

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

FINANCIAL STATEMENTS
(With Supplementary Information)

September 30, 2018 and 2017

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

CONTENTS

INDEPENDENT AUDITOR’S REPORT	1
FINANCIAL STATEMENTS:	
Statements of Financial Position	3
Statements of Activities	5
Statements of Functional Expenses	7
Statements of Cash Flows	9
NOTES TO FINANCIAL STATEMENTS	11
INDEPENDENT AUDITOR’S REPORT ON SUPPLEMENTARY INFORMATION	24
SUPPLEMENTARY INFORMATION:	
Combining Schedule of Expenses — Macomb County Office of Substance Abuse Programs	25
Combining Schedule of Expenses — Other Programs	27
Schedules of Budgeted, Reported, and Audited Expenses and Funding Sources — Macomb County Office of Substance Abuse Programs	31

INDEPENDENT AUDITOR'S REPORT

April 9, 2019

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 statements of financial position as of September 30, 2018 and 2017, and the related statements of activities, functional expenses, and cash flows for the years 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 audits. We conducted our audits 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.

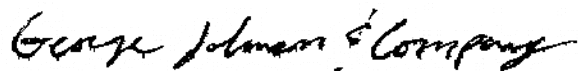
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report, dated April 9, 2019, 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, 2018 and 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 273,072	\$ 269,864
Grants receivable (no allowance considered necessary)	941,191	427,298
Accounts receivable (no allowance considered necessary)	22,651	12,186
Prepaid expenses	<u>77,217</u>	<u>38,925</u>
Total Current Assets	<u>1,314,131</u>	<u>748,273</u>
Other Assets:		
Investments (Note C)	27,052	221,296
Fixed assets, net (Note D)	<u>406,516</u>	<u>429,874</u>
Total Other Assets	<u>433,568</u>	<u>651,170</u>
Total Assets	<u><u>\$ 1,747,699</u></u>	<u><u>\$ 1,399,443</u></u>

See notes to financial statements.

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

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

September 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	\$ 129,580	\$ 93,114
Accrued payroll and related liabilities	133,602	87,437
Line of credit (Note F)	200,000	-0-
Deferred grants	133,011	95,227
	<u>596,193</u>	<u>275,778</u>
Total Liabilities		
Net Assets:		
Unrestricted	975,674	952,766
Temporarily restricted (Note B)	175,832	170,899
	<u>1,151,506</u>	<u>1,123,665</u>
Total Net Assets		
	<u>\$ 1,747,699</u>	<u>\$ 1,399,443</u>
Total Liabilities and Net Assets		

See notes to financial statements.

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

STATEMENTS OF ACTIVITIES

For the Years Ended September 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Changes in Unrestricted Net Assets:		
Revenue and gains, net of losses:		
Grants and awards:		
Governmental grants:		
Macomb County Office of Substance Abuse ("MCOSA")	\$ 2,457,828	\$ 1,689,785
Other governmental grants	710,352	549,666
Other grants and awards	443,904	221,845
Total Grants and Awards	<u>3,612,084</u>	<u>2,461,296</u>
Other revenue and gains, net of losses:		
Fees:		
MCOSA participant fees and collections	69,312	91,084
Other fees	369,046	369,983
Miscellaneous income	114,083	116,569
Interest income	6,395	3,735
Net realized and unrealized gain (loss) on investments	<u>(4,214)</u>	<u>10,111</u>
Total Unrestricted Revenue and Gains, Net of Losses	4,166,706	3,052,778
Net assets released from restrictions (Note B)	<u>102,659</u>	<u>17,184</u>
Total Unrestricted Revenue, Gains, and Other Support, Net of Losses	<u>\$ 4,269,365</u>	<u>\$ 3,069,962</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, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Changes in Unrestricted Net Assets (continued):		
Expenses:		
Program services	\$ 3,667,567	\$ 2,483,472
Supporting services:		
Management and general	396,914	370,361
Fund raising	181,976	178,299
Total Supporting Services	578,890	548,660
Total Expenses	4,246,457	3,032,132
Net Increase in Unrestricted Net Assets	22,908	37,830
Changes in Temporarily Restricted Net Assets:		
Contributions	107,592	130,439
Net assets released from restrictions (Note B)	(102,659)	(17,184)
Net Increase in Temporarily Restricted Net Assets	4,933	113,255
Net Increase in Net Assets	27,841	151,085
Net Assets, Beginning of Year	1,123,665	972,580
Net Assets, End of Year	\$ 1,151,506	\$ 1,123,665

See notes to financial statements.

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

STATEMENTS OF FUNCTIONAL EXPENSES

**For the Year Ended September 30, 2018
(With Comparative Totals for the Year Ended September 30, 2017)**

	2018				Total Expenses	
	Supporting Services				2018	2017
	Program Services	Management and General	Fund Raising	Total Supporting Services		
Employee Compensation:						
Salaries and wages	\$ 2,394,320	\$ 321,564	\$ 100,433	\$ 421,997	\$ 2,816,317	\$ 1,956,808
Employee benefits	459,441	58,849	13,602	72,451	531,892	370,000
Total Employee Compensation	2,853,761	380,413	114,035	494,448	3,348,209	2,326,808
Supplies and Materials:						
Office	218,283	7,234	11,051	18,285	236,568	153,315
Education and training	50,276				50,276	25,361
Printing	9,469		9,825	9,825	19,294	11,367
Cleaning supplies	8,387		522	522	8,909	7,123
Postage	3,458		1,356	1,356	4,814	6,419
Total Supplies and Materials	289,873	7,234	22,754	29,988	319,861	203,585
Travel and Conferences:						
Mileage and parking	102,295		1,240	1,240	103,535	64,769
Conferences	19,135	1,212	3,752	4,964	24,099	11,288
Lodging and other	16,410				16,410	3,316
Total Travel and Conferences	137,840	1,212	4,992	6,204	144,044	79,373
Other Expenses:						
Affiliate network	26,610				26,610	26,813
Assistance to clients	13,642				13,642	26,103
Organizational expenses	30,021		1,383	1,383	31,404	35,310
Contractual labor	18,609				18,609	24,661
Computer expenses	121,526		3,574	3,574	125,100	108,207
Insurance	23,944		892	892	24,836	19,382
Rent	6,081		258	258	6,339	3,901
Trainer	13,575		10	10	13,585	14,262
Utilities	18,154		1,126	1,126	19,280	16,931
Repairs and maintenance	26,789		1,492	1,492	28,281	26,348
Depreciation	15,506	6,902	950	7,852	23,358	24,831
Miscellaneous expenses	71,636	1,153	30,510	31,663	103,299	95,617
Total Other Expenses	386,093	8,055	40,195	48,250	434,343	422,366
Total Expenses	\$ 3,667,567	\$ 396,914	\$ 181,976	\$ 578,890	\$ 4,246,457	\$ 3,032,132

See notes to financial statements.

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

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended September 30, 2017

	<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	\$ 1,574,012	\$ 291,147	\$ 91,649	\$ 382,796	\$ 1,956,808
Employee benefits	300,689	54,086	15,225	69,311	370,000
Total Employee Compensation	1,874,701	345,233	106,874	452,107	2,326,808
Supplies and Materials:					
Office	142,475	2,984	7,856	10,840	153,315
Education and training	25,361				25,361
Printing	4,356		7,011	7,011	11,367
Cleaning supplies	6,622		501	501	7,123
Postage	3,920		2,499	2,499	6,419
Total Supplies and Materials	182,734	2,984	17,867	20,851	203,585
Travel and Conferences:					
Mileage and parking	63,120		1,649	1,649	64,769
Conferences	10,603	586	99	685	11,288
Lodging and other	3,307		9	9	3,316
Total Travel and Conferences	77,030	586	1,757	2,343	79,373
Other Expenses:					
Affiliate network	26,813				26,813
Assistance to clients	26,103				26,103
Organizational expenses	21,701	13,080	529	13,609	35,310
Contractual labor	18,577		6,084	6,084	24,661
Computer expenses	104,184		4,023	4,023	108,207
Insurance	18,702		680	680	19,382
Rent	3,730		171	171	3,901
Trainer	14,228		34	34	14,262
Utilities	15,769		1,162	1,162	16,931
Repairs and maintenance	24,473		1,875	1,875	26,348
Depreciation	15,281	8,375	1,175	9,550	24,831
Miscellaneous expenses	59,446	103	36,068	36,171	95,617
Total Other Expenses	349,007	21,558	51,801	73,359	422,366
Total Expenses	\$ 2,483,472	\$ 370,361	\$ 178,299	\$ 548,660	\$ 3,032,132

See notes to financial statements.

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

STATEMENTS OF CASH FLOWS

For the Years Ended September 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash Flows from Operating Activities:		
Net increase in net assets	\$ 27,841	\$ 151,085
Adjustments to reconcile net increase in net assets to net cash provided (used) by operating activities:		
Depreciation	23,358	24,831
Net realized and unrealized (gain) loss on investments	4,214	(10,111)
(Increase) decrease in:		
Grants receivable	(513,893)	31,134
Accounts receivable	(10,465)	18,684
Prepaid expenses	(38,292)	12,023
Increase (decrease) in:		
Accounts payable	36,466	8,861
Accrued payroll and payroll liabilities	46,165	11,233
Deferred grants	37,784	(40,496)
	<u>(386,822)</u>	<u>207,244</u>
Net Cash Provided (Used) by Operating Activities		
Cash Flows from Investing Activities:		
Purchases of investments	(114,694)	(3,300)
Proceeds from sales of investments	304,724	-0-
	<u>190,030</u>	<u>(3,300)</u>
Net Cash Provided (Used) by Investing Activities		
Cash Flows from Financing Activities:		
Proceeds issued on line of credit	495,000	-0-
Payments on line of credit	(295,000)	(65,367)
	<u>\$ 200,000</u>	<u>\$ (65,367)</u>
Net Cash Provided (Used) by Financing Activities		

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, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Net Increase in Cash and Cash Equivalents	\$ 3,208	\$ 138,577
Cash and Cash Equivalents Balance, Beginning of Year	<u>269,864</u>	<u>131,287</u>
Cash and Cash Equivalents Balance, End of Year	<u>\$ 273,072</u>	<u>\$ 269,864</u>
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the year for interest	<u>\$ 546</u>	<u>\$ -0-</u>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

September 30, 2018 and 2017

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, 2018 and 2017

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 models, 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, 2018 and 2017

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, 2018 and 2017

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. When donor restrictions are met in the same reporting period, donor restricted contributions are reported as unrestricted support in the statement of activities.

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, 2018 and 2017

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, 2018 or 2017.

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, 2018 and 2017

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, 2018 and 2017

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 in excess of the federally insured limit as of September 30, 2018 approximated \$96,000. 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.

Significant Providers

CARE's operations are concentrated in substance abuse programs funded by MCOSA. MCOSA grants and fees totaled \$2,534,646 and \$1,795,062 for the years ended September 30, 2018 and 2017, respectively, or 59 percent and 56 percent of total revenue for the years ended September 30, 2018 and 2017, respectively. Amounts receivable from MCOSA were \$704,439 and \$327,939 as of September 30, 2018 and 2017, respectively.

Subsequent Events

CARE has evaluated subsequent events through April 9, 2019, 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, 2018 and 2017

NOTE B — TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available as of September 30, 2018 and 2017 for the following programs:

	<u>2018</u>	<u>2017</u>
Restricted for program activities:		
Electronic health records	\$ 75,000	\$ -0-
Building for the Future	52,804	55,224
Financial stability	25,000	-0-
Outpatient Program	13,764	14,165
THC rebate	6,303	-0-
For clients	1,327	1,556
Prevention T3	882	1,663
Project VOX	752	1,157
Operation Rx	-0-	97,134
	<u>\$ 175,832</u>	<u>\$ 170,899</u>

Net assets were released from donor restrictions during the years ended September 30, 2018 and 2017 by incurring expenses satisfying the restricted purposes specified by donors, or by occurrence of other events specified by donors, as follows:

	<u>2018</u>	<u>2017</u>
Purpose restrictions accomplished for the following programs or purposes:		
Building for the Future	\$ 2,420	\$ 2,420
Outpatient Program	229	523
For clients	401	-0-
Prevention T3	1,318	1,429
Project VOX	1,157	9,946
Operation Rx	97,134	2,866
	<u>\$ 102,659</u>	<u>\$ 17,184</u>

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2018 and 2017

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, 2018 and 2017 are summarized as follows:

	Fair Value Measurements			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
2018				
Assets:				
Investments at fair value:				
Registered investment companies	\$ 27,052	\$ -0-	\$ -0-	\$ 27,052
Cash and cash equivalents	273,072			273,072
	<u>\$ 300,124</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 300,124</u>
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>

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2018 and 2017

NOTE D — FIXED ASSETS

Fixed assets are summarized by major classifications as follows as of September 30, 2018 and 2017:

	<u>2018</u>	<u>2017</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>(460,987)</u>	<u>(437,629)</u>
	<u><u>\$ 406,516</u></u>	<u><u>\$ 429,874</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, 2018 are as follows:

For the Years Ending September 30:	
2019	\$ 8,098
2020	7,387
2021	7,387
2022	<u>7,387</u>
Total Minimum Lease Payments	<u>\$ 30,259</u>

Rental expense for the years ended September 30, 2018 and 2017 was \$8,335 and \$7,925, respectively.

NOTE F — LINE OF CREDIT

As of September 30, 2018, CARE had a \$200,000 line of credit with a bank. In October 2018, the line of credit was increased to \$400,000. 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 \$200,000 and \$-0- as of September 30, 2018 and 2017, respectively.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2018 and 2017

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, with earlier implementation permitted, and is to be applied retrospectively. 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, 2018 and 2017

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 9, 2019

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 years ended, September 30, 2018 and 2017, and our report thereon dated April 9, 2019, which expressed an unmodified opinion on those financial statements, appears on pages 1 and 2. Our audits were 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 audits 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.

George Johnson & Company

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, 2018

	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	\$ 490,495	\$ 43,578	\$ 83,799	\$ 155,558	\$ 442,562	\$ 77,352	\$ 121,242	\$ 111,250	\$ 68,124	\$ 181,017	\$ 1,774,977
Employee benefits	98,670	7,934	14,671	29,831	85,616	13,002	20,082	30,485	9,591	32,869	342,751
Total Employee Compensation	589,165	51,512	98,470	185,389	528,178	90,354	141,324	141,735	77,715	213,886	2,117,728
Supplies and Materials:											
Office	43,731	8,541	3,120	3,537	53,655	20,499	3,396	2,550	2,186	3,110	144,325
Education and training	33,274		302	442	1,230	1,902					37,150
Printing	4,899	30	214	277	1,240	175	447	84	142	747	8,255
Cleaning supplies	1,961	164	304	624	1,055	200	163	143	114	236	4,964
Postage	1,401	16	37	185	146	81	23	19	13	26	1,947
Total Supplies and Materials	85,266	8,751	3,977	5,065	57,326	22,857	4,029	2,796	2,455	4,119	196,641
Travel and Conferences:											
Mileage and parking	12,806	2,084	5,006	5,846	28,578	2,344	3,034	7,696	1,132	10,075	78,601
Conferences	2,055	37	858	1,111	6,495	2,425	733	1,161	506	1,622	17,003
Lodging and other	2,029		794	333	2,901	6,849	481	323	479	975	15,164
Total Travel and Conferences	\$ 16,890	\$ 2,121	\$ 6,658	\$ 7,290	\$ 37,974	\$ 11,618	\$ 4,248	\$ 9,180	\$ 2,117	\$ 12,672	\$ 110,768

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, 2018

	<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-	\$ 2,287	\$ 3,440	\$ 3,795	\$ -0-	\$ 1,628	\$ 467	\$ 25	\$ -0-	\$ 11,642
Organizational expenses	5,201	400	875	1,888	5,427	803	1,264	1,214	824	2,023	19,919
Contractual labor	18,200										18,200
Computer expenses	13,063	915	4,242	7,088	26,590	2,806	7,605	3,378	7,781	8,895	82,363
Insurance	3,928	359	807	1,489	4,307	581	1,099	1,030	737	1,457	15,794
Rent	1,003	90	146	303	607	103	94	83	65	130	2,624
Trainer	39	4	8	15	7,271	6	11	10	7	15	7,386
Utilities	4,206	338	691	1,409	2,289	456	362	325	256	526	10,858
Repairs and maintenance	5,980	522	918	1,863	3,756	624	641	565	440	883	16,192
Depreciation	3,605	307	547	1,126	1,994	366	304	267	212	436	9,164
Miscellaneous expenses	15,812	637	1,353	2,625	7,016	10,272	1,841	1,304	1,972	2,185	45,017
Total Other Expenses	71,037	3,572	11,874	21,246	63,052	16,017	14,849	8,643	12,319	16,550	239,159
Total Expenses	\$ 762,358	\$ 65,956	\$ 120,979	\$ 218,990	\$ 686,530	\$ 140,846	\$ 164,450	\$ 162,354	\$ 94,606	\$ 247,227	\$ 2,664,296

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

COMBINING SCHEDULE OF EXPENSES — OTHER PROGRAMS

For the Year Ended September 30, 2018

	Fee-Based Assessments	Detroit Wayne Mental Health Authority ("DWMHA")	DWMHA Coalition	DWMHA Peer	Worklife Solutions	United Way for Southeastern Michigan			Subtotal (to page 29)
						Early Learning Community	Social Innovation Fund	Supportive Opportunities for Families	
Employee Compensation:									
Salaries and wages	\$ 21,945	\$ 52,881	\$ 12,035	\$ 94,769	\$ 148,103	\$ 28,016	\$ 159,270	\$ 76,405	\$ 593,424
Employee benefits	4,585	12,943	1,271	20,564	28,341	3,948	33,717	15,929	121,298
Total Employee Compensation	26,530	65,824	13,306	115,333	176,444	31,964	192,987	92,334	714,722
Supplies and Materials:									
Office	1,438	6,520	2,413	3,226	6,774	16,682	3,559	1,513	42,125
Education and training		11,946	123		1,057				13,126
Printing	32	119	58	150	145	165	194	59	922
Cleaning supplies	547	43	8	139	1,003	146	365	191	2,442
Postage	94	103	3	24	631	2	60	96	1,013
Total Supplies and Materials	2,111	18,731	2,605	3,539	9,610	16,995	4,178	1,859	59,628
Travel and Conferences:									
Mileage and parking	17	1,446	703	2,157	1,814	444	5,642	5,657	17,880
Conferences	24	410	193	590	262		114	76	1,669
Lodging and other		447	287	176					910
Total Travel and Conferences	\$ 41	\$ 2,303	\$ 1,183	\$ 2,923	\$ 2,076	\$ 444	\$ 5,756	\$ 5,733	\$ 20,459

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

COMBINING SCHEDULE OF EXPENSES — OTHER PROGRAMS (CONTINUED)

For the Year Ended September 30, 2018

	Fee-Based Assessments	DWMHA	DWMHA Coalition	DWMHA Peer	Worklife Solutions	United Way for Southeastern Michigan			Subtotal (to page 30)
						Early Learning Community	Social Innovation Fund	Supportive Opportunities for Families	
Other Expenses:									
Affiliate network	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 26,610	\$ -0-	\$ -0-	\$ -0-	\$ 26,610
Assistance to clients				11				275	286
Organizational expenses	228	695	191	1,900	1,823	217	1,447	868	7,369
Contractual labor	85						101		186
Computer expenses	516	2,120	1,552	10,361	2,971	8,772	4,406	2,932	33,630
Insurance	230	526	209	1,206	1,250	377	1,195	727	5,720
Rent	283	844	826	72	518	102	198	93	2,936
Trainer	2	4		14	42		11	7	80
Utilities	1,109	109	20	325	2,075	323	797	442	5,200
Repairs and maintenance	1,604	175	45	465	3,036	321	1,236	629	7,511
Depreciation	1,017	79	15	249	1,858	281	678	344	4,521
Miscellaneous expenses	473	925	3,204	2,011	12,349	637	2,614	1,158	23,371
Total Other Expenses	5,547	5,477	6,062	16,614	52,532	11,030	12,683	7,475	117,420
Total Expenses	\$ 34,229	\$ 92,335	\$ 23,156	\$ 138,409	\$ 240,662	\$ 60,433	\$ 215,604	\$ 107,401	\$ 912,229

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

COMBINING SCHEDULE OF EXPENSES — OTHER PROGRAMS (CONTINUED)

For the Year Ended September 30, 2018

	<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>Student Assistance Center</u>	<u>Offender Success</u>	<u>Subtotal (from page 27)</u>	<u>Total</u>
Employee Compensation:										
Salaries and wages	\$ 372	\$ 2,611	\$ 49,617	\$ 71,558	\$ 39,246	\$ 3,558	\$ 58,979	\$ 111,338	\$ 593,424	\$ 930,703
Employee benefits	29	482	7,611	7,208	5,074	844	11,129	21,084	121,298	174,759
Total Employee Compensation	401	3,093	57,228	78,766	44,320	4,402	70,108	132,422	714,722	1,105,462
Supplies and Materials:										
Office		127	28,782	1,064	676	296	1,295	1,648	42,125	76,013
Education and training									13,126	13,126
Printing		4	65	22	66	2	54	79	922	1,214
Cleaning supplies		27	20	357	61	53	449	14	2,442	3,423
Postage		16	20	94	6	16	327	19	1,013	1,511
Total Supplies and Materials	-0-	174	28,887	1,537	809	367	2,125	1,760	59,628	95,287
Travel and Conferences:										
Mileage and parking			1,613	63	1,948	2	49	2,139	17,880	23,694
Conferences		5	243	27	35	3	48	102	1,669	2,132
Lodging and other					336				910	1,246
Total Travel and Conferences	\$ -0-	\$ 5	\$ 1,856	\$ 90	\$ 2,319	\$ 5	\$ 97	\$ 2,241	\$ 20,459	\$ 27,072

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

COMBINING SCHEDULE OF EXPENSES — OTHER PROGRAMS (CONTINUED)

For the Year Ended September 30, 2018

	<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>Student Assistance Center</u>	<u>Offender Success</u>	<u>Subtotal (from page 28)</u>	<u>Total</u>
Other Expenses:										
Affiliate network	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 26,610	\$ 26,610
Assistance to clients					260	1,454			286	2,000
Organizational expenses		25	559	157	422	75	522	973	7,369	10,102
Contractual labor							223		186	409
Computer expenses		102	705	612	814	59	1,070	2,171	33,630	39,163
Insurance		45	317	264	331	28	470	975	5,720	8,150
Rent		14	16	182	34	27	234	14	2,936	3,457
Trainer			6,088	3	3		5	10	80	6,189
Utilities		53	58	737	136	109	926	77	5,200	7,296
Repairs and maintenance		84	68	1,040	223	157	1,329	185	7,511	10,597
Depreciation		50	39	660	114	98	834	26	4,521	6,342
Miscellaneous expenses		59	1,313	481	449	89	731	126	23,371	26,619
Total Other Expenses	-0-	432	9,163	4,136	2,786	2,096	6,344	4,557	117,420	146,934
Total Expenses	\$ 401	\$ 3,704	\$ 97,134	\$ 84,529	\$ 50,234	\$ 6,870	\$ 78,674	\$ 140,980	\$ 912,229	\$ 1,374,755

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, 2018

	Final Budget	Reported Amounts	Audited Amounts	Variance Between Reported and Audited Amounts
Prevention Program				
Expenses:				
Salaries and wages	\$ 522,840	\$ 490,495	\$ 490,495	\$ -0-
Employee benefits	109,967	98,670	98,670	-0-
Supplies and materials	65,939	85,266	85,266	-0-
Travel and conferences	19,426	16,890	16,890	-0-
Other expenses	73,755	71,037	71,037	-0-
Total Expenses	\$ 791,927	\$ 762,358	\$ 762,358	\$ -0-
Funding Sources:				
Macomb County Office of Substance Abuse ("MCOSA")	\$ 720,599	\$ 698,456	\$ 698,456	\$ -0-
Fees and collections	71,328	63,902	63,902	-0-
Total Funding	\$ 791,927	\$ 762,358	\$ 762,358	\$ -0-
Project VOX				
Expenses:				
Salaries and wages	\$ 42,082	\$ 43,578	\$ 43,578	\$ -0-
Employee benefits	7,740	7,934	7,934	-0-
Supplies and materials	2,620	8,751	8,751	-0-
Travel and conferences	2,570	2,121	2,121	-0-
Other expenses	3,826	3,572	3,572	-0-
Total Expenses	\$ 58,838	\$ 65,956	\$ 65,956	\$ -0-
Funding Sources:				
MCOSA	\$ 58,072	\$ 58,072	\$ 58,072	\$ -0-
Fees and collections	566	7,884	7,884	-0-
Total Funding	\$ 58,638	\$ 65,956	\$ 65,956	\$ -0-
Case Management Services				
Expenses:				
Salaries and wages	\$ 88,845	\$ 83,799	\$ 83,799	\$ -0-
Employee benefits	19,745	14,671	14,671	-0-
Supplies and materials	3,247	3,977	3,977	-0-
Travel and conferences	8,382	6,658	6,658	-0-
Other expenses	11,258	11,874	11,874	-0-
Total Expenses	\$ 131,477	\$ 120,979	\$ 120,979	\$ -0-
Funding Sources:				
MCOSA	\$ 131,477	\$ 120,979	\$ 120,979	\$ -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, 2018

	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	\$ 155,558	\$ 155,558	\$ -0-
Employee benefits	41,151	29,831	29,831	-0-
Supplies and materials	14,388	5,065	5,065	-0-
Travel and conferences	19,000	7,290	7,290	-0-
Other expenses	37,426	21,246	21,246	-0-
Total Expenses	\$ 309,447	\$ 218,990	\$ 218,990	\$ -0-
Funding Sources:				
MCOSA	\$ 106,911	\$ 84,306	\$ 84,306	\$ -0-
Michigan Department of Health and Human Services	202,536	149,869	149,869	-0-
Total Funding	\$ 309,447	\$ 234,175	\$ 234,175	\$ -0-
Peer Recovery Coaching				
Expenses:				
Salaries and wages	\$ 455,379	\$ 442,562	\$ 442,562	\$ -0-
Employee benefits	103,471	85,616	85,616	-0-
Supplies and materials	47,708	57,326	57,326	-0-
Travel and conferences	54,876	37,974	37,974	-0-
Other expenses	79,871	63,052	63,052	-0-
Total Expenses	\$ 741,305	\$ 686,530	\$ 686,530	\$ -0-
Funding Sources:				
MCOSA	\$ 741,305	\$ 686,530	\$ 686,530	\$ -0-
Partnership for Success				
Expenses:				
Salaries and wages	\$ 80,641	\$ 77,352	\$ 77,352	\$ -0-
Employee benefits	14,781	13,002	13,002	-0-
Supplies and materials	22,780	22,857	22,857	-0-
Travel and conferences	11,101	11,618	11,618	-0-
Other expenses	16,742	16,017	16,017	-0-
Total Expenses	\$ 146,045	\$ 140,846	\$ 140,846	\$ -0-
Funding Sources:				
MCOSA	\$ 146,045	\$ 140,846	\$ 140,846	\$ -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, 2018

	Final Budget	Reported Amounts	Audited Amounts	Variance Between Reported and Audited Amounts
Opioid Overdose Peer				
Expenses:				
Salaries and wages	\$ 123,992	\$ 121,242	\$ 121,242	\$ -0-
Employee benefits	27,547	20,082	20,082	-0-
Supplies and materials	11,449	4,029	4,029	-0-
Travel and conferences	11,490	4,248	4,248	-0-
Other expenses	13,347	14,849	14,849	-0-
Total Expenses	\$ 187,825	\$ 164,450	\$ 164,450	\$ -0-
Funding Sources:				
MCOSA	\$ 187,825	\$ 164,450	\$ 164,450	\$ -0-
Drug Court Peer				
Expenses:				
Salaries and wages	\$ 111,605	\$ 111,250	\$ 111,250	\$ -0-
Employee benefits	30,357	30,485	30,485	-0-
Supplies and materials	9,072	2,796	2,796	-0-
Travel and conferences	12,674	9,180	9,180	-0-
Other expenses	11,022	8,643	8,643	-0-
Total Expenses	\$ 174,730	\$ 162,354	\$ 162,354	\$ -0-
Funding Sources:				
MCOSA	\$ 174,730	\$ 162,354	\$ 162,354	\$ -0-
Project Assert				
Expenses:				
Salaries and wages	\$ 68,481	\$ 68,124	\$ 68,124	\$ -0-
Employee benefits	18,306	9,591	9,591	-0-
Supplies and materials	8,714	2,455	2,455	-0-
Travel and conferences	5,062	2,117	2,117	-0-
Other expenses	7,947	12,319	12,319	-0-
Total Expenses	\$ 108,510	\$ 94,606	\$ 94,606	\$ -0-
Funding Sources:				
MCOSA	\$ 108,510	\$ 94,606	\$ 94,606	\$ -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, 2018

	<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	\$ 175,698	\$ 181,017	\$ 181,017	\$ -0-
Employee benefits	40,168	32,869	32,869	-0-
Supplies and materials	7,235	4,119	4,119	-0-
Travel and conferences	27,305	12,672	12,672	-0-
Other expenses	19,896	16,550	16,550	-0-
Total Expenses	<u>\$ 270,302</u>	<u>\$ 247,227</u>	<u>\$ 247,227</u>	<u>\$ -0-</u>
Funding Sources:				
MCOSA	<u>\$ 270,302</u>	<u>\$ 247,227</u>	<u>\$ 247,227</u>	<u>\$ -0-</u>