

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORTS

DIRECTIONS FOR MENTAL HEALTH, INC.

d/b/a DIRECTIONS FOR LIVING

June 30, 2017

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Directions for Living

Report on the Financial Statements

We have audited the accompanying financial statements of Directions for Mental Health, Inc. d/b/a Directions for Living (a nonprofit organization), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States of America. 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 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 Directions for Living as of June 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.

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Report on Summarized Comparative Information

We have previously audited Directions for Living's 2016 financial statements, and our report dated December 27, 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 June 30, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

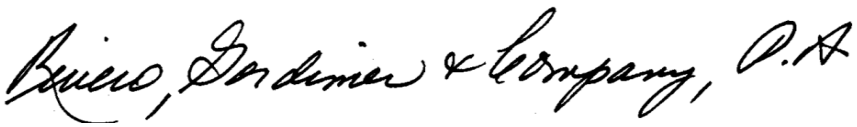
Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.650 *Rules of the Auditor General,* 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.

The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is also not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express and opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2017 on our consideration of Directions for Living's internal control over financial reporting and 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 the 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 Directions for Living's internal control over financial reporting and compliance.



Tampa, Florida
December 22, 2017

Directions for Living

STATEMENT OF FINANCIAL POSITION

June 30, 2017
(With comparative total for 2016)

	2017			
	Unrestricted	Temporarily Restricted	Total	Total June 30, 2016
ASSETS				
Current assets				
Cash (notes A4 and A16)	$ 78,753	$ 2,250	$ 81,003	$ 194,296
Receivables				
Program service fees (note A5)	694,275	-	694,275	708,494
Grants (note A6)	1,655,733	-	1,655,733	1,560,711
Medication inventory (note A9)	16,105	-	16,105	16,105
Prepaid expenses	27,660	-	27,660	458,349
Total current assets	2,472,526	2,250	2,474,776	2,937,955
Investments (notes A11, B and F)	38,000	141,687	179,687	170,890
Property and equipment, net of accumulated depreciation (notes A10 and C)	1,093,348	41,808	1,135,156	1,226,885
Other assets	10,126	-	10,126	10,626
Total assets	$ 3,614,000	$ 185,745	$ 3,799,745	$ 4,346,356
LIABILITIES AND NET ASSETS				
Current liabilities				
Line of credit (note D)	$ 271,981	$ -	$ 271,981	$ 914,541
Current portion of long -term debt (note E)	87,600	-	87,600	84,358
Accounts payable	160,714	-	160,714	249,530
Accrued expenses	456,451	-	456,451	830,270
Deferred revenue	431,273	-	431,273	137,070
Total current liabilities	1,408,019	-	1,408,019	2,215,769
Long-term debt (note E)	597,681	-	597,681	690,112
Commitments (note H)	-	-	-	-
Total liabilities	2,005,700	-	2,005,700	2,905,881
Net assets				
Unrestricted	1,608,300	-	1,608,300	1,211,851
Temporarily restricted (note K)	-	185,745	185,745	228,624
Total net assets	1,608,300	185,745	1,794,045	1,440,475
Total liabilities and net assets	$ 3,614,000	$ 185,745	$ 3,799,745	$ 4,346,356

The accompanying notes are an integral part of this statement.

Directions for Living

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the year ended June 30, 2017
(With comparative total for 2016)

	2017			
	Unrestricted	Temporarily Restricted	Total	Total June 30, 2016
OPERATING REVENUE				
Grant revenue (note A6)	14,416,851	-	14,416,851	13,090,977
Program service fees (note A5)	1,537,158	-	1,537,158	2,084,863
United Way allocation and designation	-	-	-	1,500
Donations and bequests	143,878	2,250	146,128	127,161
In-kind contributions (notes A8 and I)	369,894	-	369,894	503,540
Other income	89,132	-	89,132	77,387
	16,556,913	2,250	16,559,163	15,885,428
Net assets released from restrictions	53,926	(53,926)	-	-
Total operating revenue	16,610,839	(51,676)	16,559,163	15,885,428
OPERATING EXPENSES (note A12)				
Program services	14,012,873	-	14,012,873	14,008,222
Supporting services				
General and administrative	2,011,327	-	2,011,327	1,894,610
Fundraising	180,303	-	180,303	144,327
Total operating expenses	16,204,503	-	16,204,503	16,047,159
Operating income (loss)	406,336	(51,676)	354,660	(161,731)
NON-OPERATING REVENUE (EXPENSE)				
Change in value of assets held by others	-	8,797	8,797	3,420
Interest income	109	-	109	196
Interest expense	(64,075)	-	(64,075)	(73,378)
Other	54,079	-	54,079	-
Total non-operating revenue (expense)	(9,887)	8,797	(1,090)	(69,762)
CHANGE IN NET ASSETS	396,449	(42,879)	353,570	(231,493)
NET ASSETS AT BEGINNING OF YEAR	1,211,851	228,624	1,440,475	1,671,968
NET ASSETS AT END OF YEAR	$ 1,608,300	$ 185,745	$ 1,794,045	$ 1,440,475

The accompanying notes are an integral part of this statement.

Directions for Living

STATEMENT OF CASH FLOWS

For the year ended June 30, 2017
(With comparative total for 2016)

	2017	2016
Cash flows from operating activities		
Change in net assets	$ 353,570	$ (231,493)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation	161,244	243,562
Unrealized change in value of investments	(8,797)	(3,420)
(Decrease) increase in receivables	(80,803)	530,208
Decrease (increase) in prepaid expenses	430,689	(433,547)
Decrease in other assets	500	15,357
Decrease in accounts payable and accrued expenses	(462,635)	(116,140)
Increase (decrease) in deferred revenue	294,203	(329,907)
Total adjustments	334,401	(93,887)
Net cash provided (used) by operating activities	687,971	(325,380)
Cash flows from investing activities		
Purchase of equipment	(69,515)	(160,151)
Net cash used by investing activities	(69,515)	(160,151)
Cash flows from financing activities		
Payments on long-term debt	(89,189)	(75,239)
Net (payments) proceeds on/from line of credit	(642,560)	245,883
Net cash (used) provided by financing activities	(731,749)	170,644
Net decrease in cash and cash equivalents	(113,293)	(314,887)
Cash and cash equivalents at beginning of the year	194,296	509,183
Cash and cash equivalents at end of year	$ 81,003	$ 194,296
Supplemental disclosures of cash flow information		
Cash paid during the year		
Interest	$ 64,075	$ 73,378
Taxes	$ -	$ -

The accompanying notes are an integral part of this statement.

Directions for Living

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended June 30, 2017
(With comparative total for 2016)

	Program Services					Support Services				
	Case Management Services	Outpatient Services	Homeless Services	Child Protective Services	Total Program Services	General and Administration	Fundraising	Total Support Services	Total Expenses	2016 Total Expenses
Personnel expense	$ 2,458,071	$ 3,496,707	$ 726,155	$ 4,186,141	$10,867,074	$ 1,655,818	$ 139,475	$ 1,795,293	$12,662,367	$11,899,866
Building occupancy	60,888	117,718	65,404	100,821	344,831	32,895	3,293	36,188	381,020	392,478
Professional services	140,508	52,014	154	76,708	269,383	49,400	-	49,400	318,783	359,812
Travel	130,189	56,908	18,004	296,989	502,090	9,964	-	9,964	512,053	415,436
Equipment	3,982	9,827	1,401	2,677	17,886	6,104	-	6,104	23,990	85,236
Medical and pharmacy	-	1,254	65,956	-	67,210	-	-	-	67,210	122,172
Operating expenses	204,421	450,683	286,813	274,647	1,216,564	214,166	28,187	242,353	1,458,917	1,701,977
Client support	53,021	2,910	117,116	55,738	228,785	295	-	295	229,080	323,080
In-kind	112,201	220,629	3,489	22,125	358,443	22,046	9,348	31,394	389,837	503,540
Total expenses before depreciation	3,163,280	4,408,650	1,284,492	5,015,845	13,872,268	1,990,688	180,303	2,170,991	16,043,259	15,803,597
Depreciation	32,087	44,665	13,061	50,792	140,605	20,639	-	20,639	161,244	243,562
Total expenses	$ 3,195,367	$ 4,453,315	$ 1,297,553	$ 5,066,637	$14,012,873	$ 2,011,327	$ 180,303	$ 2,191,630	$16,204,503	$16,047,159

The accompanying notes are an integral part of this statement.

Directions for Living

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A description of the organization and a summary of its significant accounting policies consistently applied in the preparation of the accompanying financial statements follow:

1. Organization and Activities

Directions for Mental Health Inc., DBA Directions for Living ("Directions") is a nonprofit corporation providing integrated behavioral health services to adults, children and families. Directions' focus is on preventing and healing from trauma – particularly those related to the child welfare system, homelessness, mental illness, and substance abuse. Through Directions' Child Welfare and Family Preservation program services provided include intensive in-home Family Preservation, Child Protection Services, Foster Care, Project H.O.P.E (Helping Our Parents Excel, a rapid reunification program and specialized support for parents, and Adoptions. Through Directions' Trauma-Informed Behavioral Health Care Program Directions' utilizes evidenced-based practices to provide Adult and Children's Therapy, Family/Couples Therapy, Group Therapy, Intensive In-Home Therapy and Adult and Children's Psychiatry. Directions' Prevention, Wellness and Recovery program provides Homeless Outreach Services, Case Management Services, Early Childhood Consultation Services and Psychological Testing to provide resources and individualized care for those at-risk and in need of support. The majority of the clients served by Directions reside in Pinellas and Pasco County, Florida. Funding provided for these services is received primarily through governmental grants, contracts and program fees.

2. Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis and are prepared under the guidance of the Financial Accounting Standards Codification (FASB ASC). FASB ASC 958 requires the display of the financial statements based on the concept of net assets. Net assets are identified as unrestricted, temporarily restricted, or permanently restricted.

3. 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. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

4. Cash and Cash Equivalents

Cash and cash equivalents include investments in highly liquid debt instruments with a maturity of three months or less, at the date of purchase.

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

5. Net Program Service Fees and Receivables

Net program service fees are reported at the estimated net realizable amounts from clients, third-party payors, and others for services rendered. Accordingly, Directions provides an allowance for accounts it deems to be uncollectible based on historical experience, third-party contracts, and other circumstances, which may affect the ability to meet their obligations.

Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is Directions' policy to charge-off uncollectible receivables once all collection efforts have been exhausted. An allowance of approximately $700,000 is included in relation to the program service fees receivable at June 30, 2017 in the accompanying financial statements.

Directions has agreements with third-party payors that provide for payments at amounts different from established rates. The basis for payment to Directions under these agreements includes discounts from established rates.

6. Grant Revenue and Receivables

Grant revenue is received from federal, state and local sources. Grant revenue is recorded based upon the terms of the grantor allotment, which generally provides that revenues are earned when the allowable costs of the specific grant provisions have been incurred. Such revenues are subject to audit by the grantor, and if the examination results in a deficiency of allowable expenses, Directions would be required to refund any deficiencies.

7. Charity Care

Directions provides care to clients who meet certain criteria under its charity care policy without charge, or at amounts less than its established rates. Because Directions does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue. Directions provided $643,577 in charity care for fiscal year 2017.

8. Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets, depending on the absence or existence and nature of any donor restrictions. Contributions received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted support that increases those net asset classes. When a temporary restriction expires, temporary restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

NOTE A - DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

9. Medication Inventory

Medication inventory consists of drug stock held by Directions for client use, and is stated at the lower of cost or market. Cost is determined using the first-in, first-out method. Inventory levels fluctuate depending upon the timing of funding from the State of Florida.

10. Property and Equipment

Directions follows the practice of capitalizing all expenditures for property and equipment in excess of $5,000. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets, ranging from 3 to 30 years.

Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as increases in temporarily restricted net assets. It is Directions' policy to imply a time restriction, based on the assets' estimated useful lives, on donations of property and equipment that are not restricted as to their use by the donor. Accordingly, those donations are recorded as an increase in temporarily restricted net assets.

Directions reclassifies temporarily restricted net assets to unrestricted net assets each year for the amount of depreciation expense relating to the donated property and equipment.

11. Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair value in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets.

12. Statement of Activities and Changes in Net Assets

Transactions deemed by management to be ongoing, major or central to the provision of health care services are classified as operating revenue and expenses. Peripheral or incidental transactions are reported as nonoperating gains and losses.

13. Functional Allocation of Expenses

The costs of providing the various programs and other activities are presented in the statement of functional expenses and have been summarized on a functional basis in the statement of activities and changes in net assets. Accordingly, certain expenses have been allocated among the programs and supporting services benefitted.

NOTE A - DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

14. Income Taxes

Directions has been recognized as exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been presented in these financial statements. Directions has not reported any unrelated business income; however, such status is subject to final determination upon examination, if any, of the related income tax returns by the appropriate taxing authorities.

Directions is not aware of any tax positions it has taken that are subject to a significant degree of uncertainty. Tax years after 2013 remain subject to examination by federal and state taxing authorities.

15. Donated Materials, Services and Building Space

Donations of materials and building space are recorded as support at their estimated fair value at the date of donation. Donations of services are recorded as support at their estimated fair value if they require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Directions also receives donated services from a variety of unpaid volunteers.

No amounts have been recognized in the accompanying statement of activities and changes in net assets because the criteria for recognition of such volunteer effort under FASB ASC Topic 958 relating to *Not-For-Profit Entities* have not been satisfied.

16. Comparative Information

The financial statements include certain prior period summarized comparative information in total, but not by net asset class. 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 Directions' financial statements for the year ended June 30, 2016, from where it was derived.

NOTE B - INVESTMENTS

Investments are comprised of the following at June 30, 2017:

Beneficial interest in assets held by others	$ 141,687
Investment in common stock	38,000
	$ 179,687

NOTE B - INVESTMENTS - Continued

The Community Foundation of Tampa Bay, Inc. maintains an investment account to benefit Directions. The account is not considered an asset of Directions, and therefore is not included in the financial statements. Directions can request a distribution from the investment account each year. The balance of this investment account available for distribution was $23,663 at June 30, 2017.

NOTE C - PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30, 2017:

Land	$ 404,970
Building and improvements	2,927,455
Office furniture and equipment	1,318,711
	4,651,136
Less accumulated depreciation and amortization	(3,515,980)
	$ 1,135,156

Depreciation expense was $161,244 for the year ended June 30, 2017.

NOTE D - LINE OF CREDIT

Directions has a line of credit with a commercial bank in the amount of $1,200,000 at June 30, 2017. The line of credit is secured by property. Interest is due monthly at the greater of 4.00% or the bank's prime rate (4.25% at June 30, 2017) plus .5%, and principal is due on demand. Amounts outstanding under this line of credit were $271,981 at June 30, 2017.

NOTE E - LONG-TERM DEBT

Following is a summary of long-term debt at June 30, 2017:

$290,000 term loan, principal and interest payment monthly of $5,415 from September 2013 through August 2018, interest at 4.5%, the loan is collateralized by all assets	$ 62,503
$700,000 mortgage note payable, principal and interest payment monthly of $4,629 from March 2014 through February 2024 plus final balloon payment of approximately $435,000 due in March 2024, interest at 4.95%, the loan is collateralized by property	622,778
	685,281
Less current maturities	(87,600)
	$ 597,681

NOTE E - LONG-TERM DEBT - Continued

Future maturities of long-term debt are as follows:

Year ending June 30,	
2018	$ 87,600
2019	26,368
2020	27,703
2021	29,106
2022	30,580
2023 and beyond	483,924
	$ 685,281

NOTE F - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board ASC 820 establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that Directions has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for that asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means;
- If the asset or liability has a specified (contractual) term, the input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

NOTE F - FAIR VALUE MEASUREMENTS - Continued

An asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value at June 30, 2017:

Investments:

Common Stock: Valued at cost as there is no active market on which the individual securities are traded. Should the investments' fair value become impaired, the value will be reduced at the time such a determination is made.

Beneficial interest in assets held by others: Value for the beneficial interest held by Directions in the Community Foundation of Tampa Bay ('Community Foundation") and the Pinellas County Community Foundation ("Pinellas Foundation) are based on valuation information provided by the Community Foundation and the Pinellas Foundation which is primarily derived from or corroborated by observable market data.

The methods described above may produce a fair value calculation that may not be indicative of the net realizable value or reflective of future fair values. Furthermore, while Directions believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The estimated fair values of Directions' financial instruments as of June 30, 2017 are as follows:

	Fair Value	Level 1	Level 2	Level 3
Beneficial interest in assets held by others	$ 141,687	$ -	$ -	$ 141,687
Investment in common stock	38,000	-	-	38,000
	$ 179,687	$ -	$ -	$ 179,687

The table below sets forth a summary of changes in fair value of the Plan's level 3 investment assets for the year ended June 30, 2017:

Balance, beginning of year	$ 170,890
Total gains or losses included in changes in net assets available for benefits	8,797
Purchases, sales, issuance and settlements	-
Balance, end of year	$ 179,687

NOTE G - RETIREMENT PLAN

Directions sponsors a 403(b) defined contribution retirement plan covering all eligible employees. Directions may elect to make a matching contribution equal to one-half of employee contributions to a maximum match of $1,000 per employee per plan year. The plan contains a vesting schedule for employer contributions. All forfeited nonvested contributions may be used to reduce future employer contributions. The retirement plan expense is reported net of forfeitures used in lieu of employer cash contributions. The retirement plan expense was approximately $12,000 for the year ended June 30, 2017.

NOTE H - CONTINGENCIES

Directions routinely enters into grant agreements and contracts with governmental agencies that provide for reimbursement of the eligible direct and indirect cost of providing Directions' program services. The grants and contracts are subject to audit or review and retroactive adjustment based on a final determination by the grantor eligible reimbursable expenditures.

Directions bills Medicaid and Medicare for services provided to clients who are eligible for Medicaid and/or Medicare insurance reimbursement. All billings and the related documentation are subject to audit by Medicaid and Medicare and potential payback could be required if proper documentation is lacking.

NOTE I - DONATED MATERIALS AND SERVICES (IN-KIND CONTRIBUTIONS)

Donated materials and services for the year ended June 30, 2017 consisted of medication inventory valued at $177,659, child care services valued at $100,222, and other support services valued at $92,014.

NOTE J - FUNDING AND CREDIT CONCENTRATIONS

Directions receives a substantial amount of its support and revenue from federal, state and local government agencies in the form of performance and expense reimbursement contracts and third-party insurance arrangements. Continuation of Directions' program services is greatly dependent upon the continued support of these agencies. Directions' grants receivable at June 30, 2017 are primarily due from the aforementioned governmental agencies.

NOTE K - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restrictions on net assets at June 30, 2017 relate to the following:

Restricted for future periods	$	141,687
Beneficial interest in assets held by others		41,808
Facilities subject to time restrictions		2,250
Contribution subject to donor stipulation		
	$	185,745

NOTE L - JUVENILE WELFARE BOARD OF PINELLAS COUNTY CONTRACTS

Directions has operating agreements with the Juvenile Welfare Board of Pinellas County. Program service revenues and expenditures for the ended June 30, 2017 are as follows:

Program	Revenues	Expenditures
Children's Outpatient Services	$ 626,489	$ 626,489
Early Childhood Consultation Services	225,981	225,981
	$ 852,470	$ 852,470

NOTE M - SUBSEQUENT EVENTS

Directions has evaluated events and transactions occurring subsequent to June 30, 2017 as of December 22, 2017 which is the date the financial statements were available to be issued.

COMPLIANCE REPORTS

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

DIRECTIONS FOR LIVING

June 30, 2017

RG&Co

RIVERO, GORDIMER & COMPANY, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

Member
American Institute of Certified Public Accountants
Florida Institute of Certified Public Accountants

Herman V. Lazzara — Stephen G. Douglas
Marc D. Sasser — Michael E. Helton
Sam A. Lazzara — Christopher F. Terrigino
Kevin R. Bass — James K. O'Connor
Jonathan E. Stein
Richard B. Gordimer, of Counsel
Cesar J. Rivero, in Memoriam (1942-2017)

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Directions for Living

We have audited, in accordance with the 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, the financial statements of Directions for Mental Health, Inc. d/b/a Directions for Living (a nonprofit organization), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 22, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Directions for Living's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Directions for Living's internal control. Accordingly, we do not express an opinion on the effectiveness of the Directions for Living 's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

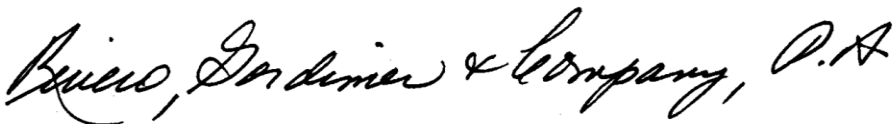
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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Directions for Living's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Tampa, Florida
December 22, 2017

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE
UNIFORM GUIDANCE AND CHAPTER 10.650, *RULES OF THE AUDITOR GENERAL*

DIRECTIONS FOR LIVING

June 30, 2017

RGCO

RIVERO, GORDIMER & COMPANY, P.A.
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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.650, *RULES OF THE AUDITOR GENERAL*

Board of Directors
Directions for Living

Report on Compliance for Each Major Federal Program and State Project

We have audited Directions for Mental Health, Inc. d/b/a Directions for Living's compliance with the types of compliance requirements described in the *OMB Supplement* and the requirements described in the Department of Financial Services' *State Projects Compliance Supplement,* that could have a direct and material effect on each of Directions for Living's major federal programs and state projects for the year ended June 30, 2017. Directions for Living's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the federal and state statutes, regulations, and the terms and conditions of its federal awards and state projects applicable to its federal programs and state projects.

Auditor's Responsibility

Our responsibility is to express and opinion on compliance for each of Directions for Living's major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.650 *Rules of the Auditor General*. Those standards, the Uniform Guidance, and Chapter 10.650 *Rules of the Auditor General,* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about Directions for Living's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state project. However, our audit does not provide a legal determination of Directions for Living's compliance.

Opinion on Each Major Federal Program and State Project

In our opinion, Directions for Living complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended June 30, 2017.

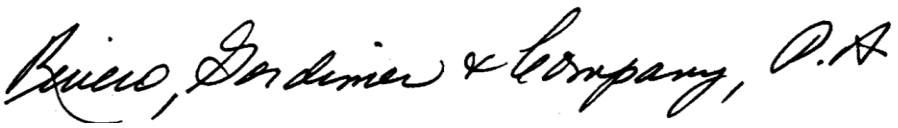
Report on Internal Control Over Compliance

Management of Directions for Living is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Directions for Living's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state project, and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General,* but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Directions for Living's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance, and Chapter 10.650, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.



Tampa, Florida
December 22, 2017

SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
FEDERAL PROGRAMS AND STATE PROJECTS

DIRECTIONS FOR LIVING

For the year ended June 30, 2017

Directions for Living

SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
FEDERAL PROGRAMS AND STATE PROJECTS

For the year ended June 30, 2017

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued on whether the finacial statements were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	____ yes __X__ no
Significant deficiency(ies) identified?	____ yes __X__ none reported
Noncompliance material to financial statements noted?	____ yes __X__ no

Federal Awards and State Financial Assistance

Internal control over major federal programs and state projects:	
Material weakness(es) identified?	____ yes __X__ no
Significant deficiency(ies) identified?	____ yes __X__ none reported
Type of auditors' report issued on compliance for major federal programs/state projects:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) and/or Chapter 10.650, *Rules of the Florida Auditor General?*	____ yes __X__ no

Identification of major federal programs and state projects:

Federal

CFDA Number	Name of Federal Program
93.645	Stephanie Tubbs Jones Child Welfare Services Program
93.658	Foster Care - Title IV-E

State

CFSA Number	Name of State Project
60.074	Out-of-Home Supports

Dollar threshold used to distinguish between type A and type B federal programs	$ 750,000
Dollar threshold used to distinguish between type A and type B state projects	$ 300,000
Auditee qualified as low-risk auditee?	__X__ yes ____ no

Directions for Living

SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
FEDERAL PROGRAMS AND STATE PROJECTS – CONTINUED

For the year ended June 30, 2017

Section II - Financial Statement Findings

No matters were reported for the year ended June 30, 2017.

Section III - Federal Award and State Financial Assistance

No matters were reported for the year ended June 30, 2017.

Other Issues

a) A management letter is not required because there were no findings required to be reported in the management letter (see AG Rule Section 10.656(3)(e)).

b) A summary Schedule of Prior Audit Findings is not required because there were no prior year audit findings related to Federal programs or State Projects (see AG Rules 10.557(3)(e)5. and 10.656(3)(d)5.).

SUPPLEMENTARY INFORMATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE

DIRECTIONS FOR LIVING

For the year ended June 30, 2017

Directions for Living

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE

For the year ended June 30, 2017

Federal/State Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA # or State CSFA #	Pass-through Entity Identifying Number	Passed-Through to Subrecipients	Total Federal/State Expenditures
Federal				
U.S. Department of Housing and Urban Development				
Indirect Programs:				
Community Development Block Grants/ State's Entitlement Grants	14.218			
Passed-through Pinellas County, Florida		CD16DMH	$ -	$ 130,609
Emergency Solutions Grant Program	14.231			
Pass-through Programs from:				
Pinellas County Homeless Leadership Board		QPZ7A	-	57,027
Pinellas County, Florida		QPZ7M	-	216,520
Total Emergency Solutions Grant Program			-	273,547
Total U.S. Department of Housing and Urban Development Programs			-	404,156
U.S. Department of Justice				
Indirect Programs:				
Edward Byrne Memorial Competitive Grant Program	16.751			
Passed-through Pinellas County Sheriff's Office		2015-WY-BX-0003	-	82,524
Total U.S. Department of Justice			-	82,524
U.S. Department of Health and Human Services				
Indirect Programs:				
Projects for Assistance in Transition from Homelessness (PATH)	93.150			
Passed-through Central Florida Behavioral Health Network, Inc.		QB011	-	349,003
Substance Abuse and Mental Health Services Projects of Regional and National Significants	93.243			
Passed-through Pinellas County, FL		SM063331	-	115,865
Promoting Safe and Stable Families	93.556			
Passed-through Eckerd Youth Alternatives, Inc.		ECA-CMO-DMH-FY17 & ECA-DIV-DMH-FY17	-	347,064
Temporary Assistance for Needy Families	93.558			
Pass-through programs from:				
Eckerd Youth Alternatives, Inc.		ECA-CMO-DMH-FY17 & ECA-DIV-DMH-FY17	-	722,084
Central Florida Behavioral Health Network, Inc.		QB011	-	485,171
Pinellas County Homeless Leadership Board		QPZ7G.DL	-	45,222
Total Temporary Assistance for Needy Families			-	1,252,477
Stephanie Tubbs Jones Child Welfare Services Program	93.645			
Passed-through Eckerd Youth Alternatives, Inc.		ECA-CMO-DMH-FY17 & ECA-DIV-DMH-FY17	-	223,046

Directions for Living

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE - CONTINUED

For the year ended June 30, 2017

Federal/State Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA # or State CSFA #	Pass-through Entity Identifying Number	Passed-Through to Subrecipients	Total Federal/State Expenditures
Foster Care - Title IV-E	93.658			
Passed-through Eckerd Youth Alternatives, Inc.		ECA-CMO-DMH-FY17 & ECA-DIV-DMH-FY17	-	1,540,859
Adoption Assistance	93.659			
Passed-through Eckerd Youth Alternatives, Inc.		ECA-CMO-DMH-FY17	-	305,367
Child Abuse and Neglect State Grants	93.669			
Passed-through Eckerd Youth Alternatives, Inc.		ECA-DIV-DMH-FY17	-	67,670
Block Grants for Community Mental Health Services	93.958			
Passed-through Central Florida Behavioral Health Network, Inc.		QB011	-	158,732
Block Grants for Prevention and Treatment of Substance Abuse	93.959			
Passed-through Central Florida Behavioral Health Network, Inc.		QB011	-	14,585
Total U.S. Department of Health and Human Services Programs			-	4,374,668
Total expenditures of federal awards			-	4,861,348
State				
Florida Department of Children & Families				
Indirect Projects:				
Out-of-Home Supports	60.074			
Passed-through Eckerd Youth Alternatives, Inc.		ECA-HPP-DMH-FY17	-	1,082,079
Substance Abuse and Mental Health-Community Services	60.153			
Passed-through Central Florida Behavioral Health Network, Inc.		QB011	-	150,000
Total Florida Department of Children & Families Projects			-	1,232,079
Florida Department of Health				
Direct Project				
Community Primary Care Services	68.012	PSB46	-	101,624
Total Florida Department of Health Projects			-	101,624
Total expenditures of state financial assistance			-	1,333,703
Total expenditures of federal awards and state financial assistance			$ -	$ 6,195,051

The accompanying notes are an integral part of this schedule.

Directions for Living

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

June 30, 2017

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the "Schedule") includes the federal and state grant activity of Directions for Living under programs of the federal government and the State of Florida for the year ended June 30, 2017. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.650, *Rules of the Auditor General*. Because the Schedule presents only a selected portion of the operations of Directions for Living, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Directions for Living. All federal awards and state projects passed-through other governmental or non-profit agencies are included in the accompanying schedule.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available.

NOTE C - INDIRECT COST RATE

Directions for Living has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Directions for Living

SCHEDULE OF STATE EARNINGS (UNAUDITED)

For the fiscal year ended June 30, 2017

1	**Total Expenditures**	**$ 16,268,578**
2	**Less Other State and Federal Funds**	**$ (9,662,479)**
3	**Less Non-Match SAMH Funds**	**$ (15,250)**
4	**Less Unallowable Costs per 65E-14, F.A.C.**	**$ (180,303)**
5	**Total Allowable Expenditures** (Sum of lines 1, 2, 3, and 4)	**$ 6,410,546**
6	**Maximum Available Earnings** (Line 5 times 75%)	**$ 4,807,910**
7	**Amount of State Funds Requiring Match**	**$ 1,023,140**
8	**Amount Due to Department (if negative) *** (Subtract line 7 from line 6)	**$ 3,784,770**

* Directions for Living has met the State's matching requirements.
Accordingly, no funds are refundable to the Department of Children and Families.

Directions for Living

SCHEDULE OF RELATED PARTY TRANSACTION ADJUSTMENTS (UNAUDITED)

For the fiscal year ended June 30, 2017

This audit schedule is not applicable to Directions for Living for the fiscal year ended June 30, 2017.

Directions for Living

SCHEDULE OF BED-DAY AVAILABILITY PAYMENTS (UNAUDITED)

For the fiscal year ended June 30, 2017

This audit schedule is not applicable to Directions for Living for the fiscal year ended June 30, 2017.

AUDIT SCHEDULE

SUBSTANCE ABUSE & MENTAL HEALTH SERVICES

PROGRAM / COST CENTER ACTUAL EXPENSES AND REVENUES SCHEDULE (UNAUDITED)

AGENCY: Directions for Living

DATE PREPARED: 12/15/2017

CONTRACT #: QB011

BUDGET PERIOD: FROM 07/01/16 TO 06/30/17

	STATE-DESIGNATED SAMH COST CENTERS						
	STATE SAMH-FUNDED COST CENTERS						
	Adult Mental Health						Children's Substance Abuse
FUNDING SOURCES & REVENUES	CCST	TANF	Medical Services	Incidental / IDP	PATH	Total Adult Mental Health	Outpatient & Outreach
IA. STATE SAMH FUNDING							
(1) CFBHN	$ 1,569,964	$ 485,171	$ 178,623	$ 66,428	$ 349,003	$ 2,649,189	$ 23,432
TOTAL STATE SAMH FUNDING	$ 1,569,964	$ 485,171	$ 178,623	$ 66,428	$ 349,003	$ 2,649,189	$ 23,432
IB. OTHER GOVT. FUNDING							
(1) Other State Agency Funding	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(2) Medicaid - Suncoast Region	1,020,497	-	142,347	-	2,041	1,164,885	-
(3) Medicaid - All Other Regions	-	-	-	-	-	-	-
(4) Local Government	-	-	1,519,392	-	839,730	2,359,122	-
(5) Federal Grants and Contracts	-	-	-	-	-	-	-
(6) In-Kind from Local Government	-	-	-	-	-	-	-
TOTAL OTHER GOVT. FUNDING	$ 1,020,497	$ -	$ 1,661,739	$ -	$ 841,771	$ 3,524,007	$ -
IC. ALL OTHER REVENUES							
(1) 1st & 2nd Party Payments	$ 68,273	$ -	$ -	$ -	$ -	$ 68,273	$ -
(2) 3rd Party Payments	17,157	-	8,691	-	-	25,848	-
(3) Medicare	66,533	-	89,668	-	-	156,201	-
(4) Contributions and Donations	-	-	146,741	-	-	146,741	-
(5) Other	-	-	88,749	-	25	88,774	-
(6) In-kind	-	-	229,918	-	3,489	233,407	-
TOTAL ALL OTHER REVENUES	$ 151,963	$ -	$ 563,767	$ -	$ 3,514	$ 719,244	$ -
TOTAL FUNDING =	$ 2,742,424	$ 485,171	$ 2,404,129	$ 66,428	$ 1,194,288	$ 6,892,440	$ 23,432

AUDIT SCHEDULE

SUBSTANCE ABUSE & MENTAL HEALTH SERVICES

PROGRAM / COST CENTER ACTUAL EXPENSES AND REVENUES SCHEDULE (UNAUDITED) - CONTINUED

AGENCY: Directions for Living

DATE PREPARED: 12/15/2017

CONTRACT #: QB011

BUDGET PERIOD: FROM 07/01/16 TO 06/30/17

	STATE-DESIGNATED SAMH COST CENTERS			
	STATE SAMH-FUNDED COST CENTERS			
	Children's Mental Health			
FUNDING SOURCES & REVENUES	Outpatient & Outreach	Totals for State SAMH Funded Cost Centers	Totals for Non-State SAMH Funded Cost Centers	Total Funding
IA. STATE SAMH FUNDING				
(1) CFBHN	$ 201,029	$ 2,873,650	$ -	$ 2,873,650
TOTAL STATE SAMH FUNDING	$ 201,029	$ 2,873,650	$ -	$ 2,873,650
IB. OTHER GOVT. FUNDING				
(1) Other State Agency Funding	$ -	$ -	$ 8,222,543	$ 8,222,543
(2) Medicaid - Suncoast Region	118,579	1,283,464	-	1,283,464
(3) Medicaid - All Other Regions	-	-	-	-
(4) Local Government	873,617	3,232,739	-	3,232,739
(5) Federal Grants and Contracts	-	-	87,306	87,306
(6) In-Kind from Local Government	-	-	-	-
TOTAL OTHER GOVT. FUNDING	$ 992,196	$ 4,516,203	$ 8,309,849	$ 12,826,052
IC. ALL OTHER REVENUES				
(1) 1st & 2nd Party Payments	$ -	$ 68,273	$ -	$ 68,273
(2) 3rd Party Payments	3,101	28,949	-	28,949
(3) Medicare	271	156,472	-	156,472
(4) Contributions and Donations	-	146,741	-	146,741
(5) Other	358	89,132	-	89,132
(6) In-kind	136,487	369,894	-	369,894
TOTAL ALL OTHER REVENUES	$ 140,217	$ 859,461	$ -	$ 859,461
TOTAL FUNDING =	$ 1,333,442	$ 8,249,314	$ 8,309,849	$ 16,559,163

AUDIT SCHEDULE
SUBSTANCE ABUSE & MENTAL HEALTH SERVICES
PROGRAM / COST CENTER ACTUAL EXPENSES AND REVENUES SCHEDULE (UNAUDITED) - CONTINUED

AGENCY: Directions for Living

DATE PREPARED: 12/15/2017

CONTRACT #: QB011

BUDGET PERIOD: FROM 07/01/16 TO 06/30/17

PART II: ACTUAL EXPENSES

	STATE-DESIGNATED SAMH COST CENTERS						
	STATE SAMH-FUNDED COST CENTERS						
	Adult Mental Health						Children's Substance Abuse
EXPENSE CATEGORIES	CCST	TANF	Medical Services	Incidental / IDP	PATH	Total Adult Mental Health	Outpatient & Outreach
IIA. PERSONNEL EXPENSES							
(1) Salaries	$ 877,112	$ 271,057	$ 99,794	$ -	$ 194,982	$ 1,442,945	$ 13,091
(2) Fringe Benefits	149,285	46,134	16,985	-	33,186	245,590	2,228
TOTAL PERSONNEL EXPENSES	$ 1,026,397	$ 317,191	$ 116,779	$ -	$ 228,168	$ 1,688,535	$ 15,319
IIB. OTHER EXPENSES							
(1) Building Occupancy	$ 9,519	$ 2,942	$ 1,083	$ -	$ 2,116	$ 15,660	$ 142
(2) Professional Services	25,443	7,863	2,895	-	5,656	41,857	379
(3) Travel	47,422	14,655	5,395	-	10,542	78,014	708
(4) Equipment	1,689	522	192	-	376	2,779	25
(5) Client Support / Food Services	21,609	6,678	2,458	-	4,804	35,549	322
(6) Medical and Pharmacy	-	-	-	67,210	-	67,210	-
(7) Subcontracted Services	-	-	-	-	-	-	-
(8) Insurance	23,050	7,123	2,623	-	5,124	37,920	344
(9) Interest Paid	-	-	-	-	-	-	-
(10) Operating Supplies and Expenses	114,905	35,509	13,073	-	25,543	189,030	1,715
(11) Other	13,280	4,104	1,511	-	2,952	21,847	198
(12) Donated Items	-	-	214,944	-	3,489	218,433	5,931
TOTAL OTHER EXPENSES	$ 256,917	$ 79,396	$ 244,174	$ 67,210	$ 60,602	$ 708,299	$ 9,764
TOTAL PERSONNEL AND OTHER EXPENSES	$ 1,283,314	$ 396,587	$ 360,953	$ 67,210	$ 288,770	$ 2,396,834	$ 25,083
IIC. DISTRIBUTED INDIRECT COSTS							
Administration	$ 190,068	$ 58,737	$ 53,460	$ 9,954	$ 42,769	$ 354,988	$ 3,715
TOTAL ACTUAL OPER. EXPENSES	$ 1,473,382	$ 455,324	$ 414,413	$ 77,164	$ 331,539	$ 2,751,822	$ 28,798
IID. UNALLOWABLE COSTS	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL ALLOWABLE OPER. EXPENSES	$ 1,473,382	$ 455,324	$ 414,413	$ 77,164	$ 331,539	$ 2,751,822	$ 28,798
IIE. CAPITAL EXPENDITURES	$ 39,796	$ -	$ 11,225	$ -	$ -	$ 51,021	$ 37

AUDIT SCHEDULE
SUBSTANCE ABUSE & MENTAL HEALTH SERVICES
PROGRAM / COST CENTER ACTUAL EXPENSES AND REVENUES SCHEDULE (UNAUDITED) - CONTINUED

AGENCY: Directions for Living — DATE PREPARED: 12/15/2017

CONTRACT #: QB011 — BUDGET PERIOD: FROM 07/01/16 TO 06/30/17

PART II: ACTUAL EXPENSES

	STATE-DESIGNATED SAMH COST CENTERS					
	STATE SAMH-FUNDED COST CENTERS					
	Children's Mental Health					
EXPENSE CATEGORIES	Outpatient & Outreach	Totals for State SAMH Funded Cost Centers	Totals for Non-State SAMH Funded Cost Centers	Total for All State-Designated SAMH Cost Centers	Administration	Total Expenditures
IIA. PERSONNEL EXPENSES						
(1) Salaries	$ 112,311	$ 1,568,347	$ 7,718,161	$ 9,286,508	$ 1,562,214	$ 10,848,722
(2) Fringe Benefits	19,115	266,933	1,313,634	1,580,567	233,078	1,813,645
TOTAL PERSONNEL EXPENSES	$ 131,426	$ 1,835,280	$ 9,031,795	$ 10,867,075	$ 1,795,292	$ 12,662,367
IIB. OTHER EXPENSES						
(1) Building Occupancy	$ 1,219	$ 17,021	$ 83,766	$ 100,787	$ 17,738	$ 118,525
(2) Professional Services	3,258	45,494	223,889	269,383	49,400	318,783
(3) Travel	6,072	84,794	417,295	502,089	9,964	512,053
(4) Equipment	216	3,020	14,866	17,886	6,104	23,990
(5) Food Services	2,767	38,638	190,147	228,785	295	229,080
(6) Medical and Pharmacy	-	67,210	-	67,210	-	67,210
(7) Subcontracted Services	-	-	-	-	-	-
(8) Insurance	2,951	41,215	202,830	244,045	18,450	262,495
(9) Interest Paid	-	-	-	-	-	-
(10) Operating Supplies and Expenses	14,713	205,458	1,011,107	1,216,565	306,429	1,522,994
(11) Other	1,700	23,745	116,859	140,604	20,640	161,244
(12) Donated Items	-	224,364	134,082	358,446	31,391	389,837
TOTAL OTHER EXPENSES	$ 32,896	$ 750,959	$ 2,394,841	$ 3,145,800	$ 460,411	$ 3,606,211
TOTAL PERSONNEL AND OTHER EXPENSES	$ 164,322	$ 2,586,239	$ 11,426,636	$ 14,012,875	$ 2,255,703	$ 16,268,578
IIC. DISTRIBUTED INDIRECT COSTS						
Administration	$ 24,337	$ 383,040	$ 1,692,360	$ 2,075,400	$ (2,075,400)	$ -
TOTAL ACTUAL OPER. EXPENSES	$ 188,659	$ 2,969,279	$ 13,118,996	$ 16,088,275	$ 180,303	$ 16,268,578
IID. UNALLOWABLE COSTS	$ -	$ -	$ -	$ -	$ 180,303	$ 180,303
TOTAL ALLOWABLE OPER. EXPENSES	$ 188,659	$ 2,969,279	$ 13,118,996	$ 16,088,275	$ -	$ 16,088,275
IIE. CAPITAL EXPENDITURES	$ 277	$ 51,335	$ 18,180	$ 69,515	$ -	$ 69,515