

CARE OF SOUTHEASTERN MICHIGAN

ANNUAL FINANCIAL REPORT
with Supplementary Information

FOR THE YEAR ENDED
SEPTEMBER 30, 2016

Stewart,
Beauvais
& Whipple P.C.



CERTIFIED PUBLIC ACCOUNTANTS

CARE OF SOUTHEASTERN MICHIGAN

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of CARE of Southeastern Michigan (a nonprofit organization) which comprise the statement of financial position as of September 30, 2016, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CARE of Southeastern Michigan as of September 30, 2016, and the change in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited CARE of Southeastern Michigan's 2015 financial statements, and our report dated April 5, 2016 expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matter

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.


Certified Public Accountants

February 20, 2017

CARE OF SOUTHEASTERN MICHIGAN

**STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2016 AND 2015**

	2016	2015
ASSETS		
Cash and cash equivalents	\$ 131,287	\$ 284,782
Investments	207,885	196,379
Accounts receivable -		
Grants	458,432	283,646
Fees and other	30,870	9,869
Prepaid expenses	50,948	43,617
Property and equipment, net of accumulated depreciation	454,705	468,969
Total Assets	\$ 1,334,127	\$ 1,287,262
LIABILITIES		
Accounts payable	\$ 84,253	\$ 55,504
Accrued payroll and related liabilities	39,620	24,797
Accrued paid time-off	36,584	30,529
Line of credit	65,367	-
Deferred revenue	135,723	180,730
Total Liabilities	361,547	291,560
NET ASSETS		
Unrestricted	914,936	935,638
Temporarily restricted	57,644	60,064
Total Net Assets	972,580	995,702
Total Liabilities and Net Assets	\$ 1,334,127	\$ 1,287,262

See Notes to Financial Statements

CARE OF SOUTHEASTERN MICHIGAN
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED SEPTEMBER 30, 2016 AND 2015

	2016	2015
Unrestricted Net Assets:		
Revenues, Gains, and Other Support:		
Grants and awards -		
Governmental Agencies -		
MCOSA	\$ 1,286,669	\$ 1,114,807
Other	445,183	425,765
Other grants and awards	180,845	112,280
	1,912,697	1,652,852
MCOSA fees -		
Participant fees and collections	76,905	95,690
Medicaid/Adult Benefit Waiver	235,630	226,417
Other fees	378,123	415,815
Miscellaneous	94,032	100,794
Investment return	12,641	(7,483)
Net assets released from restrictions	2,420	403
Total Revenues, Gains, and Other Support	2,712,448	2,484,488
Expenses:		
Program services	2,254,435	2,089,366
Supporting services	478,715	429,557
Total Expenses	2,733,150	2,518,923
Change in Unrestricted Net Assets	(20,702)	(34,435)
Unrestricted Net Assets at the Beginning of the Year	935,638	970,073
Unrestricted Net Assets at the End of the Year	914,936	935,638
Temporarily Restricted Net Assets:		
Revenues, Gains, and Other Support:		
Other	-	2,000
Net Assets Released from Restriction	(2,420)	(403)
Change in Temporarily Restricted Net Assets	(2,420)	1,597
Temporarily Restricted Net Assets at the Beginning of the Year	60,064	58,467
Temporarily Restricted Net Assets at the End of the Year	57,644	60,064
Total Net Assets at the End of the Year	\$ 972,580	\$ 995,702

See Notes to Financial Statements

CARE OF SOUTHEASTERN MICHIGAN

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2016
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Program Services	Supporting Services			Total	
		General and Administrative	Fundraising	Total	2016	2015
Wages and salaries	\$ 1,391,892	\$ 254,435	\$ 96,227	\$ 350,662	\$ 1,742,554	\$ 1,634,535
Fringe benefits	287,339	51,809	15,098	66,907	354,246	336,083
	<u>1,679,231</u>	<u>306,244</u>	<u>111,325</u>	<u>417,569</u>	<u>2,096,800</u>	<u>1,970,618</u>
Supplies and materials -						
Office	155,046	5,375	5,759	11,134	166,180	102,530
Education/training	23,539	-	-	-	23,539	27,836
Printing	3,634	-	3,538	3,538	7,172	14,394
Cleaning supplies	8,397	-	511	511	8,908	8,233
Postage	4,366	-	1,502	1,502	5,868	6,731
Travel -						
Mileage and parking	68,666	122	1,487	1,609	70,275	54,288
Airfare	614	-	-	-	614	392
Lodging	2,023	-	12	12	2,035	475
Per diem	138	-	2	2	140	75
Ground transportation	62	-	-	-	62	-
Conferences	18,551	900	1,775	2,675	21,226	7,879
Other -						
Affiliate network	21,150	-	-	-	21,150	17,865
Assistance to clients	14,950	-	-	-	14,950	15,697
Organizational expenses	27,227	-	1,294	1,294	28,521	20,638
Contractual labor	28,102	-	7,511	7,511	35,613	29,649
Computer labor/ hardware/software	47,840	-	3,152	3,152	50,992	25,895
Insurance	18,423	-	796	796	19,219	18,071
Rent	8,262	-	138	138	8,400	9,602
Trainer	17,224	-	-	-	17,224	23,775
Utilities	14,052	-	839	839	14,891	18,368
Maintenance and repair	14,856	170	885	1,055	15,911	38,709
Other	62,571	836	14,089	14,925	77,496	74,636
Depreciation	15,511	9,507	946	10,453	25,964	32,567
Total Expenses	<u>\$ 2,254,435</u>	<u>\$ 323,154</u>	<u>\$ 155,561</u>	<u>\$ 478,715</u>	<u>\$ 2,733,150</u>	<u>\$ 2,518,923</u>

See Notes to Financial Statements

CARE OF SOUTHEASTERN MICHIGAN

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2016 AND 2015**

	2016	2015
Cash Flows from Operating Activities:		
Change in Net Assets	\$(23,122)	\$(32,838)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation expense	25,964	32,567
Unrealized loss (gain) on investments	(7,574)	15,877
Changes in assets and liabilities:		
(Increase) decrease in -		
Receivables	(195,787)	(4,917)
Prepaid expenses	(7,331)	(5,647)
Increase (decrease) in -		
Accounts payable	28,749	23,663
Accrued liabilities	20,878	7,590
Deferred revenue	(45,007)	44,832
Net Cash Provided by (Used in) Operating Activities	(203,230)	81,127
Cash Flows from Investing Activities:		
Purchase of capital assets	(11,700)	(24,200)
Sales of investments	25,660	-
Purchase of investments	(29,592)	(31,278)
Net Cash Used in Investing Activities	(15,632)	(55,478)
Cash Flows from Financing Activities:		
Draws on line of credit	255,367	-
Payments on line of credit	(190,000)	(85,000)
Payments on note payable	-	(33,658)
Net Cash Provided by (Used in) Financing Activities	65,367	(118,658)
Decrease in Cash and Cash Equivalents	(153,495)	(93,009)
Cash and Cash Equivalents at Beginning of Year	284,782	377,791
Cash and Cash Equivalents at End of Year	\$ 131,287	\$ 284,782
Supplementary Information for Statement of Cash Flows:		
Interest paid on long-term debt	\$ 836	\$ 1,203

See Notes to Financial Statements

CARE OF SOUTHEASTERN MICHIGAN

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2016

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

DESCRIPTION OF ORGANIZATION:

CARE of Southeastern Michigan's (the "Organization") mission is to strengthen resiliency in people and their communities through prevention, education, and services that improve the quality of life.

SIGNIFICANT ACCOUNTING POLICIES:

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

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

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

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

Macomb County Office of Substance Abuse (MCOSA) Programs -

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

CARE OF SOUTHEASTERN MICHIGAN

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2016

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

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

Other Programs -

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

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

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

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

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

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

CARE OF SOUTHEASTERN MICHIGAN

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2016

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

The estimated useful lives of the assets are as follows:

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

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

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

DEFERRED REVENUE - Deferred revenue represents unexpended grant funds and program fees received at the Organization's year-end. The funds are approved for use in future or ongoing programs and are not considered earned in the current year.

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

FUNCTIONAL EXPENSES - Expenses are charged directly to a program based on specific identification. The Organization operates predominately based on grants and performs fundraising activities for special events related to the grant programs. Indirect expenditures have been allocated based on a percentage of wages of direct program personnel for each program to the total wages of direct program personnel, the number of clients served, or building square footage, whichever most directly applies.

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

COMPARATIVE DATA - The financial statements include certain prior-year summarized comparative information in total but not by the functional classification. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended September 30, 2015 from which the summarized information was derived.

CARE OF SOUTHEASTERN MICHIGAN

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

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

UPCOMING ACCOUNTING PRONOUNCEMENTS - In August 2016, the Financial Accounting Standards Board issued new accounting standards, Topic 958, for not-for-profit entities aimed at improving the current net asset classification requirements and information presented in financial statements and notes about a not-for-profit entity's liquidity, financial performance, and cash flows. Included in the new standard is presenting on the face of the statement of financial position two classes of net assets at the end of the period, *net assets with donor restrictions* and *net assets without donor restrictions*, rather than the currently required three classes. The statement of activities would also present changes in each of the two classes of net assets rather than the currently required three classes. The amendments in this update are effective for the Organization's financial statements for the year ending September 30, 2019.

SUBSEQUENT EVENTS - In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through February 20, 2017, the date the financial statements were available to be issued.

NOTE 2 - CASH, CASH EQUIVALENTS, AND INVESTMENTS:

Concentration of Credit Risk -

Financial instruments that potentially subject CARE of Southeastern Michigan to credit risk include cash and cash equivalents on deposit with financial institutions. At September 30, 2016, the Organization had bank balances of \$185,770 at financial institutions, all of which was covered by depository insurance.

Investments -

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

	<u>2016</u>	<u>2015</u>
Mutual Funds	\$ 201,960	\$ 190,589
Preferred Stocks	<u>5,925</u>	<u>5,790</u>
Total	<u>\$ 207,885</u>	<u>\$ 196,379</u>

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

	<u>2016</u>	<u>2015</u>
Interest and Dividends	\$ 5,067	\$ 8,394
Unrealized (Loss) Gain on Investments	<u>7,574</u>	<u>(15,877)</u>
Total	<u>\$ 12,641</u>	<u>\$ (7,483)</u>

CARE OF SOUTHEASTERN MICHIGAN

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 3 - CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS:

CARE of Southeastern Michigan's operations are concentrated in substance abuse funded by Macomb County Office of Substance Abuse (MCOSA). MCOSA grants and fees represent \$1,599,204 or 59% of total revenue for the year ended September 30, 2016. Receivables from MCOSA of \$392,214 represent 80% of receivables at September 30, 2016.

NOTE 4 - CAPITAL ASSETS:

The following is a summary of capital assets at September 30, 2016:

Building and improvements	\$	785,271
Furniture and fixtures		54,126
Computer and software		<u>28,106</u>
		867,503
Accumulated depreciation	(<u>412,798</u>)
	\$	<u>454,705</u>

Depreciation expense for the year ended September 30, 2016 was \$25,964.

NOTE 5 - FAIR VALUE MEASUREMENTS:

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

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

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

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

CARE OF SOUTHEASTERN MICHIGAN

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

NOTE 5 - FAIR VALUE MEASUREMENTS - (cont'd):

The following table presents the Organization's fair value hierarchy for the assets and liabilities measured at fair value as of September 30, 2016:

Assets Measured at Fair Value on a Recurring Basis:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments -				
Mutual Funds	\$ 201,960	\$ 201,960	\$ -	\$ -
Preferred Stocks	<u>5,925</u>	<u>5,925</u>	<u>-</u>	<u>-</u>
	<u>\$ 207,885</u>	<u>\$ 207,885</u>	<u>\$ -</u>	<u>\$ -</u>

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

NOTE 6 - LINE OF CREDIT:

The Organization has a line of credit dated April 19, 2012 with a maximum amount to draw of \$200,000 through April 19, 2017. The line of credit has a variable interest rate and any outstanding obligation is collateralized by the assets of the Organization. At September 30, 2016, the Organization had \$65,367 outstanding.

NOTE 7 - CONTINGENT LIABILITIES:

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

NOTE 8 - TEMPORARILY RESTRICTED NET ASSETS:

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

In 2004, Nonprofit Finance Fund awarded CARE a conditional grant in the amount of \$39,360 over ten years (June 1, 2004 thru May 31, 2014) to support the creation of a building reserve fund to be used to carry out specified building system replacements. In addition, it awarded CARE annual matching grants of up to \$2,000 for reimbursement of preventative maintenance contract expenses. Receipt of these funds is conditional upon: 1) meeting 1:1 matching grant requirements by depositing funds into a designated building reserve account; and 2) carrying out specified building system replacements or preventative maintenance as approved by the grantor. At September 30, 2016, CARE had accumulated grants and matching amounts of \$57,644, which is to be used for building maintenance and improvements.

SUPPLEMENTARY FINANCIAL INFORMATION

CARE OF SOUTHEASTERN MICHIGAN

**COMBINING SCHEDULE OF EXPENSES - MCOSA PROGRAMS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Prevention</u>	<u>VOX</u>	<u>Case Management</u>	<u>DHHS Collaborative</u>
Wages and salaries	\$ 449,349	\$ 40,074	\$ 79,208	\$ 139,441
Fringe benefits	98,379	7,504	16,288	30,962
	<u>547,728</u>	<u>47,578</u>	<u>95,496</u>	<u>170,403</u>
Supplies and materials -				
Office	39,591	6,632	8,066	5,336
Education/training	19,422	-	80	-
Printing	1,273	65	140	353
Cleaning supplies	2,812	222	413	991
Postage	1,785	29	95	297
Travel -				
Mileage and parking	11,143	2,643	4,115	2,987
Lodging	76	7	16	34
Per diem	11	1	2	4
Conferences	10,759	23	500	106
Other -				
Assistance to clients	375	-	2,010	6,323
Organizational expenses	5,620	482	1,083	2,323
Contractual labor	17,354	106	355	403
Computer labor/hardware/software	11,403	615	1,386	2,767
Insurance	4,573	434	968	1,966
Rent	749	70	110	266
Trainer	-	162	-	-
Utilities	4,648	379	680	1,650
Maintenance and repair	5,049	340	718	1,717
Other	10,787	451	1,811	4,109
Depreciation	5,139	479	752	1,819
Total Expenses	<u>\$ 700,297</u>	<u>\$ 60,718</u>	<u>\$ 118,796</u>	<u>\$ 203,854</u>

Continued

CARE OF SOUTHEASTERN MICHIGAN

COMBINING SCHEDULE OF EXPENSES - MCOSA PROGRAMS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Peer Recovery Coaching	Partnership for Success	Total
Wages and salaries	\$ 324,116	\$ 49,058	\$ 1,081,246
Fringe benefits	64,026	9,219	226,378
	<u>388,142</u>	<u>58,277</u>	<u>1,307,624</u>
Supplies and materials -			
Office	29,809	38,711	128,145
Education/training	155	1,053	20,710
Printing	379	64	2,274
Cleaning supplies	983	334	5,755
Postage	298	82	2,586
Travel -			
Mileage and parking	36,339	849	58,076
Lodging	563	-	696
Per diem	10	-	28
Conferences	3,960	637	15,985
Other -			
Assistance to clients	3,516	-	12,224
Organizational expenses	4,390	852	14,750
Contractual labor	845	147	19,210
Computer labor/hardware/software	5,433	11,281	32,885
Insurance	3,834	649	12,424
Rent	268	88	1,551
Trainer	455	16,000	16,617
Utilities	1,730	570	9,657
Maintenance and repair	1,913	474	10,211
Other	20,179	5,931	43,268
Depreciation	1,840	598	10,627
	<u>505,041</u>	<u>136,597</u>	<u>1,725,303</u>
Total Expenses	<u>\$ 505,041</u>	<u>\$ 136,597</u>	<u>\$ 1,725,303</u>

Concluded

CARE OF SOUTHEASTERN MICHIGAN

**COMBINING SCHEDULE OF EXPENSES - OTHER PROGRAMS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	Fee Based Assessments	DWMHA	WorkLife Solutions	Student Assistance Center	Prisoner Re-entry
Wages and salaries	\$ 30,804	\$ 52,182	\$ 162,379	\$ 48,945	\$ 103,395
Fringe benefits	5,981	14,202	37,413	10,474	20,934
	<u>36,785</u>	<u>66,384</u>	<u>199,792</u>	<u>59,419</u>	<u>124,329</u>
Supplies and materials -					
Office	1,615	3,800	5,933	2,220	3,095
Education and training	-	1,220	1,409	-	-
Printing	27	30	656	330	68
Cleaning supplies	458	80	899	489	47
Postage	156	223	795	387	24
Travel -					
Mileage and parking	129	1,909	2,713	87	1,846
Airfare	-	-	-	-	-
Lodging	5	9	26	14	22
Per diem	1	1	4	2	3
Ground transportation	-	-	-	-	-
Conferences	74	219	1,877	104	70
Other -					
Affiliate network	-	-	21,150	-	-
Assistance to clients	-	-	-	-	-
Organizational expenses	380	1,234	2,738	914	1,372
Contractual labor	56	172	585	121	82
Computer labor					
hardware/software	462	854	2,201	1,091	1,800
Insurance	321	542	1,567	785	1,276
Rent	119	6,022	245	133	14
Trainer	-	-	607	-	-
Utilities	713	148	1,479	809	125
Maintenance and repair	710	164	1,553	872	168
Other	234	1,065	14,849	1,327	106
Depreciation	815	154	1,679	917	98
Total Expenses	<u>\$ 43,060</u>	<u>\$ 84,230</u>	<u>\$ 262,757</u>	<u>\$ 70,021</u>	<u>\$ 134,545</u>

Continued

CARE OF SOUTHEASTERN MICHIGAN

**COMBINING SCHEDULE OF EXPENSES - OTHER PROGRAMS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	Flinn	United Way	Supervised Parenting	Community Corrections PEER	Special Projects	Total
Wages and salaries	\$ 5,164	\$ 89,608	\$ 44,981	\$ 7,133	\$ 14,865	\$ 559,456
Fringe benefits	685	13,585	5,646	748	2,672	112,340
	<u>5,849</u>	<u>103,193</u>	<u>50,627</u>	<u>7,881</u>	<u>17,537</u>	<u>671,796</u>
Supplies and materials -						
Office	483	4,120	8,719	305	1,888	32,178
Education and training	-	-	-	-	200	2,829
Printing	-	139	51	48	11	1,360
Cleaning supplies	-	331	149	13	176	2,642
Postage	-	41	63	1	90	1,780
Travel -						
Mileage and parking	-	3,404	98	363	41	10,590
Airfare	-	-	614	-	-	614
Lodging	-	16	1,231	-	4	1,327
Per diem	-	2	97	-	-	110
Ground transportation	-	-	62	-	-	62
Conferences	34	170	10	-	8	2,566
Other -						
Affiliate network	-	-	-	-	-	21,150
Assistance to clients	-	1,000	-	-	1,726	2,726
Organizational expenses	4,250	1,206	122	3	258	12,477
Contractual labor	5,000	390	2,454	16	16	8,892
Computer labor						
hardware/software	6,290	1,482	465	201	109	14,955
Insurance	-	956	325	119	108	5,999
Rent	-	88	39	3	48	6,711
Trainer	-	-	-	-	-	607
Utilities	-	566	254	23	278	4,395
Maintenance and repair	-	594	208	30	346	4,645
Other	2	1,044	399	191	86	19,303
Depreciation	-	606	265	20	330	4,884
Total Expenses	<u>\$ 21,908</u>	<u>\$ 119,348</u>	<u>\$ 66,252</u>	<u>\$ 9,217</u>	<u>\$ 23,260</u>	<u>\$ 834,598</u>

Concluded

CARE OF SOUTHEASTERN MICHIGAN

**SCHEDULE OF BUDGETED, REPORTED, AND AUDITED AMOUNTS - MCOSA PROGRAMS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Reported Amounts</u>	<u>Audited Amounts</u>	<u>Variance</u>
PREVENTION				
Expenses:				
Salaries and wages	\$ 463,642	\$ 450,649	\$ 449,349	\$ 1,300 a)
Fringe benefits	98,885	98,379	98,379	-
Supplies and materials	63,160	65,258	64,883	375 a)
Travel and conferences	25,309	21,989	21,989	-
Other	62,361	64,022	65,697	(1,675) a)
	<u>\$ 713,357</u>	<u>\$ 700,297</u>	<u>\$ 700,297</u>	<u>\$ -</u>
Total Expenses				
Funding Sources:				
Macomb County Office of Substance Abuse	\$ 635,000	\$ 626,182	\$ 626,182	\$ -
Fees and collections	78,357	74,115	74,115	-
	<u>\$ 713,357</u>	<u>\$ 700,297</u>	<u>\$ 700,297</u>	<u>\$ -</u>
Total Funding Sources				
VOX				
Expenses:				
Salaries and wages	\$ 40,532	\$ 40,180	\$ 40,074	\$ 106 a)
Fringe benefits	7,676	7,504	7,504	-
Supplies and materials	5,734	6,948	6,948	-
Travel and conferences	1,766	2,674	2,674	-
Other	3,164	3,412	3,518	(106) a)
	<u>\$ 58,872</u>	<u>\$ 60,718</u>	<u>\$ 60,718</u>	<u>\$ -</u>
Total Expenses				
Funding Sources:				
Macomb County Office of Substance Abuse	\$ 58,072	\$ 57,958	\$ 57,958	\$ -
Fees and collections	800	2,760	2,760	-
	<u>\$ 58,872</u>	<u>\$ 60,718</u>	<u>\$ 60,718</u>	<u>\$ -</u>
Total Funding Sources				
CASE MANAGEMENT				
Expenses:				
Salaries and wages	\$ 80,154	\$ 79,432	\$ 79,208	\$ 224 a)
Fringe benefits	16,207	16,288	16,288	-
Supplies and materials	16,747	10,804	8,794	2,010 a)
Travel and conferences	6,167	4,633	4,633	-
Other	8,296	7,639	9,873	(2,234) a)
	<u>\$ 127,571</u>	<u>\$ 118,796</u>	<u>\$ 118,796</u>	<u>\$ -</u>
Total Expenses				
Funding Sources:				
Macomb County Office of Substance Abuse	\$ 127,571	\$ 118,766	\$ 118,766	\$ -
Fees and collections	-	30	30	-
	<u>\$ 127,571</u>	<u>\$ 118,796</u>	<u>\$ 118,796</u>	<u>\$ -</u>
Total Funding Sources				

CARE OF SOUTHEASTERN MICHIGAN

**SCHEDULE OF BUDGETED, REPORTED, AND AUDITED AMOUNTS - MCOSA PROGRAMS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	Final Budget	Reported Amounts	Audited Amounts	Variance
DHHS COLLABORATIVE				
Expenses:				
Salaries and wages	\$ 152,106	\$ 139,794	\$ 139,441	\$ 353 a)
Fringe benefits	32,743	30,962	30,962	-
Supplies and materials	6,443	5,987	6,977	(990) a)
Travel and conferences	6,482	3,131	3,131	-
Other	24,530	23,980	23,343	637 a)
Total Expenses	\$ 222,304	\$ 203,854	\$ 203,854	\$ -

Funding Sources:				
Macomb County Office of Substance Abuse	\$ 88,268	\$ 77,755	\$ 77,755	\$ -
Department of Health & Human Services	129,536	127,240	127,240	-
Total Funding Sources	\$ 217,804	\$ 204,995	\$ 204,995	\$ -

PEER RECOVERY COACHING				
Expenses:				
Salaries and wages	\$ 321,476	\$ 324,960	\$ 324,116	\$ 844 a)
Fringe benefits	65,336	64,026	64,026	-
Supplies and materials	31,186	31,624	31,624	-
Travel and conferences	44,759	40,872	40,872	-
Other	29,031	28,356	44,403	(16,047) a) b)
Total Expenses	\$ 491,788	\$ 489,838	\$ 505,041	\$(15,203) b)

Funding Sources:				
Macomb County Office of Substance Abuse	\$ 270,483	\$ 269,411	\$ 269,411	\$ -
Fees and collections - Medicaid/Adult Benefit Wai	221,305	220,427	235,630	(15,203) b)
Total Funding Sources	\$ 491,788	\$ 489,838	\$ 505,041	\$(15,203) b)

PARTNERSHIP FOR SUCCESS				
Expenses:				
Salaries and wages	\$ 56,415	\$ 49,206	\$ 49,058	\$ 148 a)
Fringe benefits	9,985	9,219	9,219	-
Supplies and materials	41,880	40,244	40,244	-
Travel and conferences	3,470	1,486	1,486	-
Other	34,250	36,442	36,590	(148) a)
Total Expenses	\$ 146,000	\$ 136,597	\$ 136,597	\$ -

Funding Sources:				
Macomb County Office of Substance Abuse	\$ 146,000	\$ 136,597	\$ 136,597	\$ -

- a) These variances are a result of the grant including the expense in a different line item than where it is reported in the audit.
b) This variance is due to the claims/use tax that are paid with the Medicaid monies received

