

MANATEE GLENS CORPORATION
BRADENTON, FLORIDA
AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
JUNE 30, 2012

**MANATEE GLENS CORPORATION
AUDITED FINANCIAL STATEMENTS
JUNE 30, 2012**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Manatee Glens Corporation
Bradenton, Florida

We have audited the accompanying statement of financial position of Manatee Glens Corporation (a non-profit organization) as of June 30, 2012 and the related statements of activities, cash flows, and functional expenses for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Organization's 2011 financial statements, and in our report dated November 15, 2011, we expressed an unqualified opinion on those financial statements.

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 and chapter 10.650, Rules of the Auditor General. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Manatee Glens Corporation as of June 30, 2012 and the changes in its net assets, and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2012 on our consideration of Manatee Glens Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on 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* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget

Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and Chapter 10.650 of the Rules of the Auditor General of the State of Florida and the Florida Single Audit Act 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.

*Christopher, Smith, Leonard,
Bristow + Stanell, P.A.*

CHRISTOPHER, SMITH, LEONARD,
BRISTOW & STANELL, P.A.

November 16, 2012
Bradenton, Florida

MANATEE GLENS CORPORATION
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2012
 (With summarized financial information as of June 30, 2011)

	2012	Summarized 2011
<u>ASSETS</u>		
Cash and cash equivalents	\$ 341,711	\$ 2,495,491
Investments	456,668	654,468
Net interest in foundation	8,177	8,098
Accounts and grants receivable, net	2,240,329	2,158,380
Estimated third party payor receivable, net	215,549	277,821
Contracts receivable	1,463,030	1,480,849
Inventories	179,950	201,227
Prepaid expenses	338,687	362,994
Contributions receivable	-	1,269,252
Other assets	125,570	116,239
Net property and equipment	9,421,288	8,044,965
TOTAL ASSETS	\$ 14,790,959	\$ 17,069,784
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities		
Accounts payable	\$ 445,325	\$ 460,162
Accrued salaries and fringes	691,571	1,383,737
Accrued sick and annual leave	507,322	456,232
Other accrued liabilities	347,155	470,479
Deferred revenue	137,634	270,707
Interest rate swap	40,429	38,179
Long-term debt	2,355,957	2,887,102
Total Liabilities	4,525,393	5,966,598
Net Assets		
Unrestricted-plant assets	6,609,983	4,683,947
Unrestricted-operations	3,240,665	4,714,249
Temporarily restricted	-	1,269,252
Permanently restricted	414,918	435,738
Total Net Assets	10,265,566	11,103,186
TOTAL LIABILITIES AND NET ASSETS	\$ 14,790,959	\$ 17,069,784

The accompanying notes are an integral part of these financial statements.

MANATEE GLENS CORPORATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012
(With summarized financial information for the year ended June 30, 2011)

	<u>2012</u>	<u>Summarized 2011</u>
Changes in Unrestricted Net Assets:		
Public Support and Revenues:		
Public Support:		
State contracts	\$ 10,138,593	\$ 10,224,875
Board of county commissioners	2,436,720	2,486,977
Other local funds	341,320	224,037
Child welfare Services	2,509,763	2,610,419
Contributions	430,803	456,280
In-Kind contributions	686,859	698,435
Total Public Support	<u>16,544,058</u>	<u>16,701,023</u>
Revenues:		
Net patient service revenues	9,823,474	9,381,660
Interest income	33,055	39,466
Leasing income	120,508	140,565
Miscellaneous	102,428	245,429
Gain (loss) on disposal of assets	10,465	(4,807)
Total Revenues	<u>10,089,930</u>	<u>9,802,313</u>
 Total Public Support and Revenues	 <u>26,633,988</u>	 <u>26,503,336</u>
 Net Assets released from restrictions:		
Satisfaction of restrictions	<u>1,290,072</u>	<u>151,299</u>
 Total Unrestricted Revenues	 <u>27,924,060</u>	 <u>26,654,635</u>
 Expenses:		
Program Services:		
Aftercare	5,815	11,633
BNET	291,340	212,704
Case management	83,138	51,862
Crisis stabilization	3,395,241	3,210,282
Crisis support	2,062,083	1,796,138
Comprehensive community service team	2,445,820	2,114,879
Day/Night	730,326	227,850
Detox JARF	203,687	164,776
Florida assertive community treatment	954,816	885,225
Fact enhancement	272,938	258,477
Indigent drug program	124,696	127,844
Incidental	64,101	242,964
In Home/On Site	7,831	16,940
Inpatient	104,031	131,688
Intervention	346,400	249,685

	<u>2012</u>	<u>Summarized 2011</u>
Expenses (continued):		
Outpatient medical	1,863,498	1,303,564
Outpatient/residential detox	595,669	611,687
Outpatient	398,284	232,392
Outreach	207,610	252,497
Prevention	204,920	54,210
Prevention/Intervention	-	192,972
Recovery	44,607	42,694
Residential level II	1,427,752	1,054,020
Non-SAMH	9,124,146	8,426,556
	<u>24,958,749</u>	<u>21,873,539</u>
Administrative Services:		
Administration	<u>2,510,609</u>	<u>4,009,211</u>
 Total Expenses	 <u>27,469,358</u>	 <u>25,882,750</u>
 Increase in Unrestricted Net Assets	 454,702	 771,885
Changes in Temporarily Restricted Net Assets:		
Assets released from restriction	(1,269,252)	(128,269)
Decrease in Temporarily Restricted Net Assets	<u>(1,269,252)</u>	<u>(128,269)</u>
Changes in Permanently Restricted Net Assets:		
Assets released from restriction	(20,820)	(23,030)
Decrease in Permanently Restricted Net Assets	<u>(20,820)</u>	<u>(23,030)</u>
Change in net assets before swap adjustment	(835,370)	620,586
Change in fair value of interest rate swap	(2,250)	60,128
Net assets at beginning of year	<u>11,103,186</u>	<u>10,422,472</u>
Net assets at end of year	<u><u>\$ 10,265,566</u></u>	<u><u>\$ 11,103,186</u></u>

The accompanying notes are an integral part of these financial statements.

MANATEE GLENS CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2012
(With summarized financial information for the year ended June 30, 2011)

	<u>2012</u>	<u>2011</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets before swap adjustment	\$ (835,370)	\$ 620,586
Adjustments to reconcile change in net assets before swap adjustment to net cash provided by operating activities:		
Depreciation and amortization	950,890	932,110
Bad debt expense	1,222,078	475,064
(Gain) Loss on disposal of assets	(10,465)	4,806
Contribution for use of facilities	1,269,252	128,269
Non cash contribution of property	(1,457,500)	(293,764)
(Increase)Decrease in assets:		
Accounts receivable	(1,304,027)	(1,728,237)
Estimated third party payor receivable	62,272	(12,192)
Contracts receivable	17,819	32,603
Inventories	21,277	(20,203)
Prepaid expenses and other assets	14,976	71,221
Increase(Decrease) in liabilities:		
Accounts payable	(14,837)	167,596
Accrued salaries and fringes	(692,166)	344,981
Accrued sick and annual leave	51,090	(6,932)
Deferred revenue	(133,073)	132,910
Other accrued liabilities	(123,324)	232,770
Net cash (used) provided by operating activities	<u>(961,108)</u>	<u>1,081,588</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment in foundation	(79)	(1,229)
(Purchase) sale of investments	197,800	(7,589)
Proceeds from sale of assets	10,465	-
Purchase of property and equipment	(869,713)	(374,436)
Net cash (used) by investing activities	<u>(661,527)</u>	<u>(383,254)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments on long-term debt	(531,145)	(533,595)
Net cash (used) by financing activities	<u>(531,145)</u>	<u>(533,595)</u>
Net Change in cash and cash equivalents	(2,153,780)	164,739
Cash and cash equivalents at beginning of year	<u>2,495,491</u>	<u>2,330,752</u>
Cash and cash equivalents at end of year	<u><u>\$ 341,711</u></u>	<u><u>\$ 2,495,491</u></u>
<u>SUPPLEMENTAL CASH FLOW DISCLOSURES</u>		
Interest paid	<u>\$ 93,661</u>	<u>\$ 140,603</u>
Donations In-Kind (income)	<u>\$ 686,859</u>	<u>\$ 698,435</u>
Donations In-Kind (expense)	<u>\$ 779,643</u>	<u>\$ 808,273</u>

The accompanying notes are an integral part of these financial statements.

MANATEE GLENS CORPORATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2012
 (With summarized financial information for the year ended June 30, 2011)

	2012		Total	
	Supportive Services	Program Services	2012	(Summarized) 2011
PERSONNEL SERVICES:				
Salaries	\$ 1,563,312	\$ 15,094,553	\$ 16,657,865	\$ 15,590,770
Fringe benefits	308,985	2,860,314	3,169,299	3,184,390
Total Personnel Services	1,872,297	17,954,867	19,827,164	18,775,160
OTHER EXPENSES:				
Building occupancy	26,836	708,841	735,677	893,893
Professional services	248,375	772,288	1,020,663	964,354
Travel	2,163	108,119	110,282	85,504
Equipment	44,773	634,727	679,500	894,733
Food services	-	310,986	310,986	269,158
Medical and pharmacy	-	341,487	341,487	364,681
Insurance	23,783	275,867	299,650	262,911
Interest paid	87,102	10,826	97,928	143,945
Operating expenses	205,280	1,839,020	2,044,300	1,945,074
Bad debt expense	-	1,222,078	1,222,078	475,064
Donated items	-	779,643	779,643	808,273
Total Other Expenses	638,312	7,003,882	7,642,194	7,107,590
TOTAL	\$ 2,510,609	\$ 24,958,749	\$ 27,469,358	\$ 25,882,750

The accompanying notes are an integral part of these financial statements.

MANATEE GLENS CORPORATION
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION AND PURPOSE – Manatee Glens Corporation, (the Organization), is engaged in the business of aiding in the establishment of operations and maintenance of clinics or facilities for the diagnosis, prevention, treatment and care of mental and emotional disorders, alcohol abuse, drug abuse, sexual abuse, child welfare services, and the cure and treatment of persons affected therewith. The Organization serves Manatee and Sarasota Counties through various locations.

BASIS OF ACCOUNTING – The Organization follows standards of accounting and financial reporting prescribed for voluntary health and welfare agencies. The Organization follows the accrual basis of accounting, which recognizes revenue when earned and expenses as incurred. Federal, State and local government and public grants are recorded as support when performance occurs under the terms of the grant agreement.

The costs of providing the various programs and other activities have been detailed in the Statement of Functional Expenses and summarized on a program basis in the Statement of Activities. Salaries and other expenses which are associated with a specific program are charged directly to that program. Salaries and other expenses which benefit more than one program are allocated to the various programs based on the relative benefit provided. Administrative expenses are allocated to the various programs based on the relevant program's costs to the total.

FINANCIAL STATEMENT PRESENTATION – Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) as it relates to the financial statements of not-for-profit organizations. The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets, as applicable.

CASH AND CASH EQUIVALENTS – For purposes of these financial statements, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

NET INTEREST IN FOUNDATION – In 2003, the Organization established a fund in the Manatee Community Foundation. The net interest in foundation at June 30, 2012 is \$8,177.

FAIR VALUE MEASUREMENTS – The FASB established 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 measurement).

The asset 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.

MANATEE GLENS CORPORATION
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

FAIR VALUE MEASUREMENTS – CONTINUED

The three levels of the fair value hierarchy used to measure fair value are described as follows:

Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization 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 the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

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

INVENTORIES – Inventories are stated at the lower of cost or market. Cost is determined on a first-in, first-out basis.

ACCOUNTS RECEIVABLE – Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management reviews each account individually for past due status and provides for probable uncollectible amounts through a provision based on its assessment of the current status of individual accounts and contracts. Balances that are still outstanding after management has used reasonable collection efforts are written off.

PROPERTY AND EQUIPMENT – Buildings and equipment are recorded at cost and depreciated over their estimated useful lives using the straight-line method. The Organization capitalizes major improvements, property and equipment with a value of \$1,000 or greater. Estimated useful lives range from 5 to 45 years.

Donations of property and equipment are recorded as support at their estimated fair value on the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

IN-KIND CONTRIBUTIONS AND CONTRIBUTED SERVICES – A substantial number of volunteers have donated significant amounts of their time in the Organization's program services. A substantial amount of space and supplies have been recorded as in-kind contributions. These services require specialized skills that would typically need to be purchased if not provided by donation. These services have been recorded as in-kind contributions and contributed services expense and are reflected in these financial statements. These services were recorded at the fair market value of similar services.

MANATEE GLENS CORPORATION
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

NET PATIENT SERVICE REVENUE – The Organization has agreements with third-party payors that provide for payments to the Organization at amounts different from its established rates. Payment arrangements include prospectively determined rates per admission, reimbursed costs, discounted charges, and per diem payments. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

PREMIUM REVENUE – The Organization has agreements with various Health Maintenance Organizations (HMOs) to provide medical services to subscribing participants. Under these agreements, the Organization receives monthly capitation payments based on the number of each HMO's participants, regardless of services actually performed by the Organization.

THIRD-PARTY AGREEMENTS – The Organization has agreements with third-party payors that provide for payments to the Organization at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

- Medicare – Inpatient acute care services rendered to Medicare program beneficiaries, inpatient non-acute services, and defined capital costs related to Medicare beneficiaries are paid based on a prospective payment system. Outpatient services rendered to Medicare program beneficiaries are reimbursed under a fee for service reimbursement methodology.
- Medicaid – Outpatient services rendered to Medicaid program beneficiaries are reimbursed under a fee for service reimbursement methodology.

The Organization also has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Organization under these agreements includes discounts from established charges, and prospectively determined daily rates.

DONOR-RESTRICTED GIFTS – Unconditional promises to give cash and other assets to the Organization are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying financial statements.

MANATEE GLENS CORPORATION
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

PUBLIC SUPPORT AND REVENUES – The Organization receives significant grant and contract support from the State of Florida Department of Children and Families and other State agencies. Support received from those contracts is recognized on a “net funded” basis whereby State of Florida Department of Children and Families, Division of Alcohol, Drug and Mental Health Services funding is recognized on a last-dollar-in basis. Related expenses are netted by Medicaid income in determining grant funds to be recognized. The Organization receives client fees, Medicaid and Medicare income for billable client services and recognizes these fees and income when earned.

GRANTS AND DONATIONS – Grants and donations are considered to be available for unrestricted use unless specifically restricted by the grantor. The accounting system is designed to allocate funds to specific programs.

CHARITY CARE – The Organization provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Organization does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue.

The Organization determines the costs of providing charity care using its direct and indirect costs associated with providing charity care services. During 2012, the costs associated with providing charity care services were \$16,690,596. The Organization received \$15,385,440 in grant and contractual funding to offset its costs for providing charity care to patients.

TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS – Temporarily restricted net assets are those whose use by the Organization has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by the Organization in perpetuity.

ADVERTISING COSTS – Advertising costs are generally charged to operations in the year incurred. For the year ended June 30, 2012, advertising costs totaled \$42,963.

FUNDRAISING COSTS – For the year ended June 30, 2012, fundraising costs totaled \$10,073.

ESTIMATES – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

INCOME TAXES – The Organization is exempt from income taxes under Section 501(c)(3) of Internal Revenue Code. Accordingly, no provision has been made for income taxes in the accompanying financial statements. The Organization is not a private foundation. The Organization applies guidance issued by the FASB on accounting for uncertainty in tax positions. Management believes the Organization has no material unrecognized income tax liabilities, including any potential loss of its tax exempt status. The Organization has no ongoing federal, state or local tax audits; however, the Organization’s tax returns for fiscal year end 2008 and subsequent years remain open to examination.

MANATEE GLENS CORPORATION
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

SUMMARIZED FINANCIAL INFORMATION – The financial statements include certain prior-year summarized comparative information in the financial statements. 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 June 30, 2011, from which the summarized information was derived.

Financial Instruments Not Measured at Fair Value– The Organization does not measure certain financial instruments at fair value on a recurring basis; however, these financial instruments are recorded at amounts that approximate fair value due to their liquid or short-term nature. Such financial assets and financial liabilities include cash and cash equivalents, accounts receivable, prepaid expenses, accounts payable and accrued expenses.

NOTE 2 – FAIR VALUE MEASUREMENTS

The Organization measured the following assets and liabilities at fair value on a recurring basis using inputs described in Note 1. There have been no changes in the methodologies used at June 30, 2012. In addition, there were no significant transfers between levels 1 or 2 for the year ended June 30, 2012.

Fair Value Measurements at June 30, 2012				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Certificates of Deposit	\$ -0-	\$ 456,668	\$ -0-	\$ 456,668
Interest in Foundation	-0-	8,177	-0-	8,177
Total Assets	\$ -0-	\$ 464,845	\$ -0-	\$ 464,845
Interest Rate SWAP (Derivative Financial Instrument)	\$ -0-	\$ 40,429	\$ -0-	\$ 40,429
Total Liabilities	\$ -0-	\$ 40,429	\$ -0-	\$ 40,429

Certificates of deposit are valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer.

The interest in the Foundation is measured using the Organization’s interest in the Foundation investments, using a market approach.

The fair value of the interest rate swap contract is determined by the counterparty by means of calculating the present value of the anticipated cash flows from the transaction, typically using the income approach.

The preceding methods may produce a fair value calculation that may not be indicative or reflective of future fair values. Furthermore, although the Organization 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 reporting date.

MANATEE GLENS CORPORATION
NOTES TO FINANCIAL STATEMENTS

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30, 2012:

Land and buildings	\$ 13,614,814
Construction in Progress	435,617
Vehicles	700,380
Furniture, fixtures, and equipment	<u>3,265,655</u>
	18,016,466
Less accumulated depreciation and amortization	<u>(8,595,178)</u>
Net Property and Equipment	<u>\$ 9,421,288</u>

Depreciation expense was \$950,890 for the year ended June 30, 2012.

NOTE 4 – LEASE COMMITMENTS

The Organization conducts a part of its program and supportive services from leased facilities. Management expects that in the normal course of business, leases will be renewed or replaced by other leases. Such facility leases are classified as operating leases. In addition, the Organization has entered into operating leases for various equipment rentals.

The following is a schedule by years of future minimum lease payments required under operating leases that have initial or noncancellable lease terms in excess of one year:

<u>Year Ending June 30,</u>	
2013	\$ 75,124
2014	\$ 8,301
2015	\$ 6,000
2016	\$ 5,000

Rental expense for operating leases was \$94,006 for the year ended June 30, 2012.

NOTE 5 – LINE OF CREDIT

The Organization has a revolving line-of-credit in the amount of \$1,500,000, secured by receivables with a financial institution at the greater of the Bank's prime rate or 4.5%. The line-of-credit matures June 2013. There was no outstanding balance on the line-of-credit at June 30, 2012.

NOTE 6 – LONG-TERM DEBT

The following is a description of long-term debt at June 30 2012,

Tax exempt industrial revenue bonds Series 2004 dated 12/28/04, variable interest rate effectively fixed through an interest rate swap. Matures January 2020.	\$ 2,057,814
Equipment Purchase Agreement dated 6/19/08. Interest rate at 4.06%. Matures June 2013.	<u>298,143</u>
	<u>\$ 2,355,957</u>

**MANATEE GLENS CORPORATION
NOTES TO FINANCIAL STATEMENTS**

NOTE 6 – LONG-TERM DEBT – CONTINUED

Maturities on long-term debt are as follows:

<u>Year Ending June 30,</u>	
2013	\$ 527,800
2014	241,180
2015	253,287
2016	265,850
2017	279,367
Thereafter	<u>788,473</u>
	<u>\$ 2,355,957</u>

City of Bradenton, Florida – Tax-Exempt Industrial Development Revenue Bonds Series 2004

On December 28, 2004, the Organization borrowed \$2,781,188 from the City of Bradenton, Florida through the issuance of a tax-exempt Industrial Development Revenue Bond, Series 2004 (Manatee Glen's Corporation Project). The Bond carries an interest rate of 64% of LIBOR Rate plus 1.55% per annum. Interest shall be paid monthly in arrears starting on February 1, 2005. The principal amount shall be payable in monthly installments, as predetermined in the Bond documents starting on December 1, 2008 with final payment on January 1, 2020.

The loan proceeds of the Bond were used to provide funds to finance the cost of acquisition of condominium units and appurtenant common areas at 6th Avenue West, Bradenton, Florida for the operation of healthcare facilities. The loan is evidenced by a Loan Agreement and Promissory Note dated December 31, 2004. Loan payments pursuant to the Note are due on the same date and is the same amount as the principal and interest and any other payment due on the Bond. The loan is collateralized by a mortgage, assignment-of-rents, and security agreement. The carrying value of the property at June 30, 2012 is \$3,765,506.

City of Bradenton, Florida – Equipment Sublease Purchase Agreement

On June 19, 2008, the Organization entered into an equipment sublease purchase agreement with the City of Bradenton, Florida for the purchase of equipment. The total amount borrowed was \$1,500,000 with an interest rate of 4.06%. Monthly payments of principal and interest of \$27,665 began July 19, 2008 with the final payment due on June 19, 2013. Collateral securing this note includes all healthcare and accounts receivable.

Total interest expense on long-term debt for the year ended June 30, 2012 was \$97,928.

The Organization is required to maintain certain covenants as part of its long-term debt agreements.

NOTE 7– INTEREST RATE SWAP

To hedge its interest rate risk, the Organization entered into an interest rate swap agreement (swap) with Bank of America on the Series 2004 bonds. The purpose was to fix the interest rate on the Organization's variable rate bonds. The notional amount of the swap is equal to the principal outstanding on the bonds, which was \$2,057,814 at June 30, 2012.

MANATEE GLENS CORPORATION
NOTES TO FINANCIAL STATEMENTS

NOTE 7- INTEREST RATE SWAP – CONTINUED

The underlying index on the interest rate swap agreement was the USD/LIBOR one month rate and the fixed rate was 4.60% through December 2011. Effective December 2011, the Organization amended its SWAP agreement and the fixed rate became 2.60%.

The swap has been valued by the counterparty, at the estimated fair value of \$40,429 at June 30, 2012, which is the estimated liability on that date if the Organization were to terminate the agreement. The fair value of the swap is presented in the statement of financial position under "Interest Rate Swap". Changes in the fair value of the swap are reported in the statement of activities under the caption "Change in Fair Value of Interest Rate Swap." The swap matures January 1, 2020.

NOTE 8 – RESTRICTED NET ASSETS

As of June 30, 2012, permanently restricted net assets in the amount of \$414,918 were restricted in perpetuity to support program activities (state purchased fixed assets – net of depreciation).

During the year ended June 30, 2012, net assets temporarily restricted for future operating purposes related to the donated use of facilities were released from restriction in the amount of \$1,290,072.

NOTE 9 – CSU PROJECT

On July 9, 1991, Manatee Glens Corporation entered into an agreement with Manatee County, Florida to provide funds for the construction of a crisis stabilization unit. The County agreed to reimburse Manatee Glens Corporation \$3,329,768 for the construction of the facility.

Through December, 2011, the Organization held a leasehold title to the property. During 2012, Manatee County donated the land maintained under the land lease and a building on the parcel to the Organization. The donated land was recorded at fair value on the date of donation pursuant to a third party appraisal. The difference between the appraised value and the amount previously recorded as contributions receivable was \$255,592 and was recorded as a current year contribution.

NOTE 10 – SUPPORT FROM THE STATE OF FLORIDA WHICH REQUIRED MATCH

The Organization received funds from the Office of the Attorney General, Department of Legal Affairs in the Division of Victim Services and Criminal Justice Programs (Contract Nos. V10006 and V11006). Income is earned on a reimbursement basis; that is, income can be recognized only to the extent of eligible expenses incurred. The contract required a twenty five percent (25%) local match for services to certain victims of crime.

MANATEE GLENS CORPORATION
NOTES TO FINANCIAL STATEMENTS

NOTE 10 – SUPPORT FROM THE STATE OF FLORIDA WHICH REQUIRED MATCH – CONTINUED

During the fiscal year ended June 30, 2012 the reimbursable expenses were as follows:

Total expenses	\$ 269,274
Less: Non-reimbursable expenses	<u>6,462</u>
Total reimbursable expenses	262,812
Available for Match	105,912
In-kind available for Match	<u>6,462</u>
Total available for Match	112,374
Required Match	<u>30,114</u>
Excess Match	<u><u>\$ 82,260</u></u>

NOTE 11 – RETIREMENT PLAN

The Organization has a profit sharing and 403(b) retirement plan covering all eligible employees. The Manatee Glen's Board of Directors elected to terminate the profit sharing plan and merge it into the 403(b) plan, effective December 31, 2011. As of June 30, 2012, the merger of the plans had not been completed. The plan allows for discretionary contributions by the Organization for both the profit sharing and the 403(b) match. The Organization suspended the discretionary matching contributions on March 31, 2009. However, in connection with the Plan merger, the Board of Directors of the Organization voted to amend the plan and allow a discretionary profit sharing contribution in the amount equal to 3% of eligible compensation for the year.

Total retirement plan expense for 2012 was \$330,000.

NOTE 12 – CONCENTRATIONS OF CREDIT RISK

Cash accounts at banks are insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000 for the current year. All funds in a "non-interest bearing transaction account" are insured in full by the FDIC from December 31, 2010 through December 31, 2012. This temporary unlimited coverage is in addition to, and separate from, the coverage of at least \$250,000 available under the FDIC's general deposit insurance rules. At times throughout the year, the Organization's cash balances may exceed insured limits. Management believes that it is not exposed to any significant credit risk on cash and cash equivalents.

The Organization grants credit without collateral to its patients, most of who are local residents who may be insured under third-party payor agreements. The reserve for uncollectible accounts receivable was \$1,476,950 as of June 30, 2012.

The mix of receivables from patients and third-party payors at June 30, 2012 were as follows:

Medicare and Medicaid	47%
Private Insurance	32%
Self Pay	<u>21%</u>
	<u><u>100%</u></u>

MANATEE GLENS CORPORATION
NOTES TO FINANCIAL STATEMENTS

NOTE 13 – RENTAL INCOME

The Organization has signed agreements to rent commercial facilities to outside parties under operating lease agreements, expiring through 2014. Future minimum rental income is as follows:

Year Ending	<u>Amount</u>
<u>June 30,</u>	
2013	\$ 127,103
2014	\$ 19,696

Current year rental income pursuant to this agreement was \$120,508.

NOTE 14 – COMMITMENTS AND CONTINGENCIES

Litigation

From time to time, the Organization is involved in litigation and regulatory investigations arising in the course of business. After consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on the Organization's future financial position or results from operations.

Medical Malpractice Claims

The Organization purchases professional and general liability insurance to cover medical malpractice claims. There are known claims and incidents that may result in the assertion of additional claims, as well as claims from unknown incidents that may be asserted arising from services provided to patients. Management is not aware of any pending claims in excess of insured amounts. Consequently, no provision for any uninsured risks has been made.

Public Support

The Organization receives a significant amount of its income from public support through grants and contracts, which provide for reimbursement of actual costs incurred. These grants and contracts are subject to year-end adjustment and audit and retroactive adjustment by third-party payors. All known adjustments, affecting such grants and contracts, have been provided for in the financial statements.

Commitments

The Organization had contracts outstanding as of June 30, 2012, relating to renovations on the Hospital Campus for approximately \$120,000.

NOTE 15 – SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through November 16, 2012, which is the date the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION

Board of Directors
Manatee Glens Corporation
Bradenton, Florida

We have audited the financial statements of Manatee Glens Corporation as of and for the year ended June 30, 2012 and have issued our report thereon dated November 16, 2012, which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules outlined in the table of contents and found on pages 18 – 30 of these financial statements are presented for the purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Christopher, Smith, Leonard,
Bristow & Stanell, P.A.*

CHRISTOPHER, SMITH, LEONARD,
BRISTOW & STANELL, P.A.

November 16, 2012
Bradenton, Florida

**MANATEE GLENS CORPORATION
SCHEDULES OF FINANCIAL ASSISTANCE
FOR THE YEARS ENDED JUNE 30,**

			<u>2012</u>	<u>2011</u>
STATE OF FLORIDA CONTRACTS				
IDP Line of Credit	QD1A9	QD1A9	\$ 60,430	\$ 60,430
Supported Employment	VS212	VS198	50,541	68,928
Central Florida Behavioral Health Network	QD1A9	QD1A9	9,456,715	9,497,220
YMCA Children, Youth & Family Services (Child Welfare)	MGCCM12	MGCCM11	1,816,675	1,889,515
YMCA Children, Youth & Family Services (Prevention)	MGCDV12	MGCDV11	361,678	366,563
YMCA Children, Youth & Family Services (Diversion)	MGCMH12	MGCMH11	281,214	303,759
YMCA Children, Youth & Family Services (Clincial)	MGCPP12	MGCCL10	50,196	50,582
VOCA	V11006	V9006	93,117	34,507
VOCA	V10006	V10006	35,762	85,950
Florida Council Against Sexual Violence	10bSAS23	10bSAS23	21,922	5,655
Florida Council Against Sexual Violence	11OAG23	10OAG23	3,678	21,135
Florida Council Against Sexual Violence	10bSAS23	10bSAS23	7,648	3,057
Manatee County MH Supervised Release Program (FDLE)			42,569	75,485
Manatee County Drug Court (FDLE & RECOVERY ACT)			129,096	127,960
Manatee County (CDBG)			4,534	22,360
Manatee County DUI Court (DEPT OF TRANSPORTATION)			32,856	35,913
City of Bradenton (CDBG/Shelter Plus)			154,579	164,656
Suncoast Partnership (TBRA)			30,146	10,550
Emergency Food and Shelter Program			15,000	11,069
TOTAL STATE CONTRACTS			<u>12,648,356</u>	<u>12,835,294</u>
OTHER LOCAL FUNDS				
Board of County Commissioners – Program Funding			2,436,720	2,486,977
School Board of Manatee County			172,458	41,940
Manatee County Rural Health			40,956	40,956
Head Start			51,078	-
Miscellaneous Grants			76,828	141,141
TOTAL OTHER FUNDING			<u>2,778,040</u>	<u>2,711,014</u>
CONTRIBUTIONS				
			<u>430,803</u>	<u>456,280</u>
CONTRIBUTIONS – IN-KIND				
			<u>686,859</u>	<u>698,435</u>
OTHER INCOME				
Pinnacle Plaza			120,508	140,565
Investment income			33,055	39,466
Miscellaneous			102,428	245,429
Gain (Loss) on disposal of asset			10,465	(4,807)
TOTAL OTHER INCOME			<u>266,456</u>	<u>420,653</u>
CLIENT FEE FOR SERVICE				
			<u>9,823,474</u>	<u>9,381,660</u>
TOTAL REVENUES				
			<u>\$ 26,633,988</u>	<u>\$ 26,503,336</u>

MANATEE GLENS CORPORATION
SCHEDULE OF PROGRAM/COST CENTER
ACTUAL EXPENSES AND REVENUES
FOR THE YEAR ENDED JUNE 30, 2012

<u>EXPENSE CATEGORIES</u>	<u>AFTERCARE</u>	<u>BNET</u>	<u>CASE MANAGEMENT</u>	<u>CRISIS STABILIZATION</u>
PERSONNEL EXPENSES				
Salaries	\$ 4,119	\$ 140,589	\$ 54,496	\$ 2,024,889
Fringe benefits	924	28,261	11,224	340,455
Total personnel expenses	<u>5,043</u>	<u>168,850</u>	<u>65,720</u>	<u>2,365,344</u>
OTHER EXPENSES				
Building occupancy	77	3,888	2,288	71,550
Professional services	78	2,525	913	227,614
Travel	14	1,003	2,009	327
Equipment	139	4,952	2,244	74,699
Food services	-	-	-	114,328
Medical and pharmacy	7	190	73	72,770
Insurance	99	3,167	1,412	42,328
Interest paid	-	-	-	-
Operating supplies and expenses	358	87,560	4,981	204,904
Other	-	18,947	3,498	200,919
Donated items	-	258	-	20,458
Total other expenses	<u>772</u>	<u>122,490</u>	<u>17,418</u>	<u>1,029,897</u>
TOTAL PERSONNEL AND OTHER EXPENSES	<u>5,815</u>	<u>291,340</u>	<u>83,138</u>	<u>3,395,241</u>
DISTRIBUTED INDIRECT COSTS				
Administration	577	34,217	8,493	361,512
Total distributed indirect costs	<u>577</u>	<u>34,217</u>	<u>8,493</u>	<u>361,512</u>
Total actual operating expenses	6,392	325,557	91,631	3,756,753
UNALLOWABLE COSTS	(77)	(22,826)	(5,782)	(272,464)
SAMH LINES-OF-CREDIT EQUIVALENT	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Allowable Actual Operating Expenses Excluding SAMH Credit Equivalent	<u>\$ 6,315</u>	<u>\$ 302,731</u>	<u>\$ 85,849</u>	<u>\$ 3,484,289</u>
CAPITAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>CRISIS SUPPORT</u>	<u>CCST</u>	<u>DAY/NIGHT</u>	<u>DETOX JARF</u>	<u>FACT</u>	<u>FACT ENHANCEMENT</u>
\$ 1,452,094	\$ 1,518,413	\$ 320,037	\$ 133,487	\$ 689,297	\$ -
286,330	314,156	62,945	21,776	126,522	-
<u>1,738,424</u>	<u>1,832,569</u>	<u>382,982</u>	<u>155,263</u>	<u>815,819</u>	<u>-</u>
56,211	39,911	13,728	4,567	8,523	-
26,438	27,406	5,096	10,440	10,978	-
1,386	19,925	47	15	2,435	-
54,958	62,043	17,391	4,648	30,249	-
9,946	-	18,161	-	-	-
16,070	2,622	367	2,507	1,398	-
31,969	38,359	9,203	2,637	20,170	-
-	-	-	-	-	-
111,347	331,892	33,907	11,952	59,120	272,938
13,244	88,288	24,330	10,342	334	-
2,090	2,805	225,114	1,316	5,790	-
<u>323,659</u>	<u>613,251</u>	<u>347,344</u>	<u>48,424</u>	<u>138,997</u>	<u>272,938</u>
<u>2,062,083</u>	<u>2,445,820</u>	<u>730,326</u>	<u>203,687</u>	<u>954,816</u>	<u>272,938</u>
219,732	238,118	74,987	21,785	102,258	29,231
<u>219,732</u>	<u>238,118</u>	<u>74,987</u>	<u>21,785</u>	<u>102,258</u>	<u>29,231</u>
2,281,815	2,683,938	805,313	225,472	1,057,074	302,169
(69,410)	(128,107)	(39,212)	(14,908)	(6,885)	(1,968)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 2,212,405</u>	<u>\$ 2,555,831</u>	<u>\$ 766,101</u>	<u>\$ 210,564</u>	<u>\$ 1,050,189</u>	<u>\$ 300,201</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**MANATEE GLENS CORPORATION
SCHEDULE OF PROGRAM/COST CENTER
ACTUAL EXPENSES AND REVENUES
FOR THE YEAR ENDED JUNE 30, 2012**

<u>EXPENSE CATEGORIES</u>	<u>INDIGENT DRUG PROG</u>	<u>INCIDENTAL</u>	<u>IN HOME/ ON SITE</u>	<u>INPATIENT</u>
PERSONNEL EXPENSES				
Salaries	\$ -	\$ -	\$ 4,997	\$ 12,649
Fringe benefits	-	-	1,017	3,183
Total Personnel Expenses	<u>-</u>	<u>-</u>	<u>6,014</u>	<u>15,832</u>
OTHER EXPENSES				
Building occupancy	-	-	230	8
Professional services	-	-	111	11,870
Travel	-	-	260	14
Equipment	-	-	210	541
Food services	-	-	-	14,039
Medical and pharmacy	124,476	-	6	9,378
Insurance	-	-	131	325
Interest paid	-	-	-	-
Operating supplies and expenses	220	64,101	449	4,517
Other	-	-	420	47,432
Donated items	-	-	-	75
Total Other Expenses	<u>124,696</u>	<u>64,101</u>	<u>1,817</u>	<u>88,199</u>
TOTAL PERSONNEL AND OTHER EXPENSES	<u>124,696</u>	<u>64,101</u>	<u>7,831</u>	<u>104,031</u>
DISTRIBUTED INDIRECT COSTS				
Administration	12,738	6,775	800	10,939
Total Distributed Indirect Costs	<u>12,738</u>	<u>6,775</u>	<u>800</u>	<u>10,939</u>
Total Actual Operating Expenses	137,434	70,876	8,631	114,970
UNALLOWABLE COSTS	-	-	(649)	(47,440)
SAMH LINES-OF-CREDIT EQUIVALENT	<u>(60,430)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Allowable Actual Operating Expenses Excluding SAMH Credit Equivalent	<u>\$ 77,004</u>	<u>\$ 70,876</u>	<u>\$ 7,982</u>	<u>\$ 67,530</u>
CAPITAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>INTERVENTION</u>	<u>OP MEDICAL</u>	<u>OP DETOX</u>	<u>OUTPATIENT</u>	<u>OUTREACH</u>	<u>PREVENTION</u>
\$ 249,656	\$ 1,083,485	\$ 359,332	\$ 273,505	\$ 151,365	\$ 144,353
57,246	169,832	70,947	57,472	34,993	32,026
<u>306,902</u>	<u>1,253,317</u>	<u>430,279</u>	<u>330,977</u>	<u>186,358</u>	<u>176,379</u>
2,882	21,593	37,494	9,496	895	2,379
5,746	12,196	5,748	4,845	3,124	3,015
2,813	578	515	3,357	2,374	3,182
11,045	25,859	21,248	10,907	5,289	5,166
-	-	13,427	-	-	-
424	996	4,732	381	259	224
5,946	16,336	12,934	6,888	3,457	3,323
-	-	-	-	-	-
10,203	60,825	49,818	22,605	5,854	11,252
439	167,049	11,385	8,828	-	-
-	304,749	8,089	-	-	-
<u>39,498</u>	<u>610,181</u>	<u>165,390</u>	<u>67,307</u>	<u>21,252</u>	<u>28,541</u>
<u>346,400</u>	<u>1,863,498</u>	<u>595,669</u>	<u>398,284</u>	<u>207,610</u>	<u>204,920</u>
35,100	167,161	63,410	40,685	21,384	20,933
<u>35,100</u>	<u>167,161</u>	<u>63,410</u>	<u>40,685</u>	<u>21,384</u>	<u>20,933</u>
381,500	2,030,659	659,079	438,969	228,994	225,853
(3,313)	(188,593)	(48,877)	(18,302)	(892)	(2,374)
-	-	-	-	-	-
<u>\$ 378,187</u>	<u>\$ 1,842,066</u>	<u>\$ 610,202</u>	<u>\$ 420,667</u>	<u>\$ 228,102</u>	<u>\$ 223,479</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**MANATEE GLENS CORPORATION
SCHEDULE OF PROGRAM/COST CENTER
ACTUAL EXPENSES AND REVENUES
FOR THE YEAR ENDED JUNE 30, 2012**

<u>EXPENSE CATEGORIES</u>	<u>RECOVERY</u>	<u>RES2</u>	<u>TOTAL</u>
PERSONNEL EXPENSES			
Salaries	\$ 29,963	\$ 736,868	\$ 9,383,594
Fringe benefits	7,805	147,018	1,774,132
Total Personnel Expenses	<u>37,768</u>	<u>883,886</u>	<u>11,157,726</u>
OTHER EXPENSES			
Building occupancy	988	81,071	357,779
Professional services	828	80,662	439,633
Travel	44	146	40,444
Equipment	1,584	57,714	390,886
Food services	-	69,121	239,022
Medical and pharmacy	64	41,104	278,048
Insurance	1,009	27,841	227,534
Interest paid	-	-	-
Operating supplies and expenses	2,322	122,084	1,473,209
Other	-	63,148	658,603
Donated items	-	975	571,719
Total Other Expenses	<u>6,839</u>	<u>543,866</u>	<u>4,676,877</u>
TOTAL PERSONNEL AND OTHER EXPENSES	<u>44,607</u>	<u>1,427,752</u>	<u>15,834,603</u>
DISTRIBUTED INDIRECT COSTS			
Administration	4,557	151,250	1,626,642
Total Distributed Indirect Costs	<u>4,557</u>	<u>151,250</u>	<u>1,626,642</u>
Total Actual Operating Expenses	49,164	1,579,002	17,461,245
UNALLOWABLE COSTS	(986)	(144,216)	(1,017,281)
SAMH LINES-OF-CREDIT EQUIVALENT	<u>-</u>	<u>-</u>	<u>(60,430)</u>
Total Allowable Actual Operating Expenses Excluding SAMH Credit Equivalent	<u>\$ 48,178</u>	<u>\$ 1,434,786</u>	<u>\$ 16,383,534</u>
CAPITAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>TOTAL FOR STATE</u>	<u>NON-SAMH COST CENTER</u>	<u>ADMINISTRATION</u>	<u>TOTAL EXPENSES</u>
\$ 9,383,594	\$ 5,710,959	\$ 1,563,312	\$ 16,657,865
1,774,132	1,086,182	308,985	3,169,299
<u>11,157,726</u>	<u>6,797,141</u>	<u>1,872,297</u>	<u>\$ 19,827,164</u>
357,779	351,062	26,836	735,677
439,633	332,655	248,375	1,020,663
40,444	67,675	2,163	110,282
390,886	243,841	44,773	679,500
239,022	71,964	-	310,986
278,048	63,439	-	341,487
227,534	48,333	23,783	299,650
-	10,826	87,102	97,928
1,473,209	365,811	205,280	2,044,300
658,603	563,475	-	1,222,078
571,719	207,924	-	779,643
<u>4,676,877</u>	<u>2,327,005</u>	<u>638,312</u>	<u>7,642,194</u>
<u>15,834,603</u>	<u>9,124,146</u>	<u>2,510,609</u>	<u>27,469,358</u>
1,626,642	868,236	(2,494,878)	-
<u>1,626,642</u>	<u>868,236</u>	<u>(2,494,878)</u>	<u>-</u>
17,461,245	9,992,382	15,731	27,469,358
(1,017,281)	(9,992,382)	(15,731)	(11,025,394)
<u>(60,430)</u>	<u>-</u>	<u>-</u>	<u>(60,430)</u>
<u>\$ 16,383,534</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,383,534</u>
<u>\$ -</u>	<u>\$ 564,726</u>	<u>\$ -</u>	<u>\$ 564,726</u>

MANATEE GLENS CORPORATION
SCHEDULE OF PROGRAM/COST CENTER
ACTUAL EXPENSES AND REVENUES
FOR THE YEAR ENDED JUNE 30, 2012

<u>FUNDING SOURCES AND REVENUES</u>	<u>AFTERCARE</u>	<u>BNET</u>	<u>CASE MANAGEMENT</u>	<u>CRISIS STABILIZATION</u>
TOTAL STATE SAMH FUNDING				
Central Florida Behavioral Network	\$ 14,373	\$ 328,726	\$ 44,123	\$ 1,597,271
Suncoast District	-	-	-	-
Total State SAMH Funding	<u>14,373</u>	<u>328,726</u>	<u>44,123</u>	<u>1,597,271</u>
OTHER GOVERNMENT FUNDING				
Other State Agency funding	-	-	-	-
Medicaid (Suncoast District)	-	-	-	-
Medicaid (Other District)	-	-	-	-
Medicaid waiver	-	-	-	174,892
Medicaid HMO	-	-	-	273,439
Local government	-	-	-	653,277
Total Other Government Funding	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,101,608</u>
ALL OTHER REVENUES				
1st and 2nd party payments	-	-	-	149,043
3rd party payments	-	-	-	249,779
Medicare	-	-	-	1,566
Contributions and donations	-	-	-	-
Other	-	-	-	2,949
In-Kind	-	-	-	-
Total All Other Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>403,337</u>
TOTAL ACTUAL FUNDING	<u>\$ 14,373</u>	<u>\$ 328,726</u>	<u>\$ 44,123</u>	<u>\$ 3,102,216</u>

<u>CRISIS SUPPORT</u>	<u>CCST</u>	<u>DAY/NIGHT</u>	<u>DETOX JARF</u>	<u>FACT</u>	<u>FACT ENHANCEMENT</u>
\$ 1,801,914	\$ 1,513,759	\$ -	\$ 111,010	\$ 987,871	\$ 254,400
-	-	-	-	-	-
<u>1,801,914</u>	<u>1,513,759</u>	<u>-</u>	<u>111,010</u>	<u>987,871</u>	<u>254,400</u>
50,582	50,541	-	-	-	-
12,893	234,989	33,116	-	-	-
-	-	-	-	-	-
9,090	340,099	48,523	-	-	-
23,417	492,738	113,005	3,125	-	-
225,310	-	172,458	-	-	-
<u>321,292</u>	<u>1,118,367</u>	<u>367,102</u>	<u>3,125</u>	<u>-</u>	<u>-</u>
2,567	22,295	1,702	1,450	2,326	-
(1,508)	(15,274)	2,127	3,302	429	-
83	16,258	48	-	(464)	-
-	-	-	-	-	-
21,653	28,954	7,923	-	2,387	-
-	-	226,205	-	-	-
<u>22,795</u>	<u>52,233</u>	<u>238,005</u>	<u>4,752</u>	<u>4,678</u>	<u>-</u>
<u>\$ 2,146,001</u>	<u>\$ 2,684,359</u>	<u>\$ 605,107</u>	<u>\$ 118,887</u>	<u>\$ 992,549</u>	<u>\$ 254,400</u>

MANATEE GLENS CORPORATION
SCHEDULE OF PROGRAM/COST CENTER
ACTUAL EXPENSES AND REVENUES
FOR THE YEAR ENDED JUNE 30, 2012

<u>FUNDING SOURCES AND REVENUES</u>	<u>INDIGENT DRUG PROG</u>	<u>INCIDENTAL</u>	<u>IN HOME/ ON SITE</u>	<u>INPATIENT</u>
TOTAL STATE SAMH FUNDING				
Central Florida Behavioral Network	\$ 66,881	\$ 63,590	\$ 3,545	\$ 102,128
Suncoast District	60,430	-	-	-
Total State SAMH Funding	<u>127,311</u>	<u>63,590</u>	<u>3,545</u>	<u>102,128</u>
OTHER GOVERNMENT FUNDING				
Other State Agency funding	-	184,725	-	-
Medicaid (Suncoast District)	-	-	-	-
Medicaid (Other District)	-	-	-	-
Medicaid waiver	-	-	-	-
Medicaid HMO	-	-	-	-
Local government	-	-	-	-
Total Other Government Funding	<u>-</u>	<u>184,725</u>	<u>-</u>	<u>-</u>
ALL OTHER REVENUES				
1st and 2nd party payments	-	-	-	-
3rd party payments	-	-	-	-
Medicare	-	-	-	-
Contributions and donations	-	-	-	-
Other	-	-	-	-
In-Kind	-	-	-	-
Total All Other Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ACTUAL FUNDING	<u>\$ 127,311</u>	<u>\$ 248,315</u>	<u>\$ 3,545</u>	<u>\$ 102,128</u>

<u>INTERVENTION</u>	<u>OP MEDICAL</u>	<u>OP DETOX</u>	<u>OUTPATIENT</u>	<u>OUTREACH</u>	<u>PREVENTION</u>
\$ 460,526	\$ 603,519	\$ 301,905	\$ 229,719	\$ 183,129	\$ 213,063
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>460,526</u>	<u>603,519</u>	<u>301,905</u>	<u>229,719</u>	<u>183,129</u>	<u>213,063</u>
-	-	-	-	4,534	-
40	156,326	-	72,788	(23)	-
-	-	-	-	-	-
-	287,446	-	115	-	-
-	445,933	-	(255)	-	-
-	-	115,950	40,956	-	-
<u>40</u>	<u>889,705</u>	<u>115,950</u>	<u>113,604</u>	<u>4,511</u>	<u>-</u>
(41,544)	61,134	41,249	70,274	32	-
-	25,333	35,249	(4,840)	-	-
-	100,108	560	1,396	-	-
-	-	-	-	-	-
3,803	17,235	4,652	4,933	2,235	2,173
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(37,741)</u>	<u>203,810</u>	<u>81,710</u>	<u>71,763</u>	<u>2,267</u>	<u>2,173</u>
<u>\$ 422,825</u>	<u>\$ 1,697,034</u>	<u>\$ 499,565</u>	<u>\$ 415,086</u>	<u>\$ 189,907</u>	<u>\$ 215,236</u>

MANATEE GLENS CORPORATION
SCHEDULE OF PROGRAM/COST CENTER
ACTUAL EXPENSES AND REVENUES
FOR THE YEAR ENDED JUNE 30, 2012

<u>FUNDING SOURCES AND REVENUES</u>	<u>RECOVERY</u>	<u>RES 2</u>	<u>TOTAL FOR STATE SAMH-FUNDED COST CENTERS</u>
TOTAL STATE SAMH FUNDING			
Central Florida Behavioral Network	\$ 38,223	\$ 537,040	\$ 9,456,715
Suncoast District	-	-	60,430
Total State SAMH Funding	<u>38,223</u>	<u>537,040</u>	<u>9,517,145</u>
OTHER GOVERNMENT FUNDING			
Other State Agency funding	-	-	290,382
Medicaid (Suncoast District)	-	-	510,129
Medicaid (Other District)	-	-	-
Medicaid waiver	-	-	860,165
Medicaid HMO	-	-	1,351,402
Local government	-	14,158	1,222,109
Total Other Government Funding	<u>-</u>	<u>14,158</u>	<u>4,234,187</u>
ALL OTHER REVENUES			
1st and 2nd party payments	4	307,659	618,191
3rd party payments	-	143,012	437,609
Medicare	-	-	119,555
Contributions and donations	-	-	-
Other	423	9,809	109,129
In-Kind	-	-	226,205
Total All Other Revenues	<u>427</u>	<u>460,480</u>	<u>1,510,689</u>
TOTAL ACTUAL FUNDING	<u><u>\$ 38,650</u></u>	<u><u>\$ 1,011,678</u></u>	<u><u>\$ 15,262,021</u></u>

TOTAL FOR ALL STATE DESIGNATED SAMH COST CENTERS	NON-SAMH COST CENTER	ADMINISTRATION	TOTAL FUNDING
\$ 9,456,715	\$ -	\$ -	\$ 9,456,715
60,430	-	-	60,430
<u>9,517,145</u>	<u>-</u>	<u>-</u>	<u>9,517,145</u>
290,382	2,840,829	-	3,131,211
510,129	105,041	-	615,170
-	4,069	-	4,069
860,165	280,272	-	1,140,437
1,351,402	643,197	-	1,994,599
1,222,109	1,555,931	-	2,778,040
<u>4,234,187</u>	<u>5,429,339</u>	<u>-</u>	<u>9,663,526</u>
618,191	679,251	-	1,297,442
437,609	2,087,452	-	2,525,061
119,555	2,127,141	-	2,246,696
-	430,803	-	430,803
109,129	(163,238)	320,565	266,456
226,205	458,281	2,373	686,859
<u>1,510,689</u>	<u>5,619,690</u>	<u>322,938</u>	<u>7,453,317</u>
<u>\$ 15,262,021</u>	<u>\$ 11,049,029</u>	<u>\$ 322,938</u>	<u>\$ 26,633,988</u>

**MANATEE GLENS CORPORATION
SCHEDULE OF PROGRAM/COST CENTER
ACTUAL EXPENSES AND REVENUES
FOR THE YEAR ENDED JUNE 30, 2012**

COST CENTER	<u>AFTERCARE</u>	<u>BNET</u>	<u>CASE MANAGEMENT</u>	<u>CRISIS STABILIZATION</u>
Direct expenses	\$ 5,815	\$ 291,340	\$ 83,138	\$ 3,395,241
Indirect expenses	577	34,217	8,493	361,512
Total expenses	\$ 6,392	\$ 325,557	\$ 91,631	\$ 3,756,753
Actual Units	248.65	N/A	721.45	8,212.50
Service Expense Ratio	\$ 23.39	N/A	\$ 115.24	\$ 413.42
Administrative Expense Ratio	2.32	N/A	11.77	44.02
Total Rate	25.71	-	127.01	457.44
Contract Rate	58.70	-	61.55	342.83
Calculated Service Expense Rate	23.39	-	61.55	342.83
Calculated Administrative Expense Rate	35.31	-	-	-
Provider Reimbursed Rate	\$ 58.70	\$ -	\$ 61.55	\$ 342.83
Service Expense Ratio	39.84%	N/A	100.00%	100.00%
Administrative Expense Ratio	60.16%	N/A	0.00%	0.00%

CRISIS SUPPORT	CCST	DAY/NIGHT	DETOX JARF	FACT	FACT ENHANCEMENT
\$ 2,062,083 219,732	\$ 2,445,820 238,118	\$ 730,326 74,987	\$ 203,687 21,785	\$ 954,816 102,258	\$ 272,938 29,231
\$ 2,281,815	\$ 2,683,938	\$ 805,313	\$ 225,472	\$ 1,057,074	\$ 302,169
50,949.00	70,844.72	N/A	547.50	22,808.13	5,468.93
\$ 40.47 4.31	\$ 34.52 3.36	N/A N/A	\$ 372.03 39.79	\$ 41.86 4.48	\$ 49.91 5.34
44.78	37.88	-	411.82	46.34	55.25
39.93	36.96	-	291.24	45.47	50.00
39.93	34.52	-	291.24	41.86	49.91
-	2.44	-	-	3.61	0.09
\$ 39.93	\$ 36.96	\$ -	\$ 291.24	\$ 45.47	\$ 50.00
100.00% 0.00%	93.40% 6.60%	N/A N/A	100.00% 0.00%	92.06% 7.94%	99.82% 0.18%

MANATEE GLENS CORPORATION
SCHEDULE OF PROGRAM/COST CENTER
ACTUAL EXPENSES AND REVENUES
FOR THE YEAR ENDED JUNE 30, 2012

COST CENTER	INDIGENT DRUG PROG	INCIDENTAL	IN HOME/ ON SITE	INPATIENT
Direct expenses	\$ 124,696	\$ 64,101	\$ 7,831	\$ 104,031
Indirect expenses	12,738	6,775	800	10,939
Total expenses	\$ 137,434	\$ 70,876	\$ 8,631	\$ 114,970
Actual Units	1,351.62	1,271.80	50.50	384.00
Service Expense Ratio	\$ 92.26	\$ 50.40	\$ 155.07	\$ 270.91
Administrative Expense Ratio	9.42	5.33	15.84	28.49
Total Rate	101.68	55.73	170.91	299.40
Contract Rate	50.00	50.00	70.20	291.24
Calculated Service Expense Rate	50.00	50.00	70.20	270.91
Calculated Administrative Expense Rate	-	-	-	20.33
Provider Reimbursed Rate	\$ 50.00	\$ 50.00	\$ 70.20	\$ 291.24
Service Expense Ratio	100.00%	100.00%	100.00%	93.02%
Administrative Expense Ratio	0.00%	0.00%	0.00%	6.98%

<u>INTERVENTION</u>	<u>OP MEDICAL</u>	<u>OP DETOX</u>	<u>OUTPATIENT</u>	<u>OUTREACH</u>	<u>PREVENTION</u>
\$ 346,400 35,100	\$ 1,863,498 167,161	\$ 595,669 63,410	\$ 398,284 40,685	\$ 207,610 21,384	\$ 204,920 20,933
\$ 381,500	\$ 2,030,659	\$ 659,079	\$ 438,969	\$ 228,994	\$ 225,853
7,578.75	5,392.80	5,840.00	3,659.66	7,227.90	4,985.99
\$ 45.71 4.63	\$ 345.55 31.00	\$ 102.00 10.86	\$ 108.83 11.12	\$ 28.72 2.96	\$ 41.10 4.20
50.34	376.55	112.86	119.95	31.68	45.30
62.38	360.79	78.90	91.09	43.20	43.20
45.71 16.67	345.55 15.24	78.90 -	91.09 -	28.72 14.48	41.10 2.10
\$ 62.38	\$ 360.79	\$ 78.90	\$ 91.09	\$ 43.20	\$ 43.20
73.28% 26.72%	95.78% 4.22%	100.00% 0.00%	100.00% 0.00%	66.49% 33.51%	95.14% 4.86%

MANATEE GLENS CORPORATION
SCHEDULE OF PROGRAM/COST CENTER
ACTUAL EXPENSES AND REVENUES
FOR THE YEAR ENDED JUNE 30, 2012

COST CENTER	<u>RECOVERY</u>	<u>RES2</u>	<u>TOTAL</u>
Direct expenses	\$ 44,607	\$ 1,427,752	\$ 15,834,603
Indirect expenses	4,557	151,250	1,626,642
Total expenses	\$ 49,164	\$ 1,579,002	\$ 17,461,245
Actual Units	996.41	3,441.00	
Service Expense Ratio	\$ 44.77	\$ 414.92	
Administrative Expense Ratio	4.57	43.96	
Total Rate	49.34	458.88	
Contract Rate	38.99	172.57	
Calculated Service Expense Rate	38.99	172.57	
Calculated Administrative Expense Rate	-	-	
Provider Reimbursed Rate	\$ 38.99	\$ 172.57	
Service Expense Ratio	100.00%	100.00%	
Administrative Expense Ratio	0.00%	0.00%	

**MANATEE GLENS CORPORATION
SCHEDULE OF RELATED PARTY TRANSACTION ADJUSTMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

SCHEDULE N/A - NO RELATED PARTY TRANSACTIONS

MANATEE GLENS CORPORATION
SCHEDULE OF BED-DAY AVAILABILITY PAYMENTS
FOR THE YEAR ENDED JUNE 30, 2012

Program	Cost Center	State Contracted Rate	Total units of service provided (# of licensed Beds X Days)	Total Units of service paid for by 3rd party contracts Local Govt. or other State Agencies	Maximum # of units eligible for payment by Department	Amount paid for Services by the Department	Maximum \$ Value of units in column F	Amount owed to Department
A	B	C	D	E	(D - E) F	G	(F x C) H	(G-H or \$-0- whichever is greater) I
Childrens MH & Adult MH	Crisis Stabilization	See Below	8,760	3,167	5,593	\$ 1,724,965	\$ 1,891,951	\$ -
Adult SA	Outpatient Detox	\$ 78.90	5,840	1,801	4,039	\$ 304,867	\$ 318,677	\$ -
MH – Mental Health								
SA – Substance Abuse								
Adult Crisis Stabilization		\$ 342.83			806.67	\$ 1,420,659	\$ 276,551	
Children Crisis Stabilization		\$ 342.83			4,291.87	192,207	1,471,382	
JARF		\$ 291.24			494.50	112,099	144,018	
Total					<u>5,593.04</u>	<u>\$ 1,724,965</u>	<u>\$ 1,891,951</u>	

**MANATEE GLENS CORPORATION
SCHEDULE OF STATE EARNINGS
FOR THE YEAR ENDED JUNE 30, 2012**

Total Expenditures	\$ 27,469,358
Less other State and Federal funds	(6,725,988)
Less non-match SAMH funds	(4,090,401)
Less unallowable costs per 65-E14, FAC	<u>(1,345,434)</u>
Total Allowable Expenditures (Sum of lines 1,2,3, and 4)	15,307,535
Maximum Available Earnings (Line 5 times 75%)	11,480,651
Amount of State Funds Requiring Match	<u>5,426,745</u>
Amount Due to Department (Subtract line 7 from line 6. If negative, the amount of the difference is due the department up to the amount of line 7).	<u><u>\$ -</u></u>

MANATEE GLENS CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2012

Program Title/Agencies	CFDA/ CSFA Number	Contract Number	Federal/ State Expenditures	Transfers to Subrecipients
U.S. DEPARTMENT OF HEALTH				
<u>INDIRECT PROGRAMS</u>				
Passed through Central Florida Behavioral Health Network, Inc.				
Temporary Assistance for Needy Families	93.558	CF1241-1003 (QD1A9)	\$ 122,288	\$ -
Block Grants for Community Mental Health Services	93.958	CF1241-1003 (QD1A9)	802,937	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	CF1241-1003 (QD1A9)	1,194,489	-
Medical Assistance Program	93.778	CF1241-1003 (QD1A9)	557,869	-
Children's Health Insurance Program	93.767	CF1241-1003 (QD1A9)	328,780	-
Passed through Sarasota Family YMCA, Inc.				
Promoting Safe and Stable Families	93.556	MGCCM12	22,665	-
Promoting Safe and Stable Families	93.556	MGCDV12	76,294	-
Temporary Assistance for Needy Families	93.558	MGCCM12	169,605	-
Stephanie Tubbs Jones Child Welfare Services – State Grants	93.645	MGCCM12	60,093	-
Foster Care – Title IV-E	93.658	MGCCM12	413,901	-
Adoption Assistance	93.659	MGCCM12	172,276	-
Child Abuse and Neglect State Grants	93.669	MGCDV12	16,123	-
Block Grants for Community Mental Health Services	93.958	MGCMH12	281,214	-
Chafee Foster Care Independence Program	93.674	MGCCM12	77,338	-
Total U.S. Department of Health			4,295,872	-
U.S. DEPARTMENT OF JUSTICE				
<u>INDIRECT PROGRAMS</u>				
Passed through the Florida Department of Legal Affairs				
Crime Victim Assistance	16.575	V10006	35,762	-
Crime Victim Assistance	16.575	V11006	93,117	-
Passed through County of Manatee				
ARRA-Edward Byrne Memorial Justice Assistance Grant Program / Grants to Units of Local Government	16.804	2009-SB-B9-2798	69,096	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2012-JAGC-MANA-3-C4-247	60,000	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2009-DJ-BX-0810	42,569	-
Passed through the Florida Council Against Sexual Violence				
Sexual Assault Services Formula Program	16.017	10bSAS23	7,648	-
Total U.S. Department of Justice			308,192	-
U.S. DEPARTMENT OF EDUCATION				
<u>INDIRECT PROGRAMS</u>				
Passed through State of Florida, Department of Education, Division of Vocational Rehabilitation				
Rehabilitation Services-Vocational Rehabilitation Grants to States	84.126	VS212	50,541	-
Total U.S. Department of Education			50,541	-

**MANATEE GLENS CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2012**

Program Title/Agencies	CFDA CSFA Number	Contract Number	Federal/ State Expenditures	Transfers to Subrecipients
U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT				
<u>INDIRECT PROGRAMS</u>				
Passed through City of Bradenton				
Shelter Plus Care	14.238	FL29C40001 / FL29C50001	154,579	-
Passed through County of Manatee				
Community Development Block Grants/Entitlement Grants	14.218	B-10-UC-12-0018	4,534	-
Passed through Suncoast Partnership to End				
Homelessness				
Supportive Housing Program	14.235	FL29B700007	30,146	-
Total U.S. Department of Housing and Urban Development			189,259	-
U.S. DEPARTMENT OF HOMELAND SECURITY				
<u>DIRECT PROJECTS</u>				
Emergency Food and Shelter National Board Program	97.024		15,000	-
U.S. DEPARTMENT OF TRANSPORTATION				
<u>INDIRECT PROGRAMS</u>				
Passed through County of Manatee				
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601		32,856	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			4,891,720	-
STATE OF FLORIDA, DEPARTMENT OF CHILDREN AND FAMILIES, SAMH PROGRAM OFFICE, REGION 23				
<u>INDIRECT PROJECTS</u>				
Passed through Central Florida Behavioral Health Network, Inc.				
Children's Baker Act Services	60.001	CF1241-1003 (QD1A9)	115,548	-
Baker Act	60.006	CF1241-1003 (QD1A9)	1,583,575	-
Substance Abuse Detoxification Services for Children	60.028	CF1241-1003 (QD1A9)	62,006	-
Substance Abuse Treatment and Aftercare Services for Children	60.030	CF1241-1003 (QD1A9)	322,340	-
Substanced Abuse Detoxification Services for Adults	60.031	CF1241-1003 (QD1A9)	127,711	-
Substance Abuse Treatment and Aftercare Services for Adults	60.033	CF1241-1003 (QD1A9)	425,205	-
Adult Community Mental Health Florida Assertive Community Treatment Teams	60.042	CF1241-1003 (QD1A9)	251,932	-
Adult Community Mental Health - Community Support Services	60.053	CF1241-1003 (QD1A9)	1,863,849	-

**MANATEE GLENS CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2012**

Program Title/Agencies	CFDA CSFA Number	Contract Number	Federal/ State Expenditures	Transfers to Subrecipients
<u>INDIRECT PROJECTS</u>				
Adult Community Mental Health – Emergency Stabilization	60.054	CF1241-1003 (QD1A9)	123,080	-
Children's Mental Health Community Support Services	60.055	CF1241-1003 (QD1A9)	140,331	-
Children's Mental Health Emergency Stabilization	60.057	CF1241-1003 (QD1A9)	150,525	-
Children's Mental Health Services– Special Projects – Emergency Stabilization	60.059	CF1241-1003 (QD1A9)	416,850	-
Adult Mental Health – Special Projects – Emergency Stabilization	60.061	CF1241-1003 (QD1A9)	867,402	-
IDP Line of Credit	UNK	CF1241-1003 (QD1A9)	60,430	-
Passed through YMCA Children, Youth and Family Services				
Community Based Care (CBC) Supports	60.094	MGCCM12	744,302	-
Community Based Care (CBC) Supports	60.094	MGCDV12	261,726	-
Community Based Care (CBC) Supports	60.094	MGCPP12	50,196	-
TOTAL STATE OF FLORIDA, DEPARTMENT OF CHILDREN AND FAMILIES, SAMH PROGRAM OFFICE, REGION 23			7,567,008	-
STATE OF FLORIDA, DEPARTMENT OF HEALTH				
<u>INDIRECT PROJECTS</u>				
Passed through Florida Council Against Sexual Violence				
Rape Crisis Program Trust Fund–Sexual Battery Victims' Access To Services Act	64.061	10RCP23	21,922	-
Florida Council Against Sexual Violence	41.010	11OAG23	3,678	-
Total State of Florida, Department of Health			25,600	-
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			7,592,608	-
TOTAL FEDERAL AND STATE EXPENDITURES			\$ 12,484,328	\$ -

Notes:

(1) The Schedule of Expenditures of Federal Awards and State Financial Assistance includes federal and state grant activity presented on the accrual basis of accounting. However, the information in this schedule is in accordance with OMB Circular A-133, *Audits of States and Local Governments, and Non-Profit Organizations and the Florida Single Audit Act*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

(2) No federal awards were expended in non-cash assistance.

OTHER AUDITORS' 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

To the Board of Directors
Manatee Glens Corporation
Bradenton, FL

We have audited the financial statements of Manatee Glens Corporation (a non-profit organization) as of and for the year ended June 30, 2012, and have issued our report thereon dated November 16, 2012. 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 and Chapter 10.650, Rules of the Auditor General.

Internal Control Over Financial Reporting

Management of Manatee Glens Corporation is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Manatee Glens Corporation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Manatee Glens Corporation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

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 a 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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Manatee Glens Corporation's financial statements are free of 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*, or under Chapter 10.650, Rules of the Auditor General.

This report is intended solely for the information and use of management, the board of directors, others within the organization, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

*Christopher, Smith, Leonard,
Bristow + Stanell, P.A.*
CHRISTOPHER, SMITH, LEONARD,
BRISTOW & STANELL, P.A.

November 16, 2012
Bradenton, Florida

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD
HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
AND THE RULES OF THE AUDITOR GENERAL CHAPTER 10.650

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Manatee Glens Corporation

Compliance

We have audited Manatee Glens Corporation's, (a non-profit organization) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the requirements described in the Department of Financial Services State Projects Compliance Supplement, that could have a direct and material effect on Manatee Glens Corporation's major federal programs and state projects for the year ended June 30, 2012. Manatee Glens Corporation'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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs and state projects is the responsibility of Manatee Glens Corporation's management. Our responsibility is to express an opinion on Manatee Glens Corporation's compliance based on our audit.

We conducted our compliance audit 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; and OMB Circular A-133, and Chapter 10.650 Rules of the Auditor General. Those standards, OMB Circular A-133 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 Manatee Glens Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Manatee Glens Corporation's compliance with those requirements.

In our opinion, Manatee Glens Corporation complied, in all material respects, with the 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, 2012.

Internal Control Over Compliance

Management of Manatee Glens Corporation is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs and state projects. In planning and performing our audit, we considered Manatee Glens Corporation's internal control over compliance with requirements that could have a direct and material effect on a major federal program or state project to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal

control over compliance in accordance with OMB Circular A-133 and Chapter 10.650 of the 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 the Organization'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 control 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.

Our consideration of the 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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above.

This report is intended solely for the information and use of management, the board of directors, others within the organization, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

*Christopher, Smith, Leonard,
Bristow + Stanell, P.A.*
CHRISTOPHER, SMITH, LEONARD,
BRISTOW & STANELL, P.A.,

November 16, 2012
Bradenton, Florida

MANATEE GLENS CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL PROGRAMS AND STATE PROJECTS
FOR THE YEAR ENDED JUNE 30, 2012

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditor’s report issued:	Unqualified
Internal Control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards and State Projects

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	None reported
Type of auditor’s report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133 and Chapter 10.650, Rules of the Auditor General.	No

<u>Identification of Major Federal Programs:</u>	<u>CFDA Number</u>
Temporary Assistance for Needy Families	93.558
Block Grants for Community Mental Health Services	93.958
Edward Byrne Memorial Justice Assistance Grant Program	16.738
ARRA-Edward Byrne Memorial Justice Assistance Grant Program/ Grants to Units of Local Government	16.804

<u>Identification of Major State Projects</u>	<u>CSFA Number</u>
Substance Abuse Detoxification Services for Adults	60.031
Community Based Supports	60.094
Children’s Mental Health Emergency Stabilization	60.057
Adult Community Mental Health – Community Support Services	60.053
Adult Mental Health – Special Projects – Emergency Stabilization	60.061

**MANATEE GLENS CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL PROGRAMS AND STATE PROJECTS
FOR THE YEAR ENDED JUNE 30, 2012**

SECTION I – SUMMARY OF AUDITORS' RESULTS – CONTINUED

Dollar threshold used to distinguish between type A and type B programs/ projects: (Federal and State)	\$300,000
Auditee qualified as low-risk auditee? (Federal Only)	Yes

SECTION II FINANCIAL STATEMENT FINDINGS

None Reported

PRIOR YEAR AUDIT FINDINGS

None Reported

SECTION III – FINDINGS AND QUESTIONED COSTS – FEDERAL PROGRAM

None reported.

SECTION IV – FINDINGS AND QUESTIONED COSTS – STATE PROJECTS

None reported.

SECTION V – OTHER ISSUES

Pursuant to Auditor General Rule 10.654(1)(e), a management letter has been prepared and can be found on page 40. No Summary Schedule of Prior Audit Findings is required because there were no audit findings related to Federal programs or State Projects. As a result, no Corrective Action Plan has been included because there were no findings reported under the Federal or Florida Single Audit Acts.



MANAGEMENT LETTER

To the Board of Directors
Manatee Glens Corporation
Bradenton, Florida

We have audited the financial statements Manatee Glens Corporation as of and for the fiscal year ended June 30, 2012, and have issued our report thereon dated November 16, 2012.

We conducted our audit 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; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters, Independent Auditors' Report on Compliance with Requirements that could have a Direct and Material Effect on Each Major Federal Program and State Project and on Internal Control over Compliance, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which were dated November 16, 2012, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.650, Rules of the Auditor General, which requires disclosure in the management letter of violations of provisions of contracts or grant agreements, or abuse, that have an effect on the financial statements or state project amounts that is less than material but more than inconsequential. In addition, for matters that have an inconsequential effect on the financial statements or State Project amounts, considering both quantitative and qualitative factors, the following may be reported based on professional judgment: (1) violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, that have occurred, or are likely to have occurred, (2) Deficiencies in internal control that are not significant deficiencies.

There were no current year or prior year comments reported as part of the Management Letter.

Pursuant to Chapter 119, Florida Statutes, this management letter is public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of Manatee Glens Corporation and management, and the Florida Auditor General, Federal and State awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

*Christopher, Smith, Leonard,
Bristow & Stanell, P.A.*

CHRISTOPHER, SMITH, LEONARD,
BRISTOW & STANELL, P.A.

November 16, 2012
Bradenton, Florida