

**DISC VILLAGE, INC. AND AFFILIATES**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

**DISC VILLAGE, INC. AND AFFILIATES**  
**TABLE OF CONTENTS**  
**JUNE 30, 2016**

	<u><b>Page(s)</b></u>
<b>Independent Auditors' Report</b>	1 – 2
<b>Financial Statements</b>	
Consolidated Statement of Financial Position	3
Consolidated Statement of Activities	4
Consolidated Statement of Functional Expenses	5
Consolidated Statement of Cash Flows	6
Notes to Consolidated Financial Statements	7 – 15
<b>Schedule of Expenditures of Federal Awards and State Financial Assistance</b>	16 – 19
<b>Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance</b>	20
<b>Additional Information</b>	21 – 28
<b>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 <i>Government Auditing Standards</i></b>	29 – 30
<b>Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance Required by the Uniform Guidance and Chapter 10.650 Rules of the Auditor General</b>	31 – 32
<b>Schedule of Findings and Questioned Costs</b>	33 – 34

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors,  
DISC Village, Inc. and Affiliates:

### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of DISC Village, Inc., and Affiliates (the "Organization") which comprise the consolidated statement of financial position as of June 30, 2016, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Consolidated Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

– 1 –

121 Executive Circle  
Daytona Beach, FL 32114-1180  
Telephone: 386/257-4100  
Fax: 386/255-3261  
dab@jmco.com

5931 NW 1st Place  
Gainesville, FL 32607-2063  
Telephone: 352/378-1331  
Fax: 352/372-3741  
gnv@jmco.com

2477 Tim Gamble Place, Suite 200  
Tallahassee, FL 32308-4386  
Telephone: 850/386-6184  
Fax: 850/422-2074  
tlh@jmco.com

## ***Opinion***

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

## ***Other Matters***

### ***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Disc Village, Inc., and Affiliate's consolidated financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and *Audits of States, Local Governments, and Non-Profit Organizations* and Chapter 10.650, Rules of the State of Florida, Office of the Auditor General, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements.

The Schedule of Expenditures of Federal Awards and State Financial Assistance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and State Financial Assistance are fairly stated in all material respects in relation to the consolidated financial statements as a whole.

The accompanying additional information presented in the Schedules on pages 21 - 28 are presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2016 on our consideration of the Organization'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 Organization's internal control over financial reporting and compliance.

*James Moore & Co., P.L.C.*

Tallahassee, Florida  
December 15, 2016

**DISC VILLAGE, INC. AND AFFILIATES**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2016**

**ASSETS**

<b>Current assets</b>	
Cash and cash equivalents	\$ 1,241,926
Investments	16,367,993
Grants and contracts receivable	914,121
Accounts receivable	11,548
Current portion of notes receivable	135,211
Prepaid expenses	29,036
Total current assets	<u>18,699,835</u>
<b>Property and equipment, net</b>	6,616,161
<b>Notes receivable, less current portion</b>	2,308,376
<b>Total Assets</b>	<u><u>\$ 27,624,372</u></u>

**LIABILITIES AND NET ASSETS**

<b>Current liabilities</b>	
Accounts payable	\$ 374,793
Accrued salaries	229,483
Accrued leave	190,325
Accrued unemployment	86,397
Deferred revenue	161,265
Other accrued liabilities	121,732
Total current liabilities	<u>1,163,995</u>
<b>Net assets</b>	
Unrestricted:	
Operations	19,844,216
Invested in property and equipment	6,616,161
Total net assets	<u>26,460,377</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 27,624,372</u></u>

The accompanying notes to consolidated financial statements  
are an integral part of this statement.

**DISC VILLAGE, INC. AND AFFILIATES**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2016**

**Unrestricted**

**Support and Revenue**

Grants and contracts	\$ 7,348,776
Client service revenue, net	232,888
Contributions	18,374
In-kind contributions	690,529
Food stamps	42,369
Rent	141,607
Investment return	(100,795)
Interest income	172,107
Other revenue	2,514
Total support and revenue	8,548,369

**Expenses**

Program services	
Adult and juvenile substance abuse	4,424,953
Child welfare	1,321,722
Intervention - juvenile services non-substance abuse	1,777,789
Other programs	869,817
Total program services	8,394,281

Support services	
General and administrative	879,993
Total expenses	9,274,274

**Decrease in net assets** (725,905)

**Net assets, beginning of year** 27,186,282

**Net assets, end of year** \$ 26,460,377

The accompanying notes to consolidated financial statements  
are an integral part of this statement.

**DISC VILLAGE, INC. AND AFFILIATES**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Program Services</u>				<u>Support Services</u>	
	<u>Adult and Juvenile Substance Abuse</u>	<u>Child Welfare</u>	<u>Intervention - Juvenile Services Non - Substance Abuse</u>	<u>Other Programs</u>	<u>General and Administrative</u>	<u>Total</u>
Salaries & payroll taxes	\$ 2,295,605	\$ 993,103	\$ 1,121,513	\$ 329,132	\$ 484,905	\$ 5,224,258
Fringe benefits	240,949	108,292	93,919	6,067	51,800	501,027
Advertising	18,127	3,286	3,176	304	3,553	28,446
Banking charges	2,928	-	3,164	-	7,739	13,831
Contractual services	31,211	6,922	14,527	22,204	5,651	80,515
Depreciation & amortization	136,483	14,474	41,808	151,394	26,347	370,506
Dues & subscriptions	-	405	-	-	27,702	28,107
Educational supplies	1,140	-	2,010	616	570	4,336
Equipment	7,001	11	529	1,664	355	9,560
Food supplies	197,984	339	1,525	-	-	199,848
Household supplies	27,351	822	2,262	10,745	3,761	44,941
In-kind	574,212	25,596	77,532	12,639	550	690,529
Insurance	61,365	24,859	20,161	18,602	25,230	150,217
Leased equipment	18,494	5,915	10,204	916	2,974	38,503
Licenses & fees	6,533	2,753	3,397	32,540	10,553	55,776
Medical services & supplies	60,254	154	9,737	18,666	133	88,944
Meeting	1,031	590	1,773	2	2,746	6,142
Miscellaneous	66,128	20,800	22,298	29,011	9,216	147,453
Occupancy	150,667	14,653	57,155	117,883	25,504	365,862
Office supplies	28,827	6,900	7,402	393	32,307	75,829
Postage & freight	1,465	802	1,816	31	2,724	6,838
Printing & copying	3,148	303	4,895	-	1,881	10,227
Professional services	188,223	-	13,803	3,373	99,397	304,796
Reference materials	1,818	134	386	3	659	3,000
Repairs & maintenance	165,678	3,029	22,861	105,669	17,422	314,659
Telephone	49,164	16,985	176,607	5,606	15,567	263,929
Training	5,110	7,778	8,882	50	14,070	35,890
Travel	30,555	41,135	49,934	2,251	6,615	130,490
Vehicle operation & maintenance	53,502	21,682	4,513	56	62	79,815
<b>Total Direct Expenses</b>	<b>4,424,953</b>	<b>1,321,722</b>	<b>1,777,789</b>	<b>869,817</b>	<b>879,993</b>	<b>9,274,274</b>
Allocation of General and Administrative Expenses	496,715	148,368	199,563	28,621	(873,267)	-
<b>Total Expenses</b>	<b>\$ 4,921,668</b>	<b>\$ 1,470,090</b>	<b>\$ 1,977,352</b>	<b>\$ 898,438</b>	<b>\$ 6,726</b>	<b>\$ 9,274,274</b>

The accompanying notes to consolidated financial statements  
are an integral part of this statement.

**DISC VILLAGE, INC. AND AFFILIATES**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

<b>Cash flows from operating activities</b>	
Cash received from grantors, contractors and contributors	\$ 8,225,366
Cash paid to employees, vendors and subcontractors	(9,523,092)
Cash received from interest	172,107
Net cash used in operating activities	<u>(1,125,619)</u>
<b>Cash flows from investing activities</b>	
Purchases of investments	(636,740)
Proceeds from sales of investments	2,249,721
Purchases of property and equipment	(230,327)
Net cash provided by investing activities	<u>1,382,654</u>
<b>Cash flows from financing activities</b>	
Receipts from notes receivable	115,997
<b>Net increase in cash and cash equivalents</b>	<u>373,032</u>
<b>Cash and cash equivalents, beginning of year</b>	868,894
<b>Cash and cash equivalents, end of year</b>	<u>\$ 1,241,926</u>
<b>Reconciliation of decrease in net assets to net cash used in operating activities</b>	
Decrease in net assets	<u>\$ (725,905)</u>
Adjustments to reconcile decrease in net assets to net cash used in operating activities:	
Depreciation and amortization	370,506
Unrealized loss on investments	1,021,884
Realized gain from sale of investments	(277,374)
Increase in grants and contracts receivable	(201,079)
Decrease in accounts receivable	7,921
Decrease in prepaid expenses	16,089
Increase in deferred revenue	(11,719)
Increase in accounts payable	173,311
Increase in accrued salaries	42,032
Decrease in other accrued liabilities	(1,541,285)
Total adjustments	<u>(399,714)</u>
<b>Net cash used in operating activities</b>	<u>\$ (1,125,619)</u>

The accompanying notes to consolidated financial statements  
are an integral part of this statement.

**DISC VILLAGE, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

**(1) Summary of Significant Accounting Policies:**

The following is a summary of the more significant accounting policies and practices of DISC Village, Inc., and Affiliates (the "Organization") which affect significant elements of the accompanying consolidated financial statements:

(a) **General**—The Organization is engaged in providing a comprehensive array of alcohol, drug and mental health rehabilitative services to residents of North Florida. In August 2001, DISC Village, Inc. formed Woodville Properties, Inc. and DISC Village Foundation, Inc. All organizations share a common Board of Directors and management. The consolidated financial statements include the accounts of DISC Village, Inc., Woodville Properties, Inc. and DISC Village Foundation, Inc. Woodville Properties, Inc. and DISC Village Foundation, Inc. are consolidated since DISC Village, Inc. has both an economic interest in and control of these entities through a majority voting interest in their governing boards. All significant inter-company transactions and accounts are eliminated.

(b) **Property and Equipment**—Property and equipment acquired by the Organization is considered to be owned by the Organization. However, funding sources may maintain an equitable interest in the property purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets. The State of Florida has a reversionary interest in those assets purchased with its funds which have a cost of \$1,000 or more and an estimated useful life of at least one year. The Federal Government has a reversionary interest in those assets purchased with its funds which have cost of \$5,000 or more and an estimated useful life of at least one year.

Property and equipment with a value greater than \$1,000 and an estimated useful life of at least one year are recorded at cost when purchased or at estimated fair value when contributed. Depreciation is computed using the straight-line method over the estimated useful life of the assets, ranging from five to forty years. Repairs and maintenance, which are not considered improvements and do not extend the useful life of the property and equipment, are expensed as incurred.

(c) **Income Taxes**—DISC Village, Inc., DISC Village Foundation, Inc., and Woodville Properties, Inc. are generally exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in the accompanying consolidated financial statements. The Organization files income tax returns in the U.S. Federal jurisdiction. The Organization's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

The Organization has reviewed and evaluated the relevant technical merits of each of their tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the consolidated financial statements.

(d) **Cash and Cash Equivalents**—For the purpose of reporting cash flows, cash and cash equivalents include cash on hand, demand deposits held with banks, and short-term investments with original maturities of 90 days or less.

**DISC VILLAGE, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

(1) **Summary of Significant Accounting Policies:** (Continued)

(e) **Use of Estimates**—The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(f) **Basis of Accounting**—The consolidated financial statements have been prepared on the accrual basis of accounting, and accordingly, reflect all significant receivables, payables and other liabilities.

(g) **Basis of Presentation**—The Organization is required to report information regarding its consolidated financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

(h) **Functional Allocation of Expenses**—The cost of providing the various services and other activities have been summarized on a functional basis in the Consolidated Statement of Activities. Accordingly, certain costs have been allocated among the program and supporting services benefited.

(i) **Contributions**—All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases these net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as unrestricted.

Contributed property and equipment is recorded at fair value at the date of donation. In the absence of donor-imposed stipulations regarding how long the contributed assets must be used, the Organization has adopted a policy of not implying a time restriction on contributions of such assets that expires. Therefore, all contributions of property and equipment, and of the assets contributed to acquire property and equipment, are recorded as unrestricted support or contributions.

Donated services are recognized as contributions in accordance with accounting principles generally accepted in the United States of America, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Many volunteers provide services throughout the year that are not recognized as contributions in the consolidated financial statements, because the recognition criteria under accounting principles generally accepted in the United States of America was not met. It is impracticable to determine the fair value of all donated services by volunteers of the Organization beyond those recognized as income.

(j) **Investments**—Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the consolidated statement of financial position. Unrealized gains and losses are included in the change in net assets as a component of investment return.

**DISC VILLAGE, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

(1) **Summary of Significant Accounting Policies:** (Continued)

(j) **Investments** (Continued)

Investments are exposed to various risks such as significant world events, interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the fair value of investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated statement of financial position.

(k) **Accrued Leave**—The Organization compensates its employees for unused accrued paid time off upon termination of employment. The amount of the change in accrued leave for all employees from one year to the next is reported as an expense during the current year.

(l) **Advertising Costs**—Advertising costs are charged to operations as incurred.

(m) **Grants, Contracts and Accounts Receivable**—Grants, contracts and accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of the credit history with customers, grantors, and contractors having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial. Therefore, no allowance for doubtful accounts was considered necessary.

(n) **Revenue Recognition**—The Organization receives all of its grant and contract revenue from Federal, state and local agencies. The Organization recognizes contract revenue (up to the contract ceiling) from its contracts over a period which represents the service period for certain contracts, or to the extent of expenses. Revenue recognition depends on the contract.

Any of the funding sources may, at their discretion, request reimbursement for expenses or return of funds, or both, as a result of non-compliance with the terms of the grant/contracts.

(p) **Investment Policy**—The Organization's investment policy intends for the Organization to invest idle funds that are not needed for operations in investment accounts. The investments must be properly authorized and accurately accounted for. All investments are safeguarded against physical loss or misuse. The Organization targets a diversified asset allocation that places a greater emphasis on money markets accounts, certificates of deposit, treasury notes, mutual funds, corporate bonds, and corporate stocks. The investment accounts must be with a large asset management company that has a proven track record, low fees, and no investment violations.

(q) **Notes Receivable**—Notes receivable are reported at their outstanding principal balance. Notes receivable are considered by management to be fully collectible and, accordingly, no allowance for doubtful accounts is considered necessary. In making that determination, management evaluated the financial condition of the borrowers, the estimated value of the underlying collateral, and current economic conditions.

**DISC VILLAGE, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

(2) **Significant Funding Sources:**

The Organization receives a substantial amount of its funding from the U.S. Department of Health and Human Services, the State of Florida, Department of Children and Families and Big Bend Community Based Care, Inc. A significant reduction in the level of this funding, if it were to occur, could have an adverse effect on the Organization's programs and activities.

(3) **Concentrations of Credit Risk:**

The more significant concentrations of credit risk are as follows:

(a) **Demand Deposits**—The Organization maintains cash deposits with several financial institutions and brokerage houses. The Organization has no policy requiring collateral or other security to support its deposits, although all demand deposits with the financial institutions are Federally insured up to FDIC limits. At brokerage houses, amounts are insured by the Securities Investor Protection Corporation (SIPC) up to the SIPC limits.

(b) **Grants, Contracts and Accounts Receivable**—The Organization's receivables are for amounts due under contracts with local, state, and Federal government agencies. The Organization has no policy requiring collateral or other security to support its receivables.

(c) **Financial Instruments**—Financial instruments that potentially subject the Organization to concentrations of credit risk include investments. The investments are held in high quality institutions and companies with high credit ratings.

(d) **Notes Receivable**—The Organization's notes receivable are amounts due with individuals and corporations. The Organization has a policy of requiring collateral to support the notes receivable.

(4) **Property and Equipment:**

The following is a summary of property and equipment at June 30, 2016:

Vehicles	\$ 435,978
Furniture and equipment	1,375,578
Buildings	12,217,701
Construction in process	74,123
Land and land improvements	<u>2,008,897</u>
	16,112,277
Less: Accumulated depreciation and amortization	<u>9,496,116</u>
Total	<u>\$ 6,616,161</u>

Depreciation and amortization expense for the year ending June 30, 2016 was \$370,506. Depreciation and amortization expense has been included on the Consolidated Statement of Functional Expenses in the following accounts: depreciation and amortization, repairs & maintenance, food supplies, and miscellaneous.

**DISC VILLAGE, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

(5) **401(K) Profit Sharing Retirement Plan:**

The Organization currently maintains a 401(K) Profit Sharing Retirement Plan (a defined contribution plan). All employees may contribute to the 401(K) plan through salary deductions. Employer matching contributions are made for all employees age 21 or older with at least one year of service. The contribution for the year ended June 30, 2016 was \$115,691.

(6) **Unemployment Compensation:**

The Organization is a self-insured employer with the State of Florida, Division of Unemployment Compensation. As such, the Division of Unemployment Compensation processes unemployment claims, pays the unemployment benefits to eligible claimants and invoices the Organization for the benefits paid from the Florida Unemployment Compensation Fund.

The employment liability represents an estimate for the ultimate unemployment payments that are unpaid at the Consolidated Statement of Financial Position date and the present value of the benefit obligation. These estimates are continually reviewed and, as adjustments become necessary, such adjustments are reflected in current operations.

Although the Organization believes that the estimate of the liability for claims is reasonable under the circumstances, the absence of adequate claims experience to support the assumptions inherent in establishing the estimate results in uncertainty as to the ultimate amount that will be required for the claims. Accordingly, the ultimate amount of the claims and related unemployment expense may vary from the estimated amounts included in the accompanying consolidated financial statements.

(7) **Investments:**

The Organization's investments at June 30, 2016 consist of marketable securities recorded at fair value as summarized below:

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Gain (Loss)</u>
Mutual funds	\$ 13,559,517	\$ 16,367,993	\$ 2,808,476

The following schedule summarizes the investment return in the Consolidated Statement of Activities for the year ended June 30, 2016:

Interest and dividend income	\$ 643,715
Net gain (loss)	(744,510)
Total	<u>\$ (100,795)</u>

Investments in marketable securities with readily determinable fair values are reported at fair values in the Consolidated Statement of Financial Position. Unrealized gains and losses are included in net assets.

**DISC VILLAGE, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

(8) **Medicaid:**

The Organization bills Medicaid at Medicaid established rates for eligible services performed. Services rendered are reimbursed by Medicaid subject to specific documentation requirements. Compliance audits are conducted periodically by the Medicaid fiscal intermediaries, as well as the Organization's corporate compliance program, which can result in the recoupment of fees paid to the Organization.

(9) **In-Kind Support:**

The Organization receives donations of supplies and services to help serve clients. The value of this in-kind support is based upon the fair market value of donated items. In-kind revenue totaled \$690,529 for the year ended June 30, 2016 and is recognized in the Consolidated Statement of Activities.

(10) **Grant Matching Requirements:**

In-kind contributions reported to grantors are revenues received from local funds and used to satisfy the matching requirements of certain grants. A portion of local match revenue consists of contributions from volunteers and subcontractors. The remainder of match required by the grants and contracts is received from governmental, non-profit and commercial organizations.

(11) **Operating Leases:**

The Organization leases equipment under operating leases expiring in various years through 2018. Rental expense for equipment for the year ended June 30, 2016 amounted to \$33,891. Minimum future rental payments under the noncancellable operating leases having remaining terms in excess of one year as of June 30, 2016, for each of the next five years and in the aggregate are:

<u>Year</u>	<u>Amount</u>
2017	\$ 32,718
2018	1,338
2019	-
2020	-
2021	-
	<u>\$ 34,056</u>

(12) **Nonqualified Deferred Compensation Agreements:**

The Organization has deferred compensation agreements with key employees. The agreements provide for certain postretirement benefits, contingent on certain conditions, beginning in 2015. The Organization accrues the present value of the estimated future benefit payments over the period from the date of the agreement to the retirement dates. The Organization recognized expense of \$30,000 in the year ended June 30, 2016 related to these agreements.

**DISC VILLAGE, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

(13) **Subsequent Events:**

The Organization has evaluated events and transactions for potential recognition or disclosure in the consolidated financial statements through December 15, 2016 the date which the consolidated financial statements were available to be issued. No subsequent events have been recognized or disclosed.

(14) **Contingencies:**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government and the State of Florida. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Organization expects such amounts, if any, to be immaterial.

(15) **Notes Receivable:**

Notes receivable consists of the following at June 30, 2016:

6% interest bearing note receivable due from corporation, secured by a purchase money mortgage, to be repaid by monthly payments of \$1,313 including interest, through January 2025.	\$	110,099
5.5% interest bearing note receivable due from individuals, secured by a purchase money mortgage, to be repaid by monthly principal and interest payments of \$1,500 with additional principal payments of \$30,000 annually beginning July 1, 2013 and each July through July 2017 with a final balloon payment on July 1, 2017.		50,757
7% interest bearing note receivable due from corporation, secured by a purchase money mortgage, to be repaid by monthly payments of \$3,694 including interest, through October 2033		444,422
7% interest bearing note receivable due from corporation, secured by a purchase money mortgage, to be repaid by monthly payments of \$6,171 including interest, through September 2033		742,412
7% interest bearing note receivable due from corporation, secured by a purchase money mortgage, to be repaid by monthly payments of \$9,110 including interest, through September 2033		1,095,897
		<hr/> 2,443,587
Less: current portion of notes receivable		135,211
Notes receivable, less current portion	\$	<hr/> <hr/> 2,308,376

Interest revenue for the related notes receivable totaled \$172,107 for the year ended June 30, 2016 and is recognized in the Consolidated Statements of Activities.

**DISC VILLAGE, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

(16) **Fair Value Measurements:**

On July 1, 2010, the Organization adopted the provisions of FASB ASC 820-10 which provides a framework for measuring fair value under generally accepted accounting principles. These standards define fair value, provide guidance for measuring fair value and require certain disclosures. These standards do not require any new fair value measurements, but rather apply to all other accounting pronouncements that require or permit fair value measurements. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The following is a brief description of the three levels within the fair value hierarchy that prioritize the inputs to valuation techniques:

- **Level 1:** Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities that are not active. Such inputs may include interest rates and yield curves, volatilities, prepayment speeds, credit risks, and default rates.
- **Level 3:** Unobservable inputs to measure fair value of assets and liabilities for which there is little, if any market activity at the measurement date, using reasonable inputs and assumptions based upon the best information at the time, to the extent that inputs are available without undue cost and effort.

The 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. There have been no changes in the methodologies used at June 30, 2016.

*Mutual funds*– Valued at quoted market prices.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value 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 the reporting date.

**DISC VILLAGE, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

(16) **Fair Value Measurements:** (Continued)

The following is a summary of the valuation as of June 30, 2016 for the Organization's investments based upon the three levels defined above:

	<u>Fair Value</u>	<u>Quoted Prices (Level 1)</u>	<u>Significant Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Investments:				
Equities	\$ 11,377,089	\$ 11,377,089	\$ -	\$ -
Taxable Bonds	4,990,904	4,990,904	-	-
Total investments at fair value	<u>\$ 16,367,993</u>	<u>\$ 16,367,993</u>	<u>\$ -</u>	<u>\$ -</u>

(17) **Litigation:**

The Organization is a defendant in various lawsuits. The Organization believes the lawsuits are without merit and intends to contest such claims. Legal counsel is unable to estimate the amount of potential exposure, therefore, no amount has been accrued in the financial statements.

(18) **Recently Issued Accounting Pronouncements:**

The Financial Accounting Standards Board (FASB) issued new or modifications to, or interpretations of, existing accounting guidance during the year ended June 30, 2016. The Organization has considered the new pronouncements that altered accounting principles generally accepted in the United States of America, and other than as disclosed in the notes to the financial statements below, does not believe that any other new or modified principles will have a material impact on the Organization's reported financial position or operations in the near term.

In May 2014, the FASB issued Accounting Standards Update 2014-09: Revenue from Contracts with Customers, to clarify the principles used to recognize revenue for all entities. The new standard (as amended) is effective for fiscal years beginning after December 15, 2018 and may be adopted early. The Organization is currently evaluating the effect that implementation of the new standard will have on its financial position, results of operations, and cash flows.

In February 2016, the FASB issued Accounting Standards Update 2016-02: Leases (Topic 842), to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The new standard is effective for fiscal years beginning after December 15, 2019 and may be adopted early. The Organization is currently evaluating the effect that implementation of the new standard will have on its financial position, results of operations, and cash flows.

2016-14: Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities, to make improvements to the information provided in financial statements and accompanying notes of not-for-profit entities, including net asset classification requirements and the information presented about an entity's liquidity, financial performance, and cash flows. The new standard is effective for fiscal years beginning after December 15, 2017 and may be adopted early. The Organization is currently evaluating the effect that implementation of the new standard will have on its financial position, results of operations, and cash flows.

**DISC VILLAGE, INC. AND AFFILIATES**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED JUNE 30, 2016**

Federal Grantor/Pass Through Grantor/ State Grantor/Program Title	Federal CFDA Number	State CSFA Number	Contract Number	Current Year Expenditures
<b><u>FEDERAL AWARDS</u></b>				
<b>U.S. Department of Health and Human Services</b>				
Passed through Big Bend Community Based Care, Inc.				
Temporary Assistance for Needy Families	93.558	-	258	\$ 101,823
Temporary Assistance for Needy Families	93.558	-	230	7,198
Temporary Assistance for Needy Families	93.558	-	B004	145,261
				<u>254,282</u>
Passed through Big Bend Community Based Care, Inc.				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	-	230	79,385
Block Grants for Prevention and Treatment of Substance Abuse	93.959	-	B004	2,032,257
				<u>2,111,642</u>
Passed through Big Bend Community Based Care, Inc.				
Promoting Safe and Stable Families	93.556	-	253	36,734
Promoting Safe and Stable Families	93.556	-	258	2,837
				<u>39,571</u>
Passed through Big Bend Community Based Care, Inc.				
Chafee Foster Care Independence Program	93.674	-	258	10,931
Passed through Big Bend Community Based Care, Inc.				
Foster Care_Title IV-E	93.658	-	258	290,393
Foster Care_Title IV-E	93.658	-	253	894
Foster Care_Title IV-E	93.658	-	230	8,047
				<u>299,334</u>

The accompanying note to Schedule of Expenditures of Federal Awards and State Financial Assistance is an integral part of this Schedule

**DISC VILLAGE, INC. AND AFFILIATES**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
**(Continued)**

<b>Federal Grantor/Pass Through Grantor/ State Grantor/Program Title</b>	<b>Federal CFDA Number</b>	<b>State CSFA Number</b>	<b>Contract Number</b>	<b>Current Year Expenditures</b>
<b><u>FEDERAL AWARDS</u></b> (Continued)				
<b>U.S. Department of Health and Human Services</b> (Continued)				
Passed through Big Bend Community Based Care, Inc. Adoption Assistance	93.659	-	258	<u>32,589</u>
Passed through Big Bend Community Based Care, Inc. Child Abuse and Neglect State Grants	93.669	-	230	<u>9,110</u>
Passed through Big Bend Community Based Care, Inc. Stephanie Tubbs Jones Child Welfare Services Program	93.645	-	230	12,592
Stephanie Tubbs Jones Child Welfare Services Program	93.645	-	258	<u>36,000</u>
				<u>48,592</u>
Passed through Florida A&M University Substance Abuse and Mental Health Services Regional and National	93.243	-	SP-14-005	<u>12,785</u>
Passed through Big Bend Community Based Care, Inc. Grants to States for Access and Visitation Programs	93.597	-	253	<u>28,874</u>
Passed through Big Bend Community Based Care, Inc. Block Grants for Community Mental Health Services	93.958	-	B004	<u>11,044</u>

The accompanying note to Schedule of Expenditures of Federal Awards and State Financial Assistance is an integral part of this Schedule

**DISC VILLAGE, INC. AND AFFILIATES**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
(Continued)

<b>Federal Grantor/Pass Through Grantor/ State Grantor/Program Title</b>	<b>Federal CFDA Number</b>	<b>State CSFA Number</b>	<b>Contract Number</b>	<b>Current Year Expenditures</b>
<b><u>FEDERAL AWARDS</u></b> (Continued)				
<b>U.S. Department of Agriculture</b>				
Passed through State of Florida, Department of Agriculture				
National School Lunch Program	10.555	-	01-0177	10,149
School Breakfast Program	10.553	-	01-0177	6,611
Afterschool Snack Program	10.555	-	01-0177	2,051
				<u>18,811</u>
<b>U.S. Department of Justice</b>				
Passed through City of Tallahassee Police Department				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	-	3371	49,378
Edward Byrne Memorial Justice Assistance Grant Program	16.738	-	3668	75,000
Edward Byrne Memorial Justice Assistance Grant Program	16.738	-	3669	26,172
				<u>150,550</u>
<b>Total Federal Awards</b>				<u><u>\$ 3,028,115</u></u>

The accompanying note to Schedule of Expenditures of Federal Awards and State Financial Assistance is an integral part of this Schedule

**DISC VILLAGE, INC. AND AFFILIATES**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
(Continued)

<b>Federal Grantor/Pass Through Grantor/ State Grantor/Program Title</b>	<b>Federal CFDA Number</b>	<b>State CSFA Number</b>	<b>Contract Number</b>	<b>Current Year Expenditures</b>
<b><u>STATE FINANCIAL ASSISTANCE</u></b>				
<b>State of Florida, Department of Children and Families</b> Passed through Big Bend Community Based Care, Inc. Independent Living Program	-	60.112	258	<u>\$ 17,839</u>
State of Florida, Department of Corrections Substance Abuse Services	-	70.016	C2821	<u>68,170</u>
<b>State of Florida, Department of Juvenile Justice</b> Juvenile Assessment Centers (JAC)	-	80.020	10073	<u>503,982</u>
<b>Total State Financial Assistance</b>				589,991
<b>Total Federal Awards and State Financial Assistance</b>				<u><u>\$ 3,618,106</u></u>

The accompanying note to Schedule of Expenditures of Federal Awards and State Financial Assistance is an integral part of this Schedule

**DISC VILLAGE, INC. AND AFFILIATES**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL**  
**AWARDS AND STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED JUNE 30, 2016**

**(1) Basis of Presentation:**

The accompanying Schedule of Expenditures of Federal Awards and State financial assistance (the Schedule) includes the Federal awards and State financial assistance activity of Disc Village, Inc. and Affiliates under programs of the federal government for the year ended June 30, 2016 in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.650, Rules of the State of Florida, Office of the Auditor General. Because the Schedule presents only a selected portion of the operations of Disc Village, Inc. and Affiliates it is not intended to and does not present the financial position, changes in net assets, or cash flows of Disc Village, Inc. and Affiliates.

**(2) Summary of Significant Accounting Policies:**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

**(3) De Minimis Indirect Cost Rate Election:**

Disc Village, Inc. and affiliates have elected not to use the 10 percent de minimis indirect cost rate as allowed under Uniform Guidance.

**DISC VILLAGE, INC. AND AFFILIATES  
ADDITIONAL INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2016**

**SUBSTANCE ABUSE & MENTAL HEALTH SERVICES  
COST CENTER OPERATING REVENUE**

AGENCY: DISC Village, Inc.

CONTRACT #: B004

ACTUAL  $\bar{x}$

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

PERIOD: July 1, 2015 through June 30, 2016

FUNDING SOURCES & REVENUES A	Adult Services											Total for B004 (B <sub>2a</sub> +...+B <sub>2x</sub> ) C <sub>2</sub>	B0090	Total for State SAMH-Funded Cost Centers (C <sub>1</sub> +...+C <sub>4</sub> ) D	Total for Non-State-Funded SAMH Cost Centers E	Tot. for All State-Designated SAMH Cost Centers (D+E) F	Non-SAMH Cost Center G	Total Funding (F+G) H
	Case Management	In-Home	Intervention B <sub>2a</sub>	Outpatient B <sub>2b</sub>	Outreach B <sub>2x</sub>	Prevention B <sub>2x</sub>	Residential II Female B <sub>2x</sub>	Residential IV B <sub>2x</sub>	Residential R & B B <sub>2x</sub>	Aftercare B <sub>2x</sub>								
<b>IA. TOTAL STATE SAMH FUNDING</b>																		
(1) From the Circuit funding this contract	\$ 28,725	\$ 1,973	\$ 288,128	\$ 514,733	\$ 12,705	\$ 12,448	\$ 1,043,431	\$ 48,106	\$ 148,214	\$ 8,560	\$ 2,087,025	\$ 164,773	\$ 2,251,797	\$ -	\$ 2,251,797	\$ -	\$ 2,251,797	
(2) From Other Circuits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 28,725	\$ 1,973	\$ 288,128	\$ 514,733	\$ 12,705	\$ 12,448	\$ 1,043,431	\$ 48,106	\$ 148,214	\$ 8,560	\$ 2,087,025	\$ 164,773	\$ 2,251,797	\$ -	\$ 2,251,797	\$ -	\$ 2,251,797	
<b>IB. OTHER GOVT. FUNDING</b>																		
(1) Other State Agency Funding	\$ -	\$ -	\$ 53,854	\$ 14,316	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 68,170	\$ -	\$ 68,170	\$ -	\$ 68,170	\$ 46,512	\$ 114,682	
(2) Medicaid	\$ -	\$ -	\$ 9,376	\$ 39,970	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,346	\$ -	\$ 49,346	\$ -	\$ 49,346	\$ -	\$ 49,346	
(3) Local Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 92,162	\$ 92,162	
(4) Federal Grants and Contracts	\$ -	\$ -	\$ 2,147	\$ 69,406	\$ -	\$ -	\$ 11,346	\$ -	\$ -	\$ -	\$ 82,899	\$ -	\$ 82,899	\$ 24,838	\$ 107,737	\$ 33,967	\$ 141,704	
(5) In-kind from local govt. only	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>TOT. OTHER GOVT. FUNDING =</b>	\$ -	\$ -	\$ 65,377	\$ 123,692	\$ -	\$ -	\$ 11,346	\$ -	\$ -	\$ -	\$ 200,415	\$ -	\$ 200,415	\$ 24,838	\$ 225,253	\$ 172,641	\$ 397,894	
<b>IC. ALL OTHER REVENUES</b>																		
(1) 1st & 2nd Party Payments	\$ -	\$ -	\$ 9,572	\$ 22,336	\$ -	\$ -	\$ 12,253	\$ 3,559	\$ -	\$ -	\$ 47,720	\$ -	\$ 47,720	\$ -	\$ 47,720	\$ 151,231	\$ 198,951	
(2) 3rd Party Payments (except Medicare)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(3) Medicare	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(4) Contributions and Donations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,760	\$ 1,212	\$ -	\$ -	\$ 25,972	\$ -	\$ 25,972	\$ -	\$ 25,972	\$ -	\$ 25,972	
(5) Other	\$ -	\$ -	\$ 1,272	\$ 7,746	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,018	\$ -	\$ 9,018	\$ -	\$ 9,018	\$ 114,694	\$ 123,713	
(6) In-kind	\$ 987	\$ 65	\$ 11,065	\$ 19,964	\$ 647	\$ 695	\$ 27,560	\$ -	\$ -	\$ 432	\$ 61,414	\$ -	\$ 61,414	\$ -	\$ 61,414	\$ 12,639	\$ 74,054	
<b>TOT. ALL OTHER REVENUES =</b>	\$ 987	\$ 65	\$ 21,909	\$ 50,046	\$ 647	\$ 695	\$ 64,573	\$ 4,771	\$ -	\$ 432	\$ 144,124	\$ -	\$ 144,124	\$ -	\$ 144,124	\$ 278,564	\$ 422,689	
<b>TOTAL PROJECTED FUNDING =</b>	\$ 29,712	\$ 2,038	\$ 355,414	\$ 688,471	\$ 13,352	\$ 13,143	\$ 1,119,350	\$ 52,877	\$ 148,214	\$ 8,993	\$ 2,431,564	\$ 164,773	\$ 2,596,337	\$ 24,838	\$ 2,621,175	\$ 451,206	\$ 3,072,380	

**SUBSTANCE ABUSE & MENTAL HEALTH SERVICES  
COST CENTER OPERATING EXPENDITURES**

**PART II: ACTUAL EXPENSES**

CONTRACT #: B004  
PERIOD: July 1, 2015 through June 30, 2016

**Adult Services**

\*except IIC & IID

EXPENSE CATEGORIES A	Case Management	In-Home	Intervention B <sub>2-a</sub>	Outpatient B <sub>2-b</sub>	Outreach B <sub>2-c</sub>	Prevention B <sub>2-d</sub>	Residential II		Residential Level II Male		Aftercare B <sub>2-k</sub>	Total for B004 (B <sub>2-a</sub> +...+B <sub>2-k</sub> ) C <sub>2</sub>	B0090	Total for State SAMH-Funded Cost Centers (C <sub>1</sub> +...+C <sub>4</sub> ) D	Total for Non-State-Funded SAMH Cost Centers E	Tot. for All State-Designated SAMH Cost Centers (D+E) F	Non-SAMH Cost Center G	Other Support Costs (optional) H	Administration I	Total Expenses (F+G+H+I+J) J
							B <sub>2-e</sub>	B <sub>2-f</sub>	B <sub>2-g</sub>	B <sub>2-h</sub>										
<b>III. PERSONNEL EXPENSES</b>																				
(1) Salaries	\$ 17,743	\$ 1,163	\$ 198,885	\$ 350,846	\$ 11,629	\$ 12,466	\$ 383,734	\$ 44,777	\$ -	\$ 7,768	\$ 1,037,031	\$ 97,249	\$ 1,134,280	\$ -	\$ 1,134,280	\$ 345,829	\$ -	\$ 235,189	\$ 1,715,298	
(2) Fringe Benefits	\$ 3,540	\$ 232	\$ 39,681	\$ 71,595	\$ 2,320	\$ 2,491	\$ 74,303	\$ 8,593	\$ -	\$ 1,550	\$ 204,305	\$ 20,363	\$ 224,668	\$ -	\$ 224,668	\$ 28,552	\$ -	\$ 43,898	\$ 297,138	
<b>TOTAL PERSONNEL EXPENSES =</b>	\$ 21,283	\$ 1,396	\$ 238,566	\$ 430,441	\$ 13,949	\$ 14,977	\$ 458,038	\$ 53,369	\$ -	\$ 9,318	\$ 1,241,336	\$ 117,612	\$ 1,358,968	\$ -	\$ 1,358,968	\$ 374,382	\$ -	\$ 279,087	\$ 2,012,437	
<b>IV. OTHER EXPENSES</b>																				
(1) Building Occupancy	\$ 2,257	\$ 148	\$ 25,297	\$ 45,643	\$ 1,479	\$ 1,588	\$ 170,221	\$ 20,782	\$ -	\$ 988	\$ 268,402	\$ 4,410	\$ 272,813	\$ -	\$ 272,813	\$ 205,665	\$ -	\$ 35,938	\$ 514,417	
(2) Professional Services	\$ 11	\$ 1	\$ 118	\$ 212	\$ 7	\$ 7	\$ 2,994	\$ 8	\$ -	\$ 5	\$ 3,362	\$ -	\$ 3,362	\$ -	\$ 3,362	\$ 13,803	\$ -	\$ 51,687	\$ 68,851	
(3) Travel	\$ 363	\$ 24	\$ 4,071	\$ 7,345	\$ 238	\$ 256	\$ 20,438	\$ 3,732	\$ -	\$ 159	\$ 36,626	\$ 4,659	\$ 41,285	\$ -	\$ 41,285	\$ 7,915	\$ -	\$ 3,474	\$ 52,674	
(4) Equipment	\$ 163	\$ 11	\$ 1,824	\$ 3,291	\$ 107	\$ 114	\$ 8,717	\$ 867	\$ -	\$ 71	\$ 15,163	\$ 1,548	\$ 16,711	\$ 318	\$ 17,029	\$ 2,532	\$ -	\$ 1,731	\$ 21,291	
(5) Food Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 107,237	\$ 14,345	\$ -	\$ -	\$ 121,582	\$ -	\$ 121,582	\$ -	\$ 121,582	\$ -	\$ -	\$ -	\$ 121,582	
(6) Medical and Pharmacy	\$ 495	\$ 32	\$ 5,544	\$ 10,002	\$ 324	\$ 348	\$ 4,643	\$ 1,169	\$ -	\$ 217	\$ 22,774	\$ -	\$ 22,774	\$ -	\$ 22,774	\$ 21,977	\$ -	\$ 69	\$ 44,821	
(7) Subcontracted Services	\$ 1,734	\$ 114	\$ 19,442	\$ 35,079	\$ 1,137	\$ 1,221	\$ 3,626	\$ 962	\$ 130,011	\$ 759	\$ 194,085	\$ 121	\$ 194,205	\$ 12,720	\$ 206,926	\$ 9,127	\$ -	\$ 3,022	\$ 219,074	
(8) Insurance	\$ 515	\$ 34	\$ 5,768	\$ 10,407	\$ 337	\$ 362	\$ 17,873	\$ 3,192	\$ -	\$ 225	\$ 38,713	\$ 2,606	\$ 41,318	\$ -	\$ 41,318	\$ 12,287	\$ -	\$ 13,119	\$ 66,725	
(9) Interest Paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(10) Operating Supplies & Expenses	\$ 1,937	\$ 127	\$ 21,713	\$ 39,176	\$ 1,270	\$ 1,363	\$ 37,947	\$ 3,028	\$ -	\$ 848	\$ 107,409	\$ 14,978	\$ 122,387	\$ -	\$ 122,387	\$ 191,832	\$ -	\$ 60,458	\$ 374,677	
(11) Other	\$ 448	\$ 29	\$ 5,017	\$ 9,051	\$ 293	\$ 315	\$ 4,297	\$ 862	\$ -	\$ 196	\$ 20,508	\$ 2,287	\$ 22,795	\$ -	\$ 22,795	\$ 49,442	\$ -	\$ 8,728	\$ 80,965	
(12) Donated Items	\$ 987	\$ 65	\$ 11,065	\$ 19,964	\$ 647	\$ 695	\$ 27,560	\$ -	\$ -	\$ 432	\$ 61,414	\$ -	\$ 61,414	\$ -	\$ 61,414	\$ 12,639	\$ -	\$ 286	\$ 74,340	
<b>TOTAL OTHER EXPENSES =</b>	\$ 8,908	\$ 584	\$ 99,857	\$ 180,170	\$ 5,839	\$ 6,269	\$ 405,554	\$ 48,946	\$ 130,011	\$ 3,900	\$ 890,039	\$ 30,608	\$ 920,647	\$ 13,038	\$ 933,685	\$ 527,220	\$ -	\$ 178,512	\$ 1,639,417	
<b>TOT. PERSONNEL &amp; OTH. EXP. =</b>	\$ 30,191	\$ 1,980	\$ 338,422	\$ 610,612	\$ 19,787	\$ 21,247	\$ 863,591	\$ 102,315	\$ 130,011	\$ 13,218	\$ 2,131,375	\$ 148,241	\$ 2,279,615	\$ 13,038	\$ 2,292,653	\$ 901,602	\$ -	\$ 457,599	\$ 3,651,854	
<b>IIC. DISTRIBUTED INDIRECT COSTS</b>																				
(a) Other Support Costs (Optional)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Administration	\$ 3,389	\$ 222	\$ 37,994	\$ 68,552	\$ 2,221	\$ 2,385	\$ 96,953	\$ 11,487	\$ 14,596	\$ 1,484	\$ 239,285	\$ 16,578	\$ 255,863	\$ 1,464	\$ 257,327	\$ 200,272	\$ -	\$ (457,599)	\$ -	
<b>TOT. DISTR'D INDIRECT COSTS =</b>	\$ 3,389	\$ 222	\$ 37,994	\$ 68,552	\$ 2,221	\$ 2,385	\$ 96,953	\$ 11,487	\$ 14,596	\$ 1,484	\$ 239,285	\$ 16,578	\$ 255,863	\$ 1,464	\$ 257,327	\$ 200,272	\$ -	\$ (457,599)	\$ -	
<b>TOTAL PROJECTED OPER. EXPENSES =</b>	\$ 33,580	\$ 2,202	\$ 376,416	\$ 679,164	\$ 22,009	\$ 23,632	\$ 960,545	\$ 113,802	\$ 144,607	\$ 14,702	\$ 2,370,659	\$ 164,819	\$ 2,535,478	\$ 14,502	\$ 2,549,981	\$ 1,101,874	\$ -	\$ (457,599)	\$ 3,651,854	
<b>IID. UNALLOWABLE COSTS</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,625)	\$ (2,625)
<b>IE. TOTAL SAMH LINES OF CREDIT EQUIVALENT =</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOT. ALLOWABLE PROJ'D OPERATING EXP., Excluding SAMH Credit Equivalent =</b>	\$ 33,580	\$ 2,202	\$ 376,416	\$ 679,164	\$ 22,009	\$ 23,632	\$ 960,545	\$ 113,802	\$ 144,607	\$ 14,702	\$ 2,370,659	\$ 164,819	\$ 2,535,478	\$ 14,502	\$ 2,549,981	\$ 1,101,874	\$ -	\$ (457,599)	\$ 3,649,229	
<b>IIF. CAPITAL EXPENDITURES</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**SUBSTANCE ABUSE & MENTAL HEALTH SERVICES  
COST CENTER OPERATING REVENUE**

AGENCY: DISC Village, Inc.

ACTUAL:

CONTRACT #: B004- Juvenile

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

PERIOD: July 1, 2015 through June 30, 2016

FUNDING SOURCES & REVENUES  A	Juvenile Services								Total for Non-State-Funded SAMH Cost Centers E	Tot. for All State-Designated SAMH Cost Centers (D+E) F	Non-SAMH Cost Center G	Total Funding (F+G) H	
	Case Management B <sub>3-a</sub>	Aftercare B <sub>3-b</sub>	Intervention B <sub>3-a</sub>	Outpatient B <sub>3-b</sub>	Outreach B <sub>3-a</sub>	Prevention B <sub>x-x</sub>	Residential II B <sub>x-x</sub>	Total for Program 1 (B <sub>2-a</sub> +...+B <sub>2-x</sub> ) C <sub>2</sub>					Total for State SAMH-Funded Cost Centers (C <sub>1</sub> +...+C <sub>4</sub> ) D
<b>IA. TOTAL STATE SAMH FUNDING</b>													
(1) From the Circuit funding this contract	\$ 5,129.00	\$ 1,266.80	\$ 53,533	\$ 280,814	\$ 5,299	\$ 644,004	\$ 635,807	\$ 1,625,853	\$ 1,625,853	\$ -	\$ 1,625,853	\$ -	\$ 1,625,853
(2) From Other Circuits								\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 5,129.00	\$ 1,266.80	\$ 53,533	\$ 280,814	\$ 340,743	\$ 644,004	\$ 635,807	\$ 1,625,853	\$ 1,625,853	\$ -	\$ 1,625,853	\$ -	\$ 1,625,853
<b>IB. OTHER GOVT. FUNDING</b>													
(1) Other State Agency Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,654,623	\$ 2,654,623
(2) Medicaid	\$ -	\$ -	\$ 9,761	\$ -	\$ -	\$ -	\$ -	\$ 9,761	\$ 9,761	\$ -	\$ 9,761	\$ -	\$ 9,761
(3) Local Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 363,776	\$ 363,776
(4) Federal Grants and Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,811	\$ 18,811	\$ 18,811	\$ -	\$ 18,811	\$ -	\$ 18,811
(5) In-kind from local govt. only	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOT. OTHER GOVT. FUNDING =</b>	\$ -	\$ -	\$ 9,761	\$ -	\$ -	\$ -	\$ 18,811	\$ 28,572	\$ 28,572	\$ -	\$ 28,572	\$ 3,018,399	\$ 3,046,971
<b>IC. ALL OTHER REVENUES</b>													
(1) 1st & 2nd Party Payments	\$ -	\$ -	\$ -	\$ 8,984	\$ -	\$ -	\$ 22,863	\$ 31,847	\$ 31,847	\$ -	\$ 31,847	\$ 2,089	\$ 33,936
(2) 3rd Party Payments (except Medicare)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(3) Medicare	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(4) Contributions and Donations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,000.00	\$ 18,521	\$ 34,521	\$ 34,521	\$ -	\$ 34,521	\$ -	\$ 34,521
(5) Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 118,233	\$ 118,233
(6) In-kind	\$ -	\$ -	\$ 11,279	\$ 48,084	\$ -	\$ 397,015	\$ 56,969	\$ 513,346	\$ 513,346	\$ -	\$ 513,346	\$ 103,129	\$ 616,475
<b>TOT. ALL OTHER REVENUES =</b>	\$ -	\$ -	\$ 11,279	\$ 57,068	\$ -	\$ 413,015	\$ 98,353	\$ 579,715	\$ 579,715	\$ -	\$ 579,715	\$ 223,451	\$ 803,166
<b>TOTAL PROJECTED FUNDING =</b>	\$ 5,129	\$ 1,267	\$ 74,573	\$ 337,882	\$ 340,743	\$ 1,057,019	\$ 752,972	\$ 2,234,140	\$ 2,234,140	\$ -	\$ 2,234,140	\$ 3,241,850	\$ 5,475,990

**SUBSTANCE ABUSE & MENTAL HEALTH SERVICES  
COST CENTER OPERATING EXPENDITURES**

**PART II: ACTUAL EXPENSES**

**CONTRACT #: B004- Juvenile**

**PERIOD: July 1, 2015 through June 30, 2016**

\*except IIC & IID

EXPENSE CATEGORIES A	Juvenile Services								Total for State SAMH-Funded Cost Centers (C <sub>1</sub> +...+C <sub>4</sub> ) D	Total for Non-State-Funded SAMH Cost Centers E	Tot. for All State-Designated SAMH Cost Centers (D+E) F	Non-SAMH Cost Center G	Other Support Costs (optional) H	Administration I	Total Expenses (F+G+H+I+J) J
	Case Management B <sub>3-a</sub>	Aftercare B <sub>3-b</sub>	Intervention B <sub>3-c</sub>	Outpatient B <sub>3-d</sub>	Outreach B <sub>3-e</sub>	Prevention B <sub>3-f</sub>	Residential II B <sub>3-g</sub>	Total for B004 (B <sub>2-a</sub> +...+B <sub>2-x</sub> ) C <sub>2</sub>							
<b>IIA. PERSONNEL EXPENSES</b>															
(1) Salaries	\$ 3,491	\$ 37,647	\$ 101,224	\$ 189,832	\$ 9,271	\$ 297,689	\$ 367,212	\$ 1,006,366	\$ 1,006,366	\$ -	\$ 1,006,366	\$ 1,945,573	\$ -	\$ 217,097	\$ 3,169,036
(2) Fringe Benefits	\$ 780	\$ 8,412	\$ 18,734	\$ 42,419	\$ 2,072	\$ 41,585	\$ 57,219	\$ 171,221	\$ 171,221	\$ -	\$ 171,221	\$ 331,839	\$ -	\$ 40,521	\$ 543,582
<b>TOTAL PERSONNEL EXPENSES =</b>	<b>\$ 4,271</b>	<b>\$ 46,059</b>	<b>\$ 119,957</b>	<b>\$ 232,251</b>	<b>\$ 11,343</b>	<b>\$ 339,274</b>	<b>\$ 424,431</b>	<b>\$ 1,177,586</b>	<b>\$ 1,177,586</b>	<b>\$ -</b>	<b>\$ 1,177,586</b>	<b>\$ 2,277,413</b>	<b>\$ -</b>	<b>\$ 257,619</b>	<b>\$ 3,712,617</b>
<b>IIIB. OTHER EXPENSES</b>															
(1) Building Occupancy	\$ 421	\$ 4,544	\$ 4,774	\$ 22,913	\$ 1,119	\$ 23,859	\$ 128,961	\$ 186,592	\$ 186,592	\$ -	\$ 186,592	\$ 328,963	\$ -	\$ 33,174	\$ 548,729
(2) Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 115	\$ 5,685	\$ 5,800	\$ 5,800	\$ -	\$ 5,800	\$ 3,373	\$ -	\$ 47,711	\$ 56,884
(3) Travel	\$ 41	\$ 446	\$ 502	\$ 2,251	\$ 110	\$ 5,847	\$ 11,213	\$ 20,412	\$ 20,412	\$ -	\$ 20,412	\$ 93,408	\$ -	\$ 3,206	\$ 117,026
(4) Equipment	\$ 40	\$ 431	\$ 473	\$ 2,172	\$ 106	\$ 1,810	\$ 3,434	\$ 8,466	\$ 8,466	\$ -	\$ 8,466	\$ 16,709	\$ -	\$ 1,598	\$ 26,773
(5) Food Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76,401	\$ 76,401	\$ 76,401	\$ -	\$ 76,401	\$ 1,864	\$ -	\$ -	\$ 78,265
(6) Medical and Pharmacy	\$ 350	\$ 3,770	\$ 4,969	\$ 19,009	\$ 928	\$ -	\$ 7,376	\$ 36,401	\$ 36,401	\$ -	\$ 36,401	\$ 6,615	\$ -	\$ 64	\$ 43,080
(7) Subcontracted Services	\$ 41	\$ 442	\$ 442	\$ 2,229	\$ 109	\$ 3,410	\$ 2,260	\$ 8,934	\$ 8,934	\$ -	\$ 8,934	\$ 15,592	\$ -	\$ 2,789	\$ 27,314
(8) Insurance	\$ 86	\$ 924	\$ 2,445	\$ 4,659	\$ 228	\$ 9,666	\$ 12,947	\$ 30,953	\$ 30,953	\$ -	\$ 30,953	\$ 62,044	\$ -	\$ 12,110	\$ 105,107
(9) Interest Paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(10) Operating Supplies & Expenses	\$ 219	\$ 2,366	\$ 2,519	\$ 11,932	\$ 583	\$ 7,399	\$ 22,101	\$ 47,120	\$ 47,120	\$ -	\$ 47,120	\$ 83,560	\$ -	\$ 55,807	\$ 186,487
(11) Other	\$ 77	\$ 834	\$ 863	\$ 4,204	\$ 205	\$ 8,098	\$ 6,003	\$ 20,284	\$ 20,284	\$ -	\$ 20,284	\$ 75,061	\$ -	\$ 8,057	\$ 103,401
(12) Donated Items	\$ -	\$ -	\$ 11,279	\$ 48,084	\$ -	\$ 397,015	\$ 56,969	\$ 513,346	\$ 513,346	\$ -	\$ 513,346	\$ 103,129	\$ -	\$ 264	\$ 616,739
<b>TOTAL OTHER EXPENSES =</b>	<b>\$ 1,276</b>	<b>\$ 13,757</b>	<b>\$ 28,265</b>	<b>\$ 117,453</b>	<b>\$ 3,388</b>	<b>\$ 457,221</b>	<b>\$ 333,352</b>	<b>\$ 954,711</b>	<b>\$ 954,711</b>	<b>\$ -</b>	<b>\$ 954,711</b>	<b>\$ 790,316</b>	<b>\$ -</b>	<b>\$ 164,780</b>	<b>\$ 1,909,806</b>
<b>TOT. PERSONNEL &amp; OTH. EXP. =</b>	<b>\$ 5,547</b>	<b>\$ 59,816</b>	<b>\$ 148,222</b>	<b>\$ 349,704</b>	<b>\$ 14,731</b>	<b>\$ 796,495</b>	<b>\$ 757,782</b>	<b>\$ 2,132,297</b>	<b>\$ 2,132,297</b>	<b>\$ -</b>	<b>\$ 2,132,297</b>	<b>\$ 3,067,728</b>	<b>\$ -</b>	<b>\$ 422,399</b>	<b>\$ 5,622,424</b>
<b>IIIC. DISTRIBUTED INDIRECT COSTS</b>															
(a) Other Support Costs (Optional)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Administration	\$ 623	\$ 6,715	\$ 16,641	\$ 39,260	\$ 1,654	\$ 89,421	\$ 85,075	\$ 239,388	\$ 239,388	\$ -	\$ 239,388	\$ 183,011	\$ -	\$ (422,399)	\$ -
<b>TOT. DISTR'D INDIRECT COSTS =</b>	<b>\$ 623</b>	<b>\$ 6,715</b>	<b>\$ 16,641</b>	<b>\$ 39,260</b>	<b>\$ 1,654</b>	<b>\$ 89,421</b>	<b>\$ 85,075</b>	<b>\$ 239,388</b>	<b>\$ 239,388</b>	<b>\$ -</b>	<b>\$ 239,388</b>	<b>\$ 183,011</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL PROJECTED OPER. EXPENSES =</b>	<b>\$ 6,170</b>	<b>\$ 66,531</b>	<b>\$ 164,863</b>	<b>\$ 388,964</b>	<b>\$ 16,385</b>	<b>\$ 885,915</b>	<b>\$ 842,857</b>	<b>\$ 2,371,685</b>	<b>\$ 2,371,685</b>	<b>\$ -</b>	<b>\$ 2,371,685</b>	<b>\$ 3,250,739</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,622,424</b>
<b>IIID. UNALLOWABLE COSTS</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,105)	\$ (4,105)
<b>IIIE. TOTAL SAMH LINES OF CREDIT EQUIVALENT =</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOT. ALLOWABLE PROJ'D OPERATING EXP., Excluding SAMH Credit Equivalent =</b>	<b>\$ 6,170</b>	<b>\$ 66,531</b>	<b>\$ 164,863</b>	<b>\$ 388,964</b>	<b>\$ 16,385</b>	<b>\$ 885,915</b>	<b>\$ 842,857</b>	<b>\$ 2,371,685</b>	<b>\$ 2,371,685</b>	<b>\$ -</b>	<b>\$ 2,371,685</b>	<b>\$ 3,250,739</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,618,319</b>
<b>IIIF. CAPITAL EXPENDITURES</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



SCHEDULE

Schedule of Related Party Transaction Adjustments  
for the Fiscal Year Ending 6 / 30 /2016

Revenues From Grantee	Related Party	Allocation of Related Party Transactions Adjustment				
		SAMH Covered Services				Total
		1	2	3	.....	
Rent	XXX					
Services	XXX					
Interest	XXX					
Other	XXX					
Total Revenue From Grantee	XXX					
Expenses Associated with Grantee Transactions						
Personnel Services	YYY					
Depreciation	YYY					
Interest	YYY					
Other	YYY					
Total Associated Expenses	YYY					
Related Party Transaction Adjustment	<u>ZZZ</u>	<u>ZZZ</u>	<u>ZZZ</u>	<u>ZZZ</u>	<u>ZZZ</u>	<u>ZZZ</u>



**SCHEDULE**

**Schedule of State Earnings for  
Fiscal Year 07/01/2015 - 06/30/2016**

<b>1</b>	<b>Total Expenditures</b>	<b>\$</b>	<b>9,274,274</b>
<b>2</b>	<b>Less Other State and Federal Funds</b>	<b>\$</b>	<b>(2,988,930)</b>
<b>3</b>	<b>Less Non-Match SAMH Funds</b>	<b>\$</b>	<b>(3,698,862)</b>
<b>4</b>	<b>Less Unallowable Costs per 65E-14, F.A.C.</b>	<b>\$</b>	<b>-</b>
<b>5</b>	<b>Total Allowable Expenditures</b> (Sum of lines 1, 2, 3, and 4)	<b>\$</b>	<b>2,586,482</b>
<b>6</b>	<b>Maximum Available Earnings</b> (Line 5 times 75%)	<b>\$</b>	<b>1,939,862</b>
<b>7</b>	<b>Amount of State Funds Requiring Match</b>	<b>\$</b>	<b>178,789</b>
<b>8</b>	<b>Amount Due to Department</b> (Subtract line 7 from line 6. If negative, the amount of the difference is due the department up to the amount of line 8)	<b>\$</b>	<b>1,761,073</b>

**INDEPENDENT AUDITOR'S 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,  
DISC Village, Inc. and Affiliates:

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 consolidated financial statements of DISC Village, Inc. and Affiliates, which comprise the consolidated statement of financial position as of June 30, 2016, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 15, 2016.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered DISC Village, Inc. and Affiliates' 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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of DISC Village, Inc. and Affiliates' internal control. Accordingly, we do not express an opinion on the effectiveness of DISC Village, Inc. and Affiliates' internal control.

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

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

– 29 –

121 Executive Circle  
Daytona Beach, FL 32114-1180  
Telephone: 386/257-4100  
Fax: 386/255-3261  
dab@jmco.com

5931 NW 1st Place  
Gainesville, FL 32607-2063  
Telephone: 352/378-1331  
Fax: 352/372-3741  
gmv@jmco.com

2477 Tim Gamble Place, Suite 200  
Tallahassee, FL 32308-4386  
Telephone: 850/386-6184  
Fax: 850/422-2074  
tlh@jmco.com

## **Compliance and Other Matters**

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

## **Purpose of this Report**

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

James Moore & Co., P.L.C.

Tallahassee, Florida  
December 15, 2016

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

To the Board of Directors,  
DISC Village, Inc. and Affiliates:

**Report on Compliance for Each Major Federal Program**

We have audited DISC Village, Inc. and Affiliate's compliance with the types of compliance requirements described in the *OMB 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 each of DISC Village, Inc. and Affiliate's major Federal programs and State projects for the year ended June 30, 2016. DISC Village, Inc. and Affiliate'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 Federal and State statutes, regulations, and the terms and conditions of its Federal awards and State projects applicable to its Federal programs and State projects.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of DISC Village, Inc. and Affiliate's major Federal programs and State projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); and Chapter 10.650, Rules of the Auditor General. Those standards, the Uniform Guidance, and Chapter 10.650, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that occurred. An audit includes examining, on a test basis, evidence about the DISC Village, Inc. and Affiliate'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 major State project. However, our audit does not provide a legal determination of DISC Village, Inc. and Affiliate's compliance.

– 31 –

121 Executive Circle  
Daytona Beach, FL 32114-1180  
Telephone: 386/257-4100  
Fax: 386/255-3261  
dab@jmco.com

5931 NW 1st Place  
Gainesville, FL 32607-2063  
Telephone: 352/378-1331  
Fax: 352/372-3741  
gnv@jmco.com

2477 Tim Gamble Place, Suite 200  
Tallahassee, FL 32308-4386  
Telephone: 850/386-6184  
Fax: 850/422-2074  
tlh@jmco.com

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

In our opinion, DISC Village, Inc. and Affiliates 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 major State projects for the year ended June 30, 2016.

### **Report on Internal Control over Compliance**

Management of DISC Village, Inc. and Affiliates 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 DISC Village, Inc. and Affiliate's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program and major 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 major State project and to test and report on internal control over compliance in accordance with the Uniform Guidance, and chapter 10.650 Rules of the State of Florida, Office 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 DISC Village, Inc. and Affiliate'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 and 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 and 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 and State project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

*James Moore & Co., P.L.*

Tallahassee, Florida  
December 15, 2016

**DISC VILLAGE, INC. AND AFFILIATES  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2016**

**I. Summary of Auditors' Results:**

*Financial Statements*

Type of audit report issued on the financial statements: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ yes   X   no
- Significant deficiency(ies) identified? \_\_\_\_\_ yes   X   none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes   X   no

*Federal Awards*

Internal control over major Federal programs:

- Material weakness(es) identified? \_\_\_\_\_ yes   X   no
- Significant deficiency(ies) identified? \_\_\_\_\_ yes   X   none reported

Types of auditor's report issued on compliance for major Federal programs: *Unmodified*

Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a) \_\_\_\_\_ yes   X   no

Identification of major Federal programs:

<b>Federal Program</b>	<b>Federal CFDA Number</b>
Block Grants for Prevention and Treatment of Substance Abuse	93.959
Temporary Assistance for Needy Families	93.558
Dollar threshold used to distinguish between Type A and Type B Federal programs:	\$ 750,000
Auditee qualified as low risk auditee?	<u>  X  </u> yes _____ no

