	23	30	11	24	15,309
Depreciation	4,220	254	938	1,916	1,501	642	30	39	16	35	9,591
Miscellaneous expenses	14,011	539	1,834	5,016	6,492	10,051	448	349	38	334	39,112
Total Other Expenses	79,914	4,146	14,297	34,984	58,583	18,127	6,860	7,341	2,892	3,525	230,669
Total Expenses	\$ 706,213	\$ 69,468	\$ 123,850	\$ 229,815	\$ 588,709	\$ 126,042	\$ 40,421	\$ 38,612	\$ 4,263	\$ 9,204	\$ 1,936,597

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

COMBINING SCHEDULE OF EXPENSES – OTHER PROGRAMS

For the Year Ended September 30, 2017

	<u>Fee-Based Assessments</u>	<u>Detroit Wayne Mental Health Authority ("DWMHA")</u>	<u>DWMHA Peer</u>	<u>Worklife Solutions</u>	<u>Student Assistance Center</u>	<u>Offender Success</u>	<u>United Way for Southeastern Michigan</u>		<u>Subtotal (to page 29)</u>
							<u>Social Innovation Fund</u>	<u>Supportive Opportunities for Families</u>	
Employee Compensation:									
Salaries and wages	\$ 21,851	\$ 59,871	\$ 571	\$ 144,407	\$ 42,979	\$ 106,464	\$ 38,935	\$ 79,546	\$ 494,624
Employee benefits	4,655	14,938	246	31,146	9,326	20,671	6,184	12,443	99,609
Total Employee Compensation	26,506	74,809	817	175,553	52,305	127,135	45,119	91,989	594,233
Supplies and Materials:									
Office	2,212	2,823	6,770	5,276	1,432	2,001	7,306	2,218	30,038
Education and training		1,790		863				451	3,104
Printing	15	62		564	17	7	108	45	818
Cleaning supplies	418	56	15	757	339	10	147	299	2,041
Postage	122	191	1	678	231	33	5	78	1,339
Total Supplies and Materials	2,767	4,922	6,786	8,138	2,019	2,051	7,566	3,091	37,340
Travel and Conferences:									
Mileage and parking	18	1,974	1	3,104	98	1,599	1,030	3,439	11,263
Conferences	44	123	40	3,953	73	371	90	214	4,908
Lodging and other	4	6		2,284	7	323		12	2,636
Total Travel and Conferences	\$ 66	\$ 2,103	\$ 41	\$ 9,341	\$ 178	\$ 2,293	\$ 1,120	\$ 3,665	\$ 18,807

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

COMBINING SCHEDULE OF EXPENSES – OTHER PROGRAMS (CONTINUED)

For the Year Ended September 30, 2017

	United Way for Southeastern Michigan								
	Fee-Based Assessments	DWMHA	DWMHA Peer	Worklife Solutions	Student Assistance Center	Offender Success	Social Innovation Fund	Supportive Opportunities for Families	Subtotal (to page 30)
Other Expenses:									
Affiliate network	\$ -0-	\$ -0-	\$ -0-	\$ 26,813	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 26,813
Assistance to clients								4,000	4,000
Organizational expenses	313	551	251	1,726	640	448	478	924	5,331
Contractual labor	4	226		6	3			3	242
Computer expenses	917	1,999	4,818	4,292	1,529	3,034	6,219	2,342	25,150
Insurance	333	471	124	1,452	560	1,112	373	859	5,284
Rent	143	1,521	4	259	116	4	46	108	2,201
Trainer	17	24	315	75	28	57	43	44	603
Utilities	957	151	32	1,773	791	83	318	739	4,844
Repairs and maintenance	1,545	224	24	2,816	1,269	77	495	1,195	7,645
Depreciation	983	131	30	1,773	799	26	315	740	4,797
Miscellaneous expenses	348	826	335	13,850	1,461	45	900	1,110	18,875
Total Other Expenses	5,560	6,124	5,933	54,835	7,196	4,886	9,187	12,064	105,785
Total Expenses	\$ 34,899	\$ 87,958	\$ 13,577	\$ 247,867	\$ 61,698	\$ 136,365	\$ 62,992	\$ 110,809	\$ 756,165

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

COMBINING SCHEDULE OF EXPENSES – OTHER PROGRAMS (CONTINUED)

For the Year Ended September 30, 2017

	<u>Flinn Foundation</u>	<u>Outpatient</u>	<u>Operation Rx</u>	<u>Supervised Parenting</u>	<u>Community Corrections Peer</u>	<u>Special Projects</u>	<u>Subtotal (from page 27)</u>	<u>Total</u>
Employee Compensation:								
Salaries and wages	\$ 484	\$ 2,637	\$ -0-	\$ 65,413	\$ 29,822	\$ 4,079	\$ 494,624	\$ 597,059
Employee benefits	37	552	145	7,068	6,320	1,030	99,609	114,761
Total Employee Compensation	521	3,189	145	72,481	36,142	5,109	594,233	711,820
Supplies and Materials:								
Office	2	48	543	1,031	698	437	30,038	32,797
Education and training							3,104	3,104
Printing				2	2		818	822
Cleaning supplies		4		287	34	59	2,041	2,425
Postage				29	10	25	1,339	1,403
Total Supplies and Materials	2	52	543	1,349	744	521	37,340	40,551
Travel and Conferences:								
Mileage and parking		19		49	2,171	6	11,263	13,508
Conferences			25	43	156	5	4,908	5,137
Lodging and other				4	5	1	2,636	2,646
Total Travel and Conferences	\$ -0-	\$ 19	\$ 25	\$ 96	\$ 2,332	\$ 12	\$ 18,807	\$ 21,291

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

COMBINING SCHEDULE OF EXPENSES – OTHER PROGRAMS (CONTINUED)

For the Year Ended September 30, 2017

	<u>Flinn Foundation</u>	<u>Outpatient</u>	<u>Operation Rx</u>	<u>Supervised Parenting</u>	<u>Community Corrections Peer</u>	<u>Special Projects</u>	<u>Subtotal (from page 28)</u>	<u>Total</u>
Other Expenses:								
Affiliate network	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 26,813	\$ 26,813
Assistance to clients					508	520	4,000	5,028
Organizational expenses		5		288	446	63	5,331	6,133
Contractual labor				2			242	244
Computer expenses		16	1,835	886	2,095	115	25,150	30,097
Insurance		3	69	327	378	42	5,284	6,103
Rent		1		99	11	19	2,201	2,331
Trainer			16	16	20	2	603	657
Utilities		9	1	663	94	133	4,844	5,744
Repairs and maintenance		16		1,173	133	197	7,645	9,164
Depreciation		10		676	78	129	4,797	5,690
Miscellaneous expenses		9	230	468	647	105	18,875	20,334
Total Other Expenses	<u>-0-</u>	<u>69</u>	<u>2,151</u>	<u>4,598</u>	<u>4,410</u>	<u>1,325</u>	<u>105,785</u>	<u>118,338</u>
Total Expenses	<u>\$ 523</u>	<u>\$ 3,329</u>	<u>\$ 2,864</u>	<u>\$ 78,524</u>	<u>\$ 43,628</u>	<u>\$ 6,967</u>	<u>\$ 756,165</u>	<u>\$ 892,000</u>

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

**SCHEDULES OF BUDGETED, REPORTED, AND AUDITED EXPENSES AND FUNDING SOURCES -
MACOMB COUNTY OFFICE OF SUBSTANCE ABUSE PROGRAMS**

For the Year Ended September 30, 2017

	Final Budget	Reported Amounts	Audited Amounts	Variance Between Reported and Audited Amounts
Prevention Program				
Expenses:				
Salaries and wages	\$ 486,758	\$ 463,157	\$ 463,157	\$ -0-
Employee benefits	100,271	92,686	92,686	-0-
Supplies and materials	60,938	58,636	58,636	-0-
Travel and conferences	14,700	11,820	11,820	-0-
Other expenses	73,148	79,914	79,914	-0-
Total Expenses	\$ 735,815	\$ 706,213	\$ 706,213	\$ -0-
Funding Sources:				
Macomb County Office of Substance Abuse ("MCOSA")	\$ 640,395	\$ 614,151	\$ 614,151	\$ -0-
Fees and collections	95,420	92,062	92,062	-0-
Total Funding	\$ 735,815	\$ 706,213	\$ 706,213	\$ -0-
Project VOX				
Expenses:				
Salaries and wages	\$ 41,634	\$ 42,469	\$ 42,469	\$ -0-
Employee benefits	7,606	7,911	7,911	-0-
Supplies and materials	4,433	12,774	12,774	-0-
Travel and conferences	1,766	2,168	2,168	-0-
Other expenses	4,133	4,146	4,146	-0-
Total Expenses	\$ 59,572	\$ 69,468	\$ 69,468	\$ -0-
Funding Sources:				
MCOSA	\$ 59,072	\$ 59,072	\$ 59,072	\$ -0-
Fees and collections	500	10,396	10,396	-0-
Total Funding	\$ 59,572	\$ 69,468	\$ 69,468	\$ -0-
Case Management Services				
Expenses:				
Salaries and wages	\$ 82,120	\$ 81,720	\$ 81,720	\$ -0-
Employee benefits	21,548	20,224	20,224	-0-
Supplies and materials	2,380	2,566	2,566	-0-
Travel and conferences	6,219	5,043	5,043	-0-
Other expenses	15,304	14,297	14,297	-0-
Total Expenses	\$ 127,571	\$ 123,850	\$ 123,850	\$ -0-
Funding Sources:				
MCOSA	\$ 127,571	\$ 123,850	\$ 123,850	\$ -0-

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

**SCHEDULES OF BUDGETED, REPORTED, AND AUDITED EXPENSES AND FUNDING SOURCES -
MACOMB COUNTY OFFICE OF SUBSTANCE ABUSE PROGRAMS (CONTINUED)**

For the Year Ended September 30, 2017

	Final Budget	Reported Amounts	Audited Amounts	Variance Between Reported and Audited Amounts
Michigan Department of Health and Human Services Collaborative Project				
Expenses:				
Salaries and wages	\$ 197,482	\$ 152,497	\$ 152,497	\$ -0-
Employee benefits	41,151	32,262	32,262	-0-
Supplies and materials	14,388	5,861	5,861	-0-
Travel and conferences	19,000	4,211	4,211	-0-
Other expenses	37,426	34,984	34,984	-0-
Total Expenses	\$ 309,447	\$ 229,815	\$ 229,815	\$ -0-
Funding Sources:				
MCOSA	\$ 106,911	\$ 85,461	\$ 85,461	\$ -0-
Michigan Department of Health and Human Services	202,536	148,782	148,782	-0-
Total Funding	\$ 309,447	\$ 234,243	\$ 234,243	\$ -0-
Peer Recovery Coaching				
Expenses:				
Salaries and wages	\$ 403,072	\$ 396,453	\$ 396,453	\$ -0-
Employee benefits	82,080	65,899	65,899	-0-
Supplies and materials	38,566	38,012	38,012	-0-
Travel and conferences	55,639	29,762	29,762	-0-
Other expenses	63,248	58,583	58,583	-0-
Total Expenses	\$ 642,605	\$ 588,709	\$ 588,709	\$ -0-
Funding Sources:				
MCOSA	\$ 642,605	\$ 588,709	\$ 588,709	\$ -0-
Partnership for Success				
Expenses:				
Salaries and wages	\$ 87,536	\$ 81,250	\$ 81,250	\$ -0-
Employee benefits	16,135	15,232	15,232	-0-
Supplies and materials	11,431	9,749	9,749	-0-
Travel and conferences	4,507	1,684	1,684	-0-
Other expenses	23,712	18,127	18,127	-0-
Total Expenses	\$ 143,321	\$ 126,042	\$ 126,042	\$ -0-
Funding Sources:				
MCOSA	\$ 143,321	\$ 126,042	\$ 126,042	\$ -0-

CARE OF SOUTHEASTERN MICHIGAN
(A Michigan Non-Profit Corporation)

**SCHEDULES OF BUDGETED, REPORTED, AND AUDITED EXPENSES AND FUNDING SOURCES -
MACOMB COUNTY OFFICE OF SUBSTANCE ABUSE PROGRAMS (CONTINUED)**

For the Year Ended September 30, 2017

	<u>Final Budget</u>	<u>Reported Amounts</u>	<u>Audited Amounts</u>	<u>Variance Between Reported and Audited Amounts</u>
Opioid Overdose Peer				
Expenses:				
Salaries and wages	\$ 20,761	\$ 23,232	\$ 23,232	\$ -0-
Employee benefits	5,551	2,677	2,677	-0-
Supplies and materials	8,350	7,515	7,515	-0-
Travel and conferences	3,763	137	137	-0-
Other expenses	12,500	6,860	6,860	-0-
Total Expenses	\$ 50,925	\$ 40,421	\$ 40,421	\$ -0-
Funding Sources:				
MCOSA	\$ 50,925	\$ 40,421	\$ 40,421	\$ -0-
Drug Court Peer				
Expenses:				
Salaries and wages	\$ 26,256	\$ 20,921	\$ 20,921	\$ -0-
Employee benefits	7,984	2,176	2,176	-0-
Supplies and materials	7,564	7,466	7,466	-0-
Travel and conferences	2,386	708	708	-0-
Other expenses	12,185	7,341	7,341	-0-
Total Expenses	\$ 56,375	\$ 38,612	\$ 38,612	\$ -0-
Funding Sources:				
MCOSA	\$ 56,375	\$ 38,612	\$ 38,612	\$ -0-
Project Assert				
Expenses:				
Salaries and wages	\$ 12,825	\$ 88	\$ 88	\$ -0-
Employee benefits	1,885	135	135	-0-
Supplies and materials	5,613	1,141	1,141	-0-
Travel and conferences	2,073	7	7	-0-
Other expenses	7,604	2,892	2,892	-0-
Total Expenses	\$ 30,000	\$ 4,263	\$ 4,263	\$ -0-
Funding Sources:				
MCOSA	\$ 30,000	\$ 4,263	\$ 4,263	\$ -0-

CARE OF SOUTHEASTERN MICHIGAN
 (A Michigan Non-Profit Corporation)

**SCHEDULES OF BUDGETED, REPORTED, AND AUDITED EXPENSES AND FUNDING SOURCES -
 MACOMB COUNTY OFFICE OF SUBSTANCE ABUSE PROGRAMS (CONTINUED)**

For the Year Ended September 30, 2017

	<u>Final Budget</u>	<u>Reported Amounts</u>	<u>Audited Amounts</u>	<u>Variance Between Reported and Audited Amounts</u>
Maintaining Independence and Sobriety through Systems Integration, Outreach, and Networking ("MISSION")				
Expenses:				
Salaries and wages	\$ 34,876	\$ 4,375	\$ 4,375	\$ -0-
Employee benefits	11,394	661	661	-0-
Supplies and materials	3,050	444	444	-0-
Travel and conferences	4,050	199	199	-0-
Other expenses	5,630	3,525	3,525	-0-
Total Expenses	<u>\$ 59,000</u>	<u>\$ 9,204</u>	<u>\$ 9,204</u>	<u>\$ -0-</u>
Funding Sources:				
MCOSA	<u>\$ 59,000</u>	<u>\$ 9,204</u>	<u>\$ 9,204</u>	<u>\$ -0-</u>