

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORTS

NORTHSIDE MENTAL HEALTH CENTER, INC.

June 30, 2013

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## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northside Mental Health Center, Inc. as of June 30, 2013, and the changes in its net assets and its cash flows and functional expenses for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Report on Summarized Comparative Information**

We have previously audited Northside Mental Health Center, Inc.'s 2012 financial statements, and our report dated December 10, 2012, 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, 2012, 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 State Earnings, Schedule of Related Party Transaction Adjustments, Schedule of Bed-Day Availability Payments and Program/Cost Center Actual Expenses and Revenues Schedule are presented for purpose of additional analysis as required by the Florida Department of Children and Families and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and Chapter 10.650, *Rules of the Florida 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.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2013, on our consideration of Northside Mental Health Center, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Northside Mental Health Center, Inc.'s internal control over financial reporting and compliance.



Tampa, Florida  
December 13, 2013

Northside Mental Health Center, Inc.

STATEMENT OF FINANCIAL POSITION

June 30, 2013  
(With comparative total for 2012)

	2013			Total June 30, 2012
	Unrestricted	Temporarily Restricted	Total	
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents (notes A4, and K)	\$ 989,096	\$ -	\$ 989,096	\$ 1,605,430
Investments (notes A5, B and N)	40,902	-	40,902	235,119
Grants receivable (note A6)	794,009	-	794,009	819,473
Patient accounts receivable (note A7)	476,697	-	476,697	894,897
Inventories (note A13)	174,899	-	174,899	198,533
Prepaid expenses	150,978	-	150,978	125,988
<b>Total current assets</b>	<b>2,626,581</b>	<b>-</b>	<b>2,626,581</b>	<b>3,879,440</b>
Property and equipment, net of accumulated depreciation (notes A8 and D)	1,598,027	1,037,055	2,635,082	2,857,241
Due from related parties (note J)	7,976	-	7,976	16,857
Other assets	3,124	-	3,124	8,124
<b>Total assets</b>	<b><u>\$ 4,235,708</u></b>	<b><u>\$ 1,037,055</u></b>	<b><u>\$ 5,272,763</u></b>	<b><u>\$ 6,761,662</u></b>
<b>LIABILITIES AND NET ASSETS</b>				
Current liabilities				
Current portion of long-term debt (note G)	\$ 113,272	\$ -	\$ 113,272	\$ 106,494
Accounts payable	152,938	-	152,938	205,790
Accrued expenses	700,727	-	700,727	352,294
Accrued compensated absences	328,794	-	328,794	388,172
<b>Total current liabilities</b>	<b>1,295,731</b>	<b>-</b>	<b>1,295,731</b>	<b>1,052,750</b>
Long-term debt (note G)	70,901	-	70,901	184,175
Commitments (notes F and I)	-	-	-	-
Net assets				
Unrestricted	2,869,076	-	2,869,076	4,382,874
Temporarily restricted (note E)	-	1,037,055	1,037,055	1,141,863
<b>Total net assets</b>	<b>2,869,076</b>	<b>1,037,055</b>	<b>3,906,131</b>	<b>5,524,737</b>
<b>Total liabilities and net assets</b>	<b><u>\$ 4,235,708</u></b>	<b><u>\$ 1,037,055</u></b>	<b><u>\$ 5,272,763</u></b>	<b><u>\$ 6,761,662</u></b>

The accompanying notes are an integral part of this statement.

Northside Mental Health Center, Inc.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the year ended June 30, 2013  
(With comparative total for 2012)

	2013			Total June 30, 2012
	Unrestricted	Temporarily Restricted	Total	
<b>OPERATING REVENUE</b>				
Net patient service revenue (notes A7 and M)	\$ 3,524,306	\$ -	\$ 3,524,306	\$ 5,049,189
Public support				
Grant revenue (note A6)	7,772,120	-	7,772,120	9,094,361
Contributed services (note A10)	3,026	-	3,026	7,059
Contributions	31,348	-	31,348	34,892
Other (note J)	105,762	-	105,762	207,492
Total operating revenue	<u>11,436,562</u>	<u>-</u>	<u>11,436,562</u>	<u>14,392,993</u>
<b>OPERATING EXPENSES (note A14)</b>				
Outpatient	3,431,563	-	3,431,563	4,342,613
Acute care	2,988,270	-	2,988,270	3,055,039
Community support	4,947,981	-	4,947,981	4,984,217
Administrative	1,695,416	-	1,695,416	1,985,954
Total operating expenses	<u>13,063,230</u>	<u>-</u>	<u>13,063,230</u>	<u>14,367,823</u>
Operating (loss) income	<u>(1,626,668)</u>	<u>-</u>	<u>(1,626,668)</u>	<u>25,170</u>
<b>OTHER CHANGES IN NET ASSETS</b>				
Net assets released from restrictions (note E)	104,808	(104,808)	-	-
Loss on disposal of equipment	(1,376)	-	(1,376)	(35,693)
Interest income	24,436	-	24,436	3,254
Interest expense	(14,998)	-	(14,998)	(21,421)
	<u>112,870</u>	<u>(104,808)</u>	<u>8,062</u>	<u>(53,860)</u>
CHANGE IN NET ASSETS	(1,513,798)	(104,808)	(1,618,606)	(28,690)
NET ASSETS AT BEGINNING OF YEAR	<u>4,382,874</u>	<u>1,141,863</u>	<u>5,524,737</u>	<u>5,553,427</u>
NET ASSETS AT END OF YEAR	<u>\$ 2,869,076</u>	<u>\$ 1,037,055</u>	<u>\$ 3,906,131</u>	<u>\$ 5,524,737</u>

The accompanying notes are an integral part of this statement.

Northside Mental Health Center, Inc.

STATEMENT OF CASH FLOWS

For the year ended June 30, 2013

Cash flows from operating activities	
Change in net assets	<u>\$(1,618,606)</u>
Adjustments to reconcile change in net assets to net cash used by operating activities	
Depreciation and amortization	259,957
Loss on disposal of property and equipment	1,375
Unrealized gain on investments	(8,394)
Decrease in grant and patient accounts receivable	443,664
Decrease in inventories	23,634
Increase in prepaid expenses and other assets	(19,990)
Decrease in due from related parties	8,881
Increase in accounts payable, accrued expenses and compensated absences	<u>236,203</u>
Total adjustments	<u>945,330</u>
Net cash used by operating activities	<u>(673,276)</u>
Cash flows from investing activities	
Purchase of equipment	(39,173)
Redemption of certificate of deposit	<u>202,611</u>
Net cash provided by investing activities	<u>163,438</u>
Cash flows from financing activities	
Payments on long-term debt	<u>(106,496)</u>
Net decrease in cash and cash equivalents	(616,334)
Cash and cash equivalents at June 30, 2012	<u>1,605,430</u>
Cash and cash equivalents at June 30, 2013	<u>\$ 989,096</u>
Supplemental disclosures of cash flow information	
Cash paid during the year	
Interest	<u>\$ 14,998</u>
Taxes	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

Northside Mental Health Center, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended June 30, 2013

	Program Expenses				Administrative	Combined Total
	Outpatient	Acute Care	Community Support	Total		
Salaries, benefits and taxes	\$2,376,358	\$2,107,068	\$3,328,377	\$ 7,811,803	\$ 1,501,776	\$ 9,313,579
Client service supplies	174,436	178,760	308,823	662,019	-	662,019
Client costs	3,075	11,665	291,769	306,509	-	306,509
Conferences, conventions and meetings	3,541	1,336	1,562	6,439	1,157	7,596
Food services	1,250	128,888	76,888	207,026	-	207,026
Insurance	96,519	62,316	106,016	264,851	20,993	285,844
Equipment repairs and maintenance	31,851	18,541	73,964	124,356	2,405	126,761
Miscellaneous	7,174	4,305	5,610	17,089	12,623	29,712
Office	135,738	89,688	178,751	404,177	34,905	439,082
Professional fees	22,671	12,336	40,336	75,343	4,336	79,679
Contract services	281,726	222,691	246,571	750,988	3,076	754,064
Occupancy	164,521	87,388	189,272	441,181	55,723	496,904
Travel	33,982	12,000	36,803	82,785	11,713	94,498
Total expenses before depreciation	3,332,842	2,936,982	4,884,742	11,154,566	1,648,707	12,803,273
Depreciation	98,721	51,288	63,239	213,248	46,709	259,957
Total expenses	<u>\$3,431,563</u>	<u>\$2,988,270</u>	<u>\$4,947,981</u>	<u>\$ 11,367,814</u>	<u>\$ 1,695,416</u>	<u>\$ 13,063,230</u>

The accompanying notes are an integral part of this statement.



Northside Mental Health Center, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

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

Northside Mental Health Center, Inc. (the "Center") is a non-profit organization that provides mental health services through extensive outpatient treatment, supervised housing, and other community support services through their facilities in Tampa, Florida. Support for the Center comes primarily from public grants and fees for patient services.

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. Cash equivalents approximated \$310,000 at June 30, 2013.

5. 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.

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, the Center would be required to refund any deficiencies.

Northside Mental Health Center, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2013

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

Grant receivables relate to support received from federal, state and local sources. None of the amounts receivable at June 30, 2013 are deemed to be uncollectible. Therefore, no provisions for uncollectible amounts have been made in relation to the grant receivables in the accompanying financial statements.

7. Net Patient Service Revenue and Receivables

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered. Accordingly, the Center provides an allowance for accounts it deems to be uncollectible based on management estimates. An allowance of \$690,000 is included in relation to the patient accounts receivable at June 30, 2013 in the accompanying financial statements.

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

8. Property and Equipment

Property and equipment acquisitions are recorded at cost. The Center capitalizes asset acquisitions that exceed \$500. Property and equipment donated for the Center's operations are recorded as additions to the temporarily restricted net assets at fair value at the date of receipt and as a transfer to unrestricted net assets when the assets are placed in service.

Depreciation and amortization of property and equipment are provided using the straight-line method over the estimated useful lives of 3 to 20 years for equipment, 3 years for vehicles, 5 to 10 years for leasehold improvements, 40 years for capital improvements, and 40 years for certain capital leases.

Routine maintenance, repairs, renewals and replacement costs are expensed when incurred. Expenditures that materially increase values, change capacities, or extend useful lives are capitalized. Upon sale or retirement of property and equipment, the cost and related accumulated depreciation are eliminated from the respective accounts and the resulting gain or loss is reported as other changes in net assets.

9. Statements 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 other changes in net assets.

10. Contributed Services

Contributions of services are recognized as in-kind contributions if the services create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing such skills, and would have to be purchased if not provided by donation.

Northside Mental Health Center, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2013

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

Other types of contributed or volunteer services are not recognized as revenue. Total contributed services recognized for the year ended June 30, 2013 were approximately \$3,000.

11. Charity Care

The Center 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 Center does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue.

12. Income Taxes

The Center 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. The Center 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.

The Center is not aware of any tax positions it has taken that are subject to a significant degree of uncertainty. Tax years after 2009 remain subject to examination by federal and state taxing authorities.

13. Inventory

Inventory consists of drug stock held by the Center for patient use, and is stated at the lower of cost (first-in, first-out method) or market.

14. Functional Allocation of Expenses

The costs of providing the various programs have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs benefited.

15. Comparative Information/ reclassifications

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 the Center's financial statements for the year ended June 30, 2012, from where it was derived. Certain amounts from the June 30, 2012 financial statements have been reclassified to conform to the current year presentation.

Northside Mental Health Center, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2013

NOTE B - INVESTMENTS

Investments are comprised of equity securities valued at \$40,902 at June 30, 2013.

NOTE C - CHARITY CARE

The Center maintains records to identify and monitor the level of charity care it provides. These records include the amount of charges foregone for services and supplies furnished under its charity care policy.

The following summarizes the approximate level of charity care provided during the year ended June 30, 2013:

Charges foregone, based on established rates	<u>\$ 4,980,000</u>
Equivalent percentage of charity care patient charges foregone to total patient service charges based on established rates	<u>56%</u>

NOTE D - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30, 2013:

Land	\$ 745,502
Building and improvements	1,086,382
Equipment and furnishings	695,291
Leasehold improvements	69,635
Vehicles	456,793
Assets under capital lease	<u>4,850,711</u>
	7,904,314
Less accumulated depreciation and amortization	<u>(5,269,232)</u>
	<u>\$ 2,635,082</u>

Construction of the Center's main operating facility was completed in September 1993. The Center agreed to donate the land and related assets to the State of Florida (the "State") and entered into a lease for the facility from the State for \$1 per year through June 30, 2034. The Center agreed to provide mental health rehabilitation care as part of the lease agreement, pursuant to Chapters 394 and 395, Florida Statutes, and intermediate services as a licensed Employee Assistance Program pursuant to Chapter 397, Florida Statutes.

The building has been reflected as a capital lease for reporting purposes, since the Center has leased the building from the State for its entire estimated useful life. Transfer of the title of the land and related assets to the State has not been completed. The cost of the facility paid by Center funds of approximately \$600,000 is also included in the asset under capital lease.

Northside Mental Health Center, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2013

NOTE D - PROPERTY AND EQUIPMENT - Continued

The State rules governing mental health services contractors stipulate that the State can recover its proportionate share of State funds used to acquire real property or equipment if the asset is sold prior to expiration of the holding period in which the State has interest in the assets. The State can also recover its proportionate share of the market value or the asset itself if any property or equipment is no longer used for its original authorized purpose, or State approved alternative use, during the holding period. The holding period is defined as 20 to 40 years for real property and the contract approved useful life for equipment.

There were no pending transactions requiring return of State funds on property and equipment as of June 30, 2013.

Amounts relevant to assets acquired with State funds are summarized below:

Depreciation expense for property and equipment acquired with State funds	<u>\$ 114,082</u>
Cost, net of accumulated depreciation and amortization of property and equipment, acquired with State funds and possessed by the Center	<u>\$ 997,591</u>

As the Center considered the appropriations for construction of the facility restricted by the terms of the lease as donations for specific operating purposes, it reflected the cost of the facility in the temporarily restricted net assets in the year of the lease inception. Such amount is to be amortized over the life of the lease as the restrictions or use of the facility expire. Approximately \$105,000 was amortized for the year ended June 30, 2013.

NOTE E - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are comprised of the following at June 30, 2013:

Temporarily restricted funds relating to the facility	\$ 895,841
Temporarily restricted funds contributed by the Center	<u>141,214</u>
	<u>\$ 1,037,055</u>

The net assets released from restriction consisted of the following for the year ended June 30, 2013:

Depreciation of assets relating to facility	<u>\$ 104,808</u>
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Northside Mental Health Center, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2013

NOTE F - LINE OF CREDIT

The Center has a line of credit from a commercial bank in the amount of \$500,000 at June 30, 2013. The line expires December 31, 2013 and is secured by all assets of the Center. Interest is due monthly at the greater of 3.00% or the LIBOR rate (.19% at June 30, 2013) plus 2.75%, and principal is due on demand. There were no amounts drawn under the line of credit as of June 30, 2013.

NOTE G - LONG-TERM DEBT

Long-term debt consists of the following at June 30, 2013:

Term note payable to bank in monthly installments of \$10,124 including 6.1% interest, payable through January 2015, secured by all assets of the Center	\$ 184,173
Less current portion	<u>(113,272)</u>
	<u>\$ 70,901</u>

Principal maturities of long-term debt are as follows:

<u>Year ending June 30,</u>	
2014	\$ 113,272
2015	<u>70,901</u>
	<u>\$ 184,173</u>

NOTE H - EMPLOYEE BENEFIT PLANS

The Center maintains a fully insured health care plan, administered by a health insurance provider. The plan provides care under both an HMO and PPO option that is available to all full-time employees. Total health care costs for the Center were approximately \$650,000 for the year ended June 30, 2013.

The Center also offers employees the option of purchasing disability insurance coverage administered through a life insurance company. Under this program, the Center will cover 50% of the disability insurance premiums for employees that elect coverage. Total expenses related to this program were approximately \$13,000 for the year ended June 30, 2013.

Northside Mental Health Center, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2013

NOTE H - EMPLOYEE BENEFIT PLANS - Continued

The Center has established the Northside Mental Health Center, Inc. Money Purchase Pension Plan (the "Plan"). The Plan, effective as of July 1, 1987, is intended to meet the requirements of Sections 401 and 501 of the Internal Revenue Code. The Plan provides for an annual defined contribution of four to ten percent of eligible wages based on years of service. All employees with a minimum of one year of service, 21 years of age, and 1,000 hours of service per year are eligible for the Plan. Plan benefits vest after five years of service. Contributions to the Plan for the year ended June 30, 2013 were approximately \$377,000.

NOTE I - OPERATING LEASES

The Center leases office and outpatient facilities and certain operating equipment under noncancelable leases. Approximate future minimum lease payments under operating leases that have initial or remaining lease terms in excess of one year are as follows:

<u>Year ending June 30,</u>	
2014	\$ 106,000
2015	106,000
2016	103,000
2017	78,000
2018	<u>36,000</u>
	<u>\$ 429,000</u>

Rental expense for all operating leases was approximately \$100,000 for the year ended June 30, 2013.

NOTE J - RELATED PARTY TRANSACTIONS AND RELATIONSHIPS

Northside Properties, Inc. ("NPI") was incorporated for the purpose of obtaining financing for the construction of residential apartment units under Section 202 of the Housing Act of 1959, and to provide elderly and handicapped persons with housing facilities designed to meet their needs. The Board of Directors of NPI consists of five members of the Center's Board of Directors.

The Center provides administrative services to NPI. The amounts charged by the Center for these services were \$35,181 for the year ended June 30, 2013. This amount is presented in other operating revenue in the accompanying financial statements.

The amount due from related parties of \$7,976 at June 30, 2013, represents amounts advanced for costs associated with administrative services. Six residential facilities have been constructed or acquired in prior years, and NPI is leasing these facilities to tenants.

Northside Mental Health Center, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2013

NOTE K - CONCENTRATIONS OF CREDIT RISK

Financial instruments which potentially subject the Center to concentrations of credit risk consist of cash and cash equivalents. The Center maintains its cash and cash equivalents with financial institutions it considers of high credit quality.

NOTE L - ECONOMIC DEPENDENCY

The Center receives a substantial amount of funding (approximately 68% of total operating revenue during the year ended June 30, 2013) from federal, state and local grants. The availability and funding of such grants are subject to change with little or no advance notice.

NOTE M - MEDICAID REVENUE

The Center is a qualified provider of Medicaid mental health services. The Center receives a monthly capitation payment and fee for service payment for all plan members in its assigned geographic area. Medicaid revenue is paid pursuant to State of Florida guidelines and is administered on behalf of the State of Florida by the Agency for Health Care Administration.

Net revenues from the Medicaid program were approximately \$3,000,000 or 85% of the Center's net patient service revenue for the year ended June 30, 2013.

NOTE N - 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 the Center 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;



Northside Mental Health Center, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2013

NOTE N - FAIR VALUE MEASUREMENTS - Continued

- 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.

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, 2013:

*Investments:*

*Common Stock:* Valued at the closing price reported on the active market on which the individual securities are traded.

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 the Center 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 the Center's financial instruments are as follows:

	<u>Carrying Amount</u>	<u>Fair Value</u>
Investments	<u>\$ 40,902</u>	<u>\$ 40,902</u>

The following table sets forth by level, within the fair value hierarchy, the Center's investment assets measured at fair value on a recurring basis:

	<u>Fair Value</u>	<u>Level 1 Inputs</u>
Common stock	<u>\$ 40,902</u>	<u>\$ 40,902</u>

NOTE O - SUBSEQUENT EVENTS

The Center has evaluated events and transactions occurring subsequent to June 30, 2013 as of December 13, 2013 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*

NORTHSIDE MENTAL HEALTH CENTER, INC.

June 30, 2013



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

Member  
American Institute of Certified Public Accountants  
Florida Institute of Certified Public Accountants  
Cesar J. Rivero Sam A. Lazzara  
Herman V. Lazzara Stephen G. Douglas  
Marc D. Sasser Michael E. Helton  
Richard B. Gordimer, of Counsel

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  
Northside Mental Health Center, Inc.

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 Northside Mental Health Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2013, 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 13, 2013.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Northside Mental Health Center, Inc.'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 Northside Mental Health Center, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of the internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying schedule of findings and questioned costs, we identified a deficiency in internal control that we consider to be a material weakness.

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. 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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as finding # 2013-1 to be a material weakness.

## **Compliance and Other Matters**

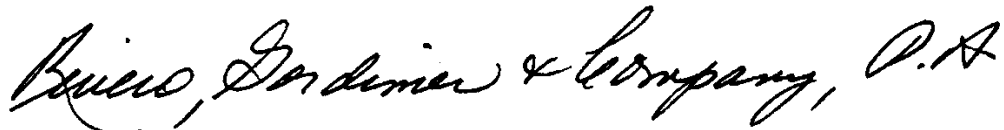
As part of obtaining reasonable assurance about whether Northside Mental Health Center, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have 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*.

## **Northside Mental Health Center, Inc.'s Response to Findings**

Northside Mental Health Center, Inc.'s response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Northside Mental Health Center, Inc.'s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **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 13, 2013

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR  
EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND  
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY  
OMB CIRCULAR A-133 AND CHAPTER 10.650,  
*RULES OF THE FLORIDA AUDITOR GENERAL*

NORTHSIDE MENTAL HEALTH CENTER, INC.

June 30, 2013



**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 OMB CIRCULAR A-133  
AND CHAPTER 10.650, RULES OF THE FLORIDA  
AUDITOR GENERAL

Board of Directors  
Northside Mental Health Center, Inc.

**Report on Compliance for Each Major Federal Program and State Project**

We have audited Northside Mental Health Center, Inc.'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the Florida Department of Financial Services' *State Projects Compliance Supplement*, that could have a direct and material effect on each of Northside Mental Health Center, Inc.'s major federal programs and state projects for the year ended June 30, 2013. Northside Mental Health Center, Inc.'s major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs and state projects.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Northside Mental Health Center, Inc.'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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.650, *Rules of the Florida Auditor General*. Those standards, OMB Circular A-133, and Chapter 10.650, *Rules of the Florida 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 and state project occurred. An audit includes examining, on a test basis, evidence about Northside Mental Health Center, Inc.'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 on compliance for each major federal program and state project. However, our audit does not provide a legal determination of Northside Mental Health Center, Inc.'s compliance.

## ***Opinion on Each Major Federal Program and State Project***

In our opinion, Northside Mental Health Center, Inc. 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, 2013.

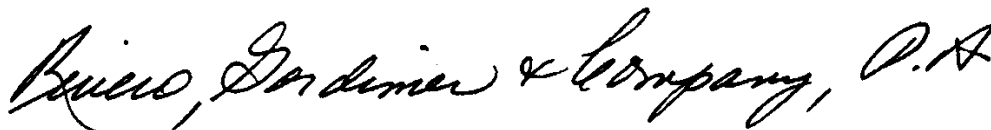
## **Report on Internal Control Over Compliance**

Management of Northside Mental Health Center, Inc. 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 Northside Mental Health Center, Inc.'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 OMB Circular A-133 and Chapter 10.650, *Rules of the Florida 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 Northside Mental Health Center, Inc.'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 OMB Circular A-133 and Chapter 10.650, *Rules of the Florida Auditor General*. Accordingly, this report is not suitable for any other purpose.



Tampa, Florida  
December 13, 2013



SUPPLEMENTARY INFORMATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND  
STATE FINANCIAL ASSISTANCE

NORTHSIDE MENTAL HEALTH CENTER, INC.

For the year ended June 30, 2013

Northside Mental Health Center, Inc.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE

For the year ended June 30, 2013

Federal/State Grantor/Pass-through Grantor/ Program Title	Federal CFDA # or State CSFA #	Pass-through Entity Identifying Number	Expenditures
<b>Federal</b>			
<u>U.S. Department of Agriculture</u>			
Indirect Program			
Passed-through the Florida Department of Elder Affairs			
Child and Adult Care Food Program	10.558	Y3043	\$ 9,029
Child and Adult Care Food Program	10.558	Y2043	3,029
Total CFDA # 10.558			<u>12,058</u>
Total U.S. Department of Agriculture			<u>12,058</u>
<u>U.S. Department of Transportation</u>			
Indirect Program			
Passed-through Florida Department of Transportation			
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513	FL-16-0036	<u>15,218</u>
Total U.S. Department of Transportation			<u>15,218</u>
<u>U.S. Department of Health and Human Services</u>			
Indirect Programs			
Passed-through Central Florida Behavioral Health Network, Inc.			
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	CF1329-1211	<u>39,218</u>
Temporary Assistance for Needy Families	93.558	CF1329-1211	<u>350,771</u>
Social Services Block Grant	93.667	CF1329-1211	<u>8,079</u>
Medical Assistance Program	93.778	CF1329-1211	<u>340,315</u>
Block Grants for Community Mental Health Services	93.958	CF1329-1211	<u>542,477</u>
Total U.S. Department of Health and Human Services			<u>1,280,860</u>
Total expenditures of federal awards			<u>1,308,136</u>

Northside Mental Health Center, Inc.

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

For the year ended June 30, 2013

Federal/State Grantor/Pass-through Grantor/ Program Title	Federal CFDA # or State CSFA #	Pass-through Entity Identifying Number	Expenditures
<b>State</b>			
<u>Florida Department of Children and Families</u>			
Indirect Project			
Passed-through Central Florida Behavioral Health Network, Inc.			
Baker Act	60.006	CF1329-1211	<u>774,176</u>
Adult Community Mental Health Florida Assertive Community Treatment Teams	60.042	CF1329-1211	<u>246,188</u>
Children's Mental Health Community Support Services	60.055	CF1329-1211	<u>20,250</u>
Community Forensic Beds	60.114	CF1329-1211	<u>441,803</u>
Total expenditures of state financial assistance			<u>1,482,417</u>
Total expenditures of federal awards and state financial assistance			<u>\$ 2,790,553</u>

The accompanying notes are an integral part of this schedule.

Northside Mental Health Center, Inc.

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

June 30, 2013

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance includes the federal and state grant activity of Northside Mental Health Center, Inc. (the "Center") and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations* and Chapter 10.650, *Rules of the Florida Auditor General*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

NOTE B - CONTINGENCIES

These federal and state programs/projects are subject to financial and compliance audits by grantor agencies, which, if instances of material noncompliance are found, may result in disallowed expenditures, and affect the Center's continued participation in specific programs. The amount, if any, of expenditures which may be disallowed by the grantor agencies cannot be determined at this time, although the Center expects such amounts, if any, to be immaterial.

NOTE C - STATE MATCHING FUNDS FOR FEDERAL PROGRAMS

State funds awarded to the Center as matching funds for federal programs consisted of the following:

<u>Federal Program Title</u>	<u>Federal CFDA #</u>	<u>Pass-through Entity Identifying Number</u>	<u>Expenditures</u>
Temporary Assistance for Needy Families	93.558	CF1329-1211	\$ 76,158
Medical Assistance Program	93.778	CF1329-1211	340,315
Block Grants for Community Mental Health Services	93.958	CF1329-1211	<u>4,028,946</u>
			<u>\$ 4,445,419</u>

NOTE D - SUBRECIPIENTS

The center did not provide federal awards or state financial assistance to subrecipients.

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

NORTHSIDE MENTAL HEALTH CENTER, INC.

For the year ended June 30, 2013

Northside Mental Health Center, Inc.

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

For the year ended June 30, 2013

**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued Unmodified

Internal control over financial reporting  
 Material weakness(es) identified?  X  yes   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 programs/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 programs/projects Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 and/or Chapter 10.650, *Rules of the Auditor General*?   yes  X  no

Identification of major programs/projects:

**Federal**

<u>CFDA Number</u>	<u>Name of Federal Program</u>
93.558	Temporary Assistance for Needy Families
93.778	Medical Assistance Program

**State**

<u>CFSA Number</u>	<u>Name of State Project</u>
60.006	Baker Act
60.114	Community Forensic Beds

Dollar threshold used to distinguish between type A and type B federal programs \$ 300,000

Dollar threshold used to distinguish between type A and type B state projects \$ 300,000

Auditee qualified as low-risk auditee  X  yes   no

Northside Mental Health Center, Inc.

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

For the year ended June 30, 2013

**Section II - Financial Statement Findings**

Material Weakness

Finding No. 2013-1: Patient Account Receivable Management

Statement of Condition

The general ledger did not agree to the subsidiary ledger patient billing system, and significant adjustments were required to reconcile the balances and properly state the net patient receivable balance at year end. Additionally, the policy for reviewing patient receivable balances was not consistently followed related to monitoring balances and writing off uncollectable amounts.

Criteria

Internal controls should be in place and followed that provide reasonable assurance that the patient account receivable balances are reconciled to the general ledger and adequately monitored for collections.

Cause

Northside Mental Health Center, Inc. did not manage the patient revenue and accounts receivable during the year by reconciling the balances to the general ledger and following up on denied claims adequately. Additionally, reports being produced from the billing system were not verified for accuracy and reconciled to underlying event data prior to posting to the general ledger.

Effect

Significant adjustments were required to properly state the net patient account receivable balance at year end.

Recommendation

Internal controls and practices over the patient billing and accounts receivable process should be updated and consistently followed. A process should be developed and implemented for follow-up on denied claims. The patient accounts receivable sub-ledger should to be accurately maintained and reconciled with the general ledger. Reports produced from the billing system should be reconciled with the underlying event data prior to posting to the general ledger.



Northside Mental Health Center, Inc.

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

For the year ended June 30, 2013

**Section II - Financial Statement Findings - Continued**

Management's Response to Finding and Corrective Action

During the 2012 fiscal year a new electronic records management (EMR) system was put into place. The implementation of the system was not as efficient as expected and the issues with the patient accounts receivable sub-ledger and billing arose as a result of the new EMR system. In November 2013, Northside Mental Health Center, Inc. contracted with a third party vendor to manage the patient billing and collection process. This vendor has significant experience with the EMR system utilized by Northside Mental Health Center, Inc. and will manage all aspects of the billings and collections process. Management anticipates having a new system of internal controls and processes in place by December 31, 2013 that allows for accurate reporting and stronger management of the patient accounts receivable and billing process.

There were no prior year audit findings to be reported. A summary schedule of prior year audit findings is not presented because there were no prior year audit findings.

**Section III - Federal Award and State Financial Assistance  
Findings and Questioned Costs**

No matters were reported for the year ended June 30, 2013 and there were no prior year audit findings to be reported. A summary schedule of prior year audit findings is not presented because there were no prior year audit findings.

The "management letter" pursuant to Sections 215.97(9)(f), and 215.97(10)(d), Florida Statutes, is not required as there are no findings related to State financial assistance for the year ended June 30, 2013.

Northside Mental Health Center, Inc.  
 SCHEDULE OF STATE EARNINGS  
 For the fiscal year ended June 30, 2013

<b>1</b>	<b>Total Expenditures</b>	<b>\$ 13,078,230</b>
<b>2</b>	<b>Less Other State and Federal Funds</b>	<b>\$ (3,338,610)</b>
<b>3</b>	<b>Less Non-Match SAMH Funds</b>	<b>\$ (2,221,911)</b>
<b>4</b>	<b>Less Unallowable Costs per 65E-14, F.A.C.</b>	<b>\$ (13,410)</b>
<b>5</b>	<b>Total Allowable Expenditures</b> (Sum of lines 1, 2, 3, and 4)	<b>\$ 7,504,299</b>
<b>6</b>	<b>Maximum Available Earnings</b> (Line 5 times 75%)	<b>\$ 5,628,224</b>
<b>7</b>	<b>Amount of State Funds Requiring Match</b>	<b>\$ 5,218,484</b>
<b>8</b>	<b>Amount Due to Department *</b> (Subtract line 7 from line 6)	<b>\$ 409,740</b>

\* Northside Mental Health Center, Inc. has met the State's matching requirements. Accordingly, no funds are refundable to the Department of Children and Families.

Northside Mental Health Center, Inc.

SCHEDULE OF RELATED PARTY TRANSACTION ADJUSTMENTS

For the fiscal year ended June 30, 2013

This audit schedule is not applicable to Northside Mental Health Center, Inc. for the fiscal year ended June 30, 2013.

Northside Mental Health Center, Inc.

AUDIT SCHEDULE

SCHEDULE OF BED-DAY AVAILABILITY PAYMENTS

For the fiscal year ended June 30, 2013

Program	Cost Center	State Contracted Rate	Total Units of Service Provided	Total Units of Service paid by 3rd Party Contracts, Local Govt or Other State Agencies	Maximum # of Units Eligible for Payment by Department (D-E) F	Amount Paid for Services by Department G	Maximum \$ Value of Units in Column F (F X C) H	Amount Owed to Department (G-H or \$0 whichever is <u>greater</u> ) I
A	B	C	D	E	F	G	H	I
Children's MH	Crisis Stabilization Unit	\$ -	-	-	-	\$ -	\$ -	\$ -
Adult MH	Crisis Stabilization Unit	\$ 291.24	4,143	493	3,650	\$ 1,062,500	\$ 1,063,026	-
Children's SA	Substance Abuse Detox	\$ -	-	-	-	\$ -	\$ -	-
Adult SA	Substance Abuse Detox	\$ -	-	-	-	\$ -	\$ -	-
Adult MH	Short-term Residential	\$ -	-	-	-	\$ -	\$ -	-
Total Amount Owed to Department =								\$ -

AUDIT SCHEDULE  
SUBSTANCE ABUSE & MENTAL HEALTH SERVICES  
PROGRAM / COST CENTER ACTUAL EXPENSES AND REVENUES SCHEDULE

AGENCY: Northside Mental Health Center, Inc.

DATE PREPARED: 9/30/2013

CONTRACT #: CF1329-1211

BUDGET PERIOD: FROM 07/01/12 TO 06/30/13

**PART I: ACTUAL FUNDING SOURCES AND REVENUES**

	STATE-DESIGNATED SAMH COST CENTERS						
	STATE SAMH-FUNDED COST CENTERS						
	Community-Based Alcohol, Drug Abuse and Mental Health Services						
FUNDING SOURCES & REVENUES	Crisis Stabilization Unit	Crisis Support/ Emergency	Room & Board with Supervision Level II	Medical Services	Florida Assertive Community Treatment (FACT)	Veteran's Outreach	Forensic Outreach
<b>IA. STATE SAMH FUNDING</b>							
(1) General Revenue - Adult	\$ 1,062,500	\$ 508,240	\$ 1,624,690	\$ 784,070	\$ 1,213,910	\$ 39,220	\$ 578,880
(2) General Revenue - Adolescent	-	-	-	-	-	-	-
(3) ADAMH Revenue - Adult	-	-	-	-	-	-	-
(4) Indigent Drugs	-	-	-	-	-	-	-
(5) Behavioral Health Fee	(20,470)	(10,230)	(30,700)	(15,350)	-	-	(11,260)
<b>TOTAL STATE SAMH FUNDING</b>	<b>\$ 1,042,030</b>	<b>\$ 498,010</b>	<b>\$ 1,593,990</b>	<b>\$ 768,720</b>	<b>\$ 1,213,910</b>	<b>\$ 39,220</b>	<b>\$ 567,620</b>
<b>IB. OTHER GOVT. FUNDING</b>							
(1) Other State Agency Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(2) Medicaid	232,340	3,720	-	204,500	-	-	-
(3) Local Government	266,670	-	-	-	-	-	-
<b>TOTAL OTHER GOVT. FUNDING</b>	<b>\$ 499,010</b>	<b>\$ 3,720</b>	<b>\$ -</b>	<b>\$ 204,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>IC. ALL OTHER REVENUES</b>							
(1) 1st & 2nd Party Payments	\$ 10	\$ 1,600	\$ 52,620	\$ 28,940	\$ -	\$ -	\$ -
(2) 3rd Party Payments	10,580	120	-	5,820	-	-	-
(3) Medicare	72,990	3,990	-	81,780	-	-	-
(4) Contributions and Donations	27,200	-	16,300	9,790	-	-	-
(5) Other	-	-	160	-	800	-	170
(6) In-kind	-	-	-	-	-	-	-
<b>TOTAL ALL OTHER REVENUES</b>	<b>\$ 110,780</b>	<b>\$ 5,710</b>	<b>\$ 69,080</b>	<b>\$ 126,330</b>	<b>\$ 800</b>	<b>\$ -</b>	<b>\$ 170</b>
<b>TOTAL FUNDING =</b>	<b>\$ 1,651,820</b>	<b>\$ 507,440</b>	<b>\$ 1,663,070</b>	<b>\$ 1,099,550</b>	<b>\$ 1,214,710</b>	<b>\$ 39,220</b>	<b>\$ 567,790</b>

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

AGENCY: Northside Mental Health Center, Inc.

DATE PREPARED: 9/30/2013

CONTRACT #: CF1329-1211

BUDGET PERIOD: FROM 07/01/12 TO 06/30/13

**PART I: ACTUAL FUNDING SOURCES AND REVENUES - CONTINUED**

FUNDING SOURCES & REVENUES	STATE-DESIGNATED SAMH COST CENTERS						
	STATE SAMH-FUNDED COST CENTERS						
	Community-Based Alcohol, Drug Abuse and Mental Health Services						
	Temporary Assistance for Needy Families (TANF)						
	Outpatient Individual	Case Management	Incidental / IDP	Intervention	TANF Case Management	TANF Outpatient Individual	TANF Outreach
<b>IA. STATE SAMH FUNDING</b>							
(1) General Revenue - Adult	\$ 95,210	\$ 633,060	\$ 23,900	\$ 42,370	\$ 123,320	\$ 81,210	\$ 60,150
(2) General Revenue - Adolescent	-	154,490	-	-	-	-	-
(3) ADAMH Revenue - Adult	-	-	-	-	-	-	-
(4) Indigent Drugs	-	-	147,520	-	-	-	-
(5) Behavioral Health Fee	(2,050)	(12,280)	-	-	-	-	-
<b>TOTAL STATE SAMH FUNDING</b>	<b>\$ 93,160</b>	<b>\$ 775,270</b>	<b>\$ 171,420</b>	<b>\$ 42,370</b>	<b>\$ 123,320</b>	<b>\$ 81,210</b>	<b>\$ 60,150</b>
<b>IB. OTHER GOVT. FUNDING</b>							
(1) Other State Agency Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(2) Medicaid	555,410	558,600	-	-	-	710	-
(3) Local Government	-	-	-	-	-	-	-
<b>TOTAL OTHER GOVT. FUNDING</b>	<b>\$ 555,410</b>	<b>\$ 558,600</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 710</b>	<b>\$ -</b>
<b>IC. ALL OTHER REVENUES</b>							
(1) 1st & 2nd Party Payments	\$ 58,770	\$ 130,810	\$ -	\$ -	\$ 2,080	\$ 2,090	\$ -
(2) 3rd Party Payments	36,290	(17,650)	-	-	-	-	-
(3) Medicare	215,330	302,830	-	-	-	-	-
(4) Contributions and Donations	19,700	9,790	-	-	2,200	2,200	-
(5) Other	500	1,340	-	-	-	-	-
(6) In-kind	-	-	-	-	-	-	-
<b>TOTAL ALL OTHER REVENUES</b>	<b>\$ 330,590</b>	<b>\$ 427,120</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,280</b>	<b>\$ 4,290</b>	<b>\$ -</b>
<b>TOTAL FUNDING</b>	<b>\$ 979,160</b>	<b>\$ 1,760,990</b>	<b>\$ 171,420</b>	<b>\$ 42,370</b>	<b>\$ 127,600</b>	<b>\$ 86,210</b>	<b>\$ 60,150</b>

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

AGENCY: Northside Mental Health Center, Inc.

DATE PREPARED: 9/30/2013

CONTRACT #: CF1329-1211

BUDGET PERIOD: FROM 07/01/12 TO 06/30/13

**PART I: ACTUAL FUNDING SOURCES AND REVENUES - CONTINUED**

FUNDING SOURCES & REVENUES	STATE-DESIGNATED SAMH COST CENTERS		STATE SAMH-FUNDED COST CENTERS		Community-Based Alcohol, Drug Abuse and Mental Health Services		
	TANF Assessment	Total TANF	Total SAMH	Non-SAMH	Administration	Total Revenues	
<b>IA. STATE SAMH FUNDING</b>							
(1) General Revenue - Adult	\$ 36,090	\$ 300,770	\$ 6,906,820	\$ -	\$ -	\$ 6,906,820	
(2) General Revenue - Adolescent	-	-	154,490	-	-	154,490	
(3) ADAMH Revenue - Adult	-	-	-	-	-	-	
(4) Indigent Drugs	-	-	147,520	-	-	147,520	
(5) Behavioral Health Fee	-	-	(102,340)	-	-	(102,340)	
<b>TOTAL STATE SAMH FUNDING</b>	<b>\$ 36,090</b>	<b>\$ 300,770</b>	<b>\$ 7,106,490</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,106,490</b>	
<b>IB. OTHER GOVT. FUNDING</b>							
(1) Other State Agency Funding	\$ -	\$ -	\$ -	\$ 142,470	\$ -	\$ 142,470	
(2) Medicaid	-	710	1,555,280	492,460	381,290	2,429,030	
(3) Local Government	-	-	266,670	156,790	-	423,460.00	
<b>TOTAL OTHER GOVT. FUNDING</b>	<b>\$ -</b>	<b>\$ 710</b>	<b>\$ 1,821,950</b>	<b>\$ 791,720</b>	<b>\$ 381,290</b>	<b>\$ 2,994,960</b>	
<b>IC. ALL OTHER REVENUES</b>							
(1) 1st & 2nd Party Payments	\$ -	\$ 4,170	\$ 276,920	\$ 21,110	\$ 23,190	\$ 321,220	
(2) 3rd Party Payments	-	-	35,160	77,800	-	112,960	
(3) Medicare	-	-	676,920	2,370	81,500	760,790	
(4) Contributions and Donations	-	4,400	87,180	41,040	7,940	136,160	
(5) Other	-	-	2,970	1,240	124,610	128,820	
(6) In-kind	-	-	-	3,030	-	3,030	
<b>TOTAL ALL OTHER REVENUES</b>	<b>\$ -</b>	<b>\$ 8,570</b>	<b>\$ 1,079,150</b>	<b>\$ 146,590</b>	<b>\$ 237,240</b>	<b>\$ 1,462,980</b>	
<b>TOTAL FUNDING</b>	<b>\$ 36,090</b>	<b>\$ 310,050</b>	<b>\$ 10,007,590</b>	<b>\$ 938,310</b>	<b>\$ 618,530</b>	<b>\$ 11,564,430</b>	

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

AGENCY: Northside Mental Health Center, Inc.

DATE PREPARED: 9/30/2013

CONTRACT #: CF1329-1211

BUDGET PERIOD: FROM 07/01/12 TO 06/30/13

**PART II: ACTUAL EXPENSES**

EXPENSE CATEGORIES	STATE-DESIGNATED SAMH COST CENTERS						
	STATE SAMH-FUNDED COST CENTERS						
	Community-Based Alcohol, Drug Abuse and Mental Health Services						
	Crisis Stabilization Unit	Crisis Support/ Emergency	Room & Board with Supervision Level II	Medical Services	Florida Assertive Community Treatment (FACT)	Veteran's Outreach	Forensic Outreach
<b>IIA. PERSONNEL EXPENSES</b>							
(1) Salaries	\$ 1,080,070	\$ 207,820	\$ 906,600	\$ 845,000	\$ 591,850	\$ 25,690	\$ 346,860
(2) Fringe Benefits	210,030	47,700	226,180	171,260	125,540	3,770	86,780
<b>TOTAL PERSONNEL EXPENSES</b>	<b>\$ 1,290,100</b>	<b>\$ 255,520</b>	<b>\$ 1,132,780</b>	<b>\$ 1,016,260</b>	<b>\$ 717,390</b>	<b>\$ 29,460</b>	<b>\$ 433,640</b>
<b>IIB. OTHER EXPENSES</b>							
(1) Building Occupancy	\$ 184,880	\$ 1,770	\$ 118,430	\$ 104,320	\$ 78,130	\$ 650	\$ 12,670
(2) Professional Services	131,150	35,330	51,020	93,000	4,380	60	132,510
(3) Travel	2,020	10,520	11,390	6,600	68,950	2,120	27,310
(4) Equipment	16,010	8,890	30,740	4,360	8,360	250	18,600
(5) Food Services	70,930	-	111,760	-	360	-	-
(6) Medical and Pharmacy	284,420	143,470	47,510	394,400	8,980	-	14,480
(7) Subcontracted Services	-	-	-	-	-	-	-
(8) Insurance	16,390	7,130	39,700	4,130	9,600	810	10,990
(9) Interest Paid	-	-	-	-	-	-	-
(10) Operating Supplies and Expenses	32,920	4,070	44,090	11,780	265,170	1,040	14,370
(11) Other	1,490	-	-	-	-	-	-
(12) Donated Items	-	-	-	-	-	-	-
<b>TOTAL OTHER EXPENSES</b>	<b>\$ 740,210</b>	<b>\$ 211,180</b>	<b>\$ 454,640</b>	<b>\$ 618,590</b>	<b>\$ 443,930</b>	<b>\$ 4,930</b>	<b>\$ 230,930</b>
<b>TOTAL PERSONNEL AND OTHER EXPENSES</b>	<b>\$ 2,030,310</b>	<b>\$ 466,700</b>	<b>\$ 1,587,420</b>	<b>\$ 1,634,850</b>	<b>\$ 1,161,320</b>	<b>\$ 34,390</b>	<b>\$ 664,570</b>
<b>IIC. DISTRIBUTED INDIRECT COSTS</b>							
Administration	\$ 214,690	\$ 49,350	\$ 167,860	\$ 172,870	\$ 122,800	\$ 3,640	\$ 70,270
<b>TOTAL ACTUAL OPER. EXPENSES</b>	<b>\$ 2,245,000</b>	<b>\$ 516,050</b>	<b>\$ 1,755,280</b>	<b>\$ 1,807,720</b>	<b>\$ 1,284,120</b>	<b>\$ 38,030</b>	<b>\$ 734,840</b>
<b>IID. UNALLOWABLE COSTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL ALLOWABLE OPER. EXPENSES</b>	<b>\$ 2,245,000</b>	<b>\$ 516,050</b>	<b>\$ 1,755,280</b>	<b>\$ 1,807,720</b>	<b>\$ 1,284,120</b>	<b>\$ 38,030</b>	<b>\$ 734,840</b>
<b>III. CAPITAL EXPENDITURES</b>	<b>\$ 1,180</b>	<b>\$ 1,740</b>	<b>\$ 590</b>	<b>\$ 590</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 590</b>



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

AGENCY: Northside Mental Health Center, Inc.

DATE PREPARED: 9/30/2013

CONTRACT #: CF1329-1211

BUDGET PERIOD: FROM 07/01/12 TO 06/30/13

**PART II: ACTUAL EXPENSES - CONTINUED**

EXPENSE CATEGORIES	STATE-DESIGNATED SAMH COST CENTERS							
	STATE SAMH-FUNDED COST CENTERS							
	Community-Based Alcohol, Drug Abuse and Mental Health Services					Temporary Assistance for Needy Families (TANF)		
	Outpatient Individual	Case Management	Incidental / IDP	Intervention	TANF Case Management	TANF Outpatient Individual	TANF Outreach	
<b>IIA. PERSONNEL EXPENSES</b>								
(1) Salaries	\$ 611,110	\$ 756,670	\$ -	\$ 33,310	\$ 28,270	\$ 33,050	\$ 22,560	
(2) Fringe Benefits	149,800	186,880	-	3,640	6,940	8,120	5,540	
<b>TOTAL PERSONNEL EXPENSES</b>	<b>\$ 760,910</b>	<b>\$ 943,550</b>	<b>\$ -</b>	<b>\$ 36,950</b>	<b>\$ 35,210</b>	<b>\$ 41,170</b>	<b>\$ 28,100</b>	
<b>IIB. OTHER EXPENSES</b>								
(1) Building Occupancy	\$ 152,920	\$ 57,970	\$ -	\$ 6,550	\$ 8,070	\$ 6,250	\$ 8,070	
(2) Professional Services	64,010	46,350	-	4,260	-	7,100	-	
(3) Travel	700	18,330	-	160	270	-	400	
(4) Equipment	16,880	26,590	-	4,230	1,550	1,200	1,550	
(5) Food Services	-	-	-	-	-	-	30	
(6) Medical and Pharmacy	130,740	143,350	147,520	3,620	8,000	8,000	-	
(7) Subcontracted Services	-	-	-	-	-	-	-	
(8) Insurance	22,610	34,200	-	2,010	1,170	910	1,170	
(9) Interest Paid	-	-	-	-	-	-	-	
(10) Operating Supplies and Expenses	20,460	20,540	23,230	1,790	1,080	850	1,080	
(11) Other	-	-	-	-	-	-	-	
(12) Donated Items	-	-	-	-	-	-	-	
<b>TOTAL OTHER EXPENSES</b>	<b>\$ 408,320</b>	<b>\$ 347,330</b>	<b>\$ 170,750</b>	<b>\$ 22,620</b>	<b>\$ 20,140</b>	<b>\$ 24,310</b>	<b>\$ 12,300</b>	
<b>TOTAL PERSONNEL AND OTHER EXPENSES</b>	<b>\$ 1,169,230</b>	<b>\$ 1,290,880</b>	<b>\$ 170,750</b>	<b>\$ 59,570</b>	<b>\$ 55,350</b>	<b>\$ 65,480</b>	<b>\$ 40,400</b>	
<b>IIC. DISTRIBUTED INDIRECT COSTS</b>								
Administration	\$ 123,640	\$ 136,500	\$ 18,060	\$ 6,310	\$ 5,850	\$ 6,920	\$ 4,270	
<b>TOTAL ACTUAL OPER. EXPENSES</b>	<b>\$ 1,292,870</b>	<b>\$ 1,427,380</b>	<b>\$ 188,810</b>	<b>\$ 65,880</b>	<b>\$ 61,200</b>	<b>\$ 72,400</b>	<b>\$ 44,670</b>	
<b>IIID. UNALLOWABLE COSTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>TOTAL ALLOWABLE OPER. EXPENSES</b>	<b>\$ 1,292,870</b>	<b>\$ 1,427,380</b>	<b>\$ 188,810</b>	<b>\$ 65,880</b>	<b>\$ 61,200</b>	<b>\$ 72,400</b>	<b>\$ 44,670</b>	
<b>IIIE. CAPITAL EXPENDITURES</b>	<b>\$ 560</b>	<b>\$ 1,690</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 590</b>	<b>\$ -</b>	

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

AGENCY: Northside Mental Health Center, Inc.

DATE PREPARED: 9/30/2013

CONTRACT #: CF1329-1011

BUDGET PERIOD: FROM 07/01/12 TO 06/30/13

**PART II: ACTUAL EXPENSES - CONTINUED**

EXPENSE CATEGORIES	STATE-DESIGNATED SAMH COST CENTERS		STATE SAMH-FUNDED COST CENTERS		Community-Based Alcohol, Drug Abuse and Mental Health Services		Total Expenditures
	Temporary Assistance for Needy Families (TANF)		Total SAMH	Non-SAMH	Administration	Total Expenditures	
	TANF Assessment	Total TANF					
<b>IIA. PERSONNEL EXPENSES</b>							
(1) Salaries	\$ 14,280	\$ 98,160	\$ 5,503,140	\$ 718,380	\$ 1,439,840	\$ 7,661,360	
(2) Fringe Benefits	3,500	24,100	1,235,680	176,410	343,540	1,755,630	
<b>TOTAL PERSONNEL EXPENSES</b>	<b>\$ 17,780</b>	<b>\$ 122,260</b>	<b>\$ 6,738,820</b>	<b>\$ 894,790</b>	<b>\$ 1,783,380</b>	<b>\$ 9,416,990</b>	
<b>IIB. OTHER EXPENSES</b>							
(1) Building Occupancy	\$ 2,570	\$ 24,960	\$ 743,250	\$ 170,560	\$ (84,530)	\$ 829,280	
(2) Professional Services	3,000	10,100	572,170	107,580	93,200	772,950	
(3) Travel	-	670	148,770	41,160	29,370	219,300	
(4) Equipment	490	4,790	139,700	24,910	90,950	255,560	
(5) Food Services	-	30	183,080	21,300	2,650	207,030	
(6) Medical and Pharmacy	2,110	18,110	1,336,600	43,660	(735,830)	644,430	
(7) Subcontracted Services	-	-	-	-	-	-	
(8) Insurance	370	3,620	151,190	26,180	(3,760)	173,610	
(9) Interest Paid	-	-	-	-	15,000	15,000	
(10) Operating Supplies and Expenses	340	3,350	442,810	20,170	71,720	534,700	
(11) Other	-	-	1,490	3,960	520	5,970	
(12) Donated Items	-	-	-	3,410	-	3,410	
<b>TOTAL OTHER EXPENSES</b>	<b>\$ 8,880</b>	<b>\$ 65,630</b>	<b>\$ 3,719,060</b>	<b>\$ 462,890</b>	<b>\$ (520,710)</b>	<b>\$ 3,661,240</b>	
<b>TOTAL PERSONNEL AND OTHER EXPENSES</b>	<b>\$ 26,660</b>	<b>\$ 187,890</b>	<b>\$ 10,457,880</b>	<b>\$ 1,357,680</b>	<b>\$ 1,262,670</b>	<b>\$ 13,078,230</b>	
<b>IIC. DISTRIBUTED INDIRECT COSTS</b>							
Administration	\$ 2,820	\$ 19,860	\$ 1,105,850	\$ 143,570	\$ (1,249,420)	\$ -	
<b>TOTAL ACTUAL OPER. EXPENSES</b>	<b>\$ 29,480</b>	<b>\$ 207,750</b>	<b>\$ 11,563,730</b>	<b>\$ 1,501,250</b>	<b>\$ 13,250</b>	<b>\$ 13,078,230</b>	
<b>IID. UNALLOWABLE COSTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 160</b>	<b>\$ 13,250</b>	<b>\$ 13,410</b>	
<b>TOTAL ALLOWABLE OPER. EXPENSES</b>	<b>\$ 29,480</b>	<b>\$ 207,750</b>	<b>\$ 11,563,730</b>	<b>\$ 1,501,090</b>	<b>\$ -</b>	<b>\$ 13,064,820</b>	
<b>IIE. CAPITAL EXPENDITURES</b>	<b>\$ -</b>	<b>\$ 590</b>	<b>\$ 7,530</b>	<b>\$ 16,740</b>	<b>\$ 14,900</b>	<b>\$ 39,170</b>	