Consolidated Financial Statements, Other Information, Supplementary Information, Other Reports and Schedule

Lakeview Center, Inc. and Subsidiaries
Years Ended September 30, 2020 and 2019
With Report of Independent Auditors

Ernst & Young LLP

Building a better working world

Lakeview Center, Inc. and Subsidiaries

Consolidated Financial Statements, Other Information, Supplementary Information, Other Reports and Schedule

Years Ended September 30, 2020 and 2019

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Building a better
working world

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Report of Independent Auditors

Management and the Board of Directors
Lakeview Center, Inc. and Subsidiaries

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Lakeview Center, Inc and Subsidiaries (the Center), which comprise the consolidated balance sheets as of September 30, 2020 and 2019, and the related consolidated statements of operations and changes in net assets, and cash flows for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's 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 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 of 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.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Center as of September 30, 2020 and 2019, and the changes in its net assets and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

Adoption of ASU No. 2016-02, Leases

As discussed in Notes 1 and 6 to the consolidated financial statements, the Company changed its method for accounting for leases as a result of the adoption of the amendments to the FASB Accounting Standards Codification resulting from Accounting Standards Update No. 2016-02, *Leases*, effective October 1, 2019. Our opinion is not modified with respect to this matter.

Supplementary and other information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The Access Behavioral Health (Regulatory Basis) and DUI School supplementary information are presented on pages 58 through 64 for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The 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. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

The accompanying schedule of expenditures of federal awards and state financial assistance as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and by Chapter 10.650, *Rules of the Auditor General*, presented on pages 65 through 75 is presented for purposes of additional analysis as required for Uniform Guidance and Chapter 10.650, Rules of the Auditor General and is not a required part of the consolidated 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 consolidated financial statements. The 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. In our opinion, the schedule of expenditures of federal awards and state financial assistance is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

The accompanying Schedule of Functional Revenues and Expenses (Regulatory Basis), the Schedule of State Earnings (Regular Basis), Schedule of Related-Party Transaction Adjustments (Regulatory Basis) and Schedule of Bed-Day Availability Payments are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management. The information has not been subjected to the auditing procedures applied in the audits of the consolidated financial statements, and, accordingly, we express no opinion on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also have issued our report dated December 22, 2020 on our consideration of the Center'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Center's 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 Center's internal control over financial reporting and compliance.

Ernst + Young LLP

December 22, 2020

Lakeview Center, Inc. and Subsidiaries

Consolidated Balance Sheets

	September 30	
	2020	**2019**
	(In Thousands)	
Assets		
Current assets:		
Cash and cash equivalents	**$ 53,907**	$ 54,646
Investments	**126,578**	119,905
Accounts receivable:		
Client accounts receivable, net	**1,307**	1,326
Governmental funding sources receivable	**10,973**	4,280
Vocational service contracts receivable	**26,100**	26,434
Other accounts receivable	**1,789**	4,155
Inventories	**1,017**	847
Prepaid expenses	**1,624**	1,770
Total current assets	**223,295**	213,363
Investments limited as to use, designated for:		
Capital improvements	**35,375**	32,698
Statutorily required cash designation	**11,649**	11,368
Regulatory requirements	**5,661**	4,504
Other	**3,530**	1,303
	56,215	49,873
Property and equipment, net	**25,768**	25,987
Interest in net assets of related organization	**2,252**	2,687
Intercompany receivable	**11,874**	9,138
Operating leases right-of-use asset	**9,816**	–
Other assets	**268**	271
Total assets	**$ 329,488**	$ 301,319

		September 30		
		2020		**2019**
		(In Thousands)		
Liabilities and net assets				
Current liabilities:				
Accounts payable	**$**	**18,360**	$	12,592
Accrued liabilities		**12,457**		10,294
Current portion of long-term debt		**170**		160
Current portion of operating lease obligation		**2,271**		–
Compensated absences		**5,661**		4,593
Total current liabilities		**38,919**		27,639
Long-term debt, less current portion		**1,179**		1,349
Operating lease obligation, less current portion		**8,012**		–
Total liabilities		**48,110**		**28,988**
Net assets:				
Without donor restrictions:				
Undesignated		**224,548**		221,827
Designated		**56,215**		49,873
Total without donor restrictions		**280,763**		271,700
With donor restrictions		**615**		631
Total net assets		**281,378**		272,331
Total liabilities and net assets	**$**	**329,488**	$	301,319

See accompanying notes.

Lakeview Center, Inc. and Subsidiaries

Consolidated Statements of Operations and Changes in Net Assets

	Year Ended September 30 2020	2019
	(In Thousands)	
Revenue and other support without donor restrictions:		
Federal, state, and local financial awards	**$ 82,527**	$ 79,202
Net client service fees	**17,850**	17,253
Vocational service contracts	**188,605**	198,453
Contract revenue	**30,216**	29,111
Other fees and support	**489**	591
In-kind services	**1,133**	1,005
Management fees	**542**	570
Contributions	**474**	694
Other	**340**	544
Total revenues and other support without donor restrictions	**322,176**	327,423
Expenses:		
Salaries and wages	**120,613**	111,522
Fringe benefits	**34,170**	31,765
Building occupancy	**7,287**	6,996
Professional fees	**12,096**	12,619
Contract medical services	**16,520**	16,388
Travel	**2,209**	3,174
Equipment costs	**3,859**	3,881
Food services	**2,895**	2,978
Medical/pharmacy services	**8,937**	7,460
Subcontracted services	**72,954**	62,516
Subsidy payments	**26,552**	23,459
Personal welfare	**2,376**	2,052
Insurance	**864**	729
Interest	**106**	90
Donated items	**1,014**	863
Depreciation	**3,037**	2,456
Other operating expenses	**5,285**	5,238
Total expenses	**320,774**	294,186
Income from operations	**1,402**	33,237
Nonoperating gains:		
Investment income	**5,571**	7,327
Inherent contribution	**–**	5,070
Weather event expenses	**(391)**	–
Allocated share of Pool’s net unrealized gains (losses) on trading securities	**2,900**	(1,101)
Total nonoperating gains	**8,080**	11,296
Excess of revenues, other support, and gains over expenses and losses	**9,482**	44,533

Continued on next page

Lakeview Center, Inc. and Subsidiaries

Consolidated Statements of Operations and Changes in Net Assets (continued)

	Year Ended September 30	
	2020	**2019**
	(In Thousands)	
Net assets without donor restrictions		
Excess of revenues, support, and gains over expenses and losses	**$ 9,482**	$ 44,533
Change in interest in net assets of recipient organization	**(419)**	1,196
Change in net assets without donor restrictions	**9,063**	45,729
Net assets with donor restrictions		
Change in interest in net assets of recipient organization	**(16)**	(1,196)
Change in net assets with donor restrictions	**(16)**	(1,196)
Change in net assets	**9,047**	44,533
Net assets at beginning of year	**272,331**	227,798
Net assets at end of year	**$ 281,378**	$ 272,331

See accompanying notes.

Lakeview Center, Inc. and Subsidiaries

Consolidated Statements of Cash Flows

	Year Ended September 30	
	2020	**2019**
	(In Thousands)	
Operating activities		
Change in net assets	**$ 9,047**	$ 44,533
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	**2,995**	2,456
Gain on sale and retirement of property and equipment	**42**	(22)
Allocated share of Pool's net unrealized (gains) losses on trading securities	**(2,900)**	1,101
Inherent contribution	**–**	(5,070)
Change in interest in net assets of related organization	**435**	–
Changes in operating assets and liabilities:		
Client accounts receivable	**19**	(194)
Governmental funding sources receivable	**(6,693)**	(97)
Vocational service contracts receivable	**334**	(2,318)
Other accounts receivable	**2,366**	(2,070)
Inventories	**(170)**	(294)
Prepaid expenses	**146**	(494)
Other assets	**470**	(62)
Accounts payable	**5,768**	2,350
Accrued liabilities	**2,163**	(5,048)
Compensated absences	**1,068**	831
Net cash provided by operating activities	**15,090**	35,602
Investing activities		
Purchases of property and equipment	**(2,818)**	(4,565)
Net cash acquired in acquisition	**–**	1,700
Purchases of investments	**(50,949)**	(85,557)
Sales of investments	**43,654**	40,108
Net cash used in investing activities	**(10,113)**	(48,314)

Continued on next page

Lakeview Center, Inc. and Subsidiaries

Consolidated Statements of Cash Flows (continued)

	Year Ended September 30 2020	2019
	(In Thousands)	
Financing activities		
Repayments of long-term debt	**$ (160)**	$ (62)
Net repayments (to) from affiliated organization	**(2,736)**	7,363
Net cash (used in) provided by financing activities	**(2,896)**	7,301
Increase (decrease) in cash, cash equivalents, restricted cash, and restricted cash equivalents	**2,081**	(5,411)
Cash, cash equivalents, restricted cash, and restricted cash equivalents, beginning of period	**55,184**	60,595
Cash, cash equivalents, restricted cash, and restricted cash equivalents, end of period	**$ 57,265**	$ 55,184
Supplemental disclosure of cash flow information		
Interest paid	**$ 106**	$ 90

See accompanying notes.

1. Organization and Summary of Significant Accounting Policies

Organization

Lakeview Center, Inc. (the Center), a nonprofit organization, was incorporated in 1954, as Community Mental Health Center of Escambia County, Inc. The mission of the Center, including Global Connections to Employment, Inc., and Chautauqua Healthcare Services, Inc., is to help people through life's journey by providing behavioral health services, vocational services, and child protective services. The Center is an affiliate of Baptist Health Care Corporation (BHCC) under an affiliation agreement in which BHCC is the sole member of the Center.

Lakeview Place, Inc. and CMHC Hernandez House, Inc. are U.S. Department of Housing and Urban Development (HUD) multi-unit dwellings owned by the Center, that provide housing facilities and services to people diagnosed with mental illness. Lakeview Villa, Inc. is a HUD apartment complex owned by the Center that provides low-cost housing facilities and services to persons with chronic mental illness.

The Center acquired Chautauqua Healthcare Services, Inc., a small regional behavioral health agency in Walton County, FL on March 31, 2019. This allowed the Center to expand throughout the four county Region. The net balance sheet activity was recorded as an inherent contribution when incorporated into the agency.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Lakeview Center, Inc. and its related entities: Global Connections to Employment, Inc.; Chautauqua Healthcare Services, Inc.; Lakeview Villa, Inc.; Lakeview Place, Inc.; and CMHC Hernandez House, Inc., as those entities are controlled by the same management and share economic interests. All inter-entity transactions have been eliminated in consolidation. See Note 16 for summary financial data for these related entities.

1. Organization and Summary of Significant Accounting Policies (continued)

Operating and Nonoperating Activities

The Center's primary mission is to provide a broad range of behavioral health services, vocational services, and child protective services to citizens of the region and nationally, across 16 states and the District of Columbia. Activities directly associated with the furtherance of this purpose are considered to be operating activities. Other activities that result in gains or losses unrelated to the Center's primary mission are considered nonoperating. Nonoperating gains and losses include income and losses from investments and earnings on investments.

Use of Estimates

The preparation of these consolidated financial statements in conformity with accounting principles generally accepted in the United States (GAAP) requires management to make estimates and assumptions. These estimates and assumptions affect certain reported amounts of assets and liabilities at the date of the consolidated financial statements and revenues and expenses recognized during the reporting period. Accordingly, actual results may differ from those estimates.

Net Assets

The Center reports information regarding financial position and activities according to two classes of net assets: with and without donor restriction. Net assets are classified based on the existence or absence of donor-imposed restrictions, if any, that may or may not be met by actions of management or by the passage of time.

The net asset categories reflected in the accompanying consolidated financial statements are as follows:

- *Without donor restriction*– Net assets that are free of donor-imposed restrictions, including all revenues, expenses, gains, and losses that are not changes in net assets with donor restrictions

- *With donor restriction* – Net assets whose use by the Center is limited by donor-imposed stipulations that may or may not expire by passage of time or that can or cannot be fulfilled or removed by action of the Center pursuant to those stipulations.

1. Organization and Summary of Significant Accounting Policies (continued)

Contributions

The Center records contributions received on its behalf by Baptist Health Care Foundation, an affiliated fundraising foundation, as being with or without donor restriction depending on the existence and/or nature of any donor restrictions.

Cash Equivalents

The Center considers all highly liquid investment instruments with maturities of three months or less when purchased to be cash equivalents. Highly liquid debt instruments with original maturities of three months or less that are included as part of the investment portfolio are excluded from cash equivalents as they are commingled with longer-term investments. Cash deposits are federally insured in limited amounts.

The following table provide a reconciliation of cash, cash equivalents, restricted cash, and restricted cash equivalents reported within the consolidated balance sheets that sum to the total of the same such amounts shown in the consolidated statements of cash flows.

	September 30	
	2020	**2019**
Cash and cash equivalents	**$ 53,907**	$ 54,646
Restricted cash included in investments limited as to use	**3,358**	538
Cash, cash equivalents, restricted cash, and restricted cash equivalents shown in the statement of cash flows	**$ 57,265**	$ 55,184

Investments and Investment Income

Investments consist primarily of the Center's participation in the BHCC investment pool (the Pool), participants in which include certain subsidiaries of BHCC. The Pool's investments in equity securities with readily determinable values and debt securities are stated at fair value. The Center's allocated investment income or loss (including realized and unrealized gains and losses and interest) from the Pool is included in the excess of unrestricted revenue, support, and gains over expenses unless the income is restricted by donor or law. The Center accounts for investment transactions on a settlement-date basis.

1. Organization and Summary of Significant Accounting Policies (continued)

The Pool invests in alternative investments (primarily hedge funds and a real estate investment fund) through partnership investment trusts. These alternative investments provide the Pool with a proportionate share of investment gains and losses. The partnership investment trusts generally contract with a manager who has full discretionary authority over investment decisions. The Pool accounts for its ownership interests in these alternative investments under the equity method.

Net Client Service Revenue and Accounts Receivable

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

Allowance for Uncollectible Accounts

Accounts receivable are written off after collection effort has been followed in accordance with the Center's policies. Accounts written off as uncollectible are deducted from the allowance for uncollectible accounts and subsequent recoveries are added. Periodically, management assesses the adequacy of the allowance for uncollectible accounts based upon historical write-off experience by payor category. The results of this review are then used to make any modifications to the provision for bad debts to establish an appropriate allowance for uncollectible receivables.

Contract and Other Receivables

Receivables for contracted services are typically deemed wholly collectible as they are due from governmental units, grantors, and third-party paying agencies.

Inventories

Inventories (primarily pharmaceutical and food) are stated at the lower of cost (average cost method) or net realizable value using the first-in, first-out method.

1. Organization and Summary of Significant Accounting Policies (continued)

Investments Limited as to Use

Investments limited as to use include assets designated by the Board of Directors (the Board) for future capital improvements, including amounts required to be set aside for capital improvements under contracts between the Center's related entities and HUD; amounts as indicated by regulatory requirements, including DUI state-licensed programs, Agency for Health Care Administration (AHCA), Office of Insurance Regulation, and HUD; and amounts for other uses as specified by the Board. With the exception of investments designated due to regulatory requirements, the Board retains control and may, at its discretion, subsequently use these assets for other purposes.

Property and Equipment

Property and equipment acquisitions are recorded at historical cost. Property and equipment donated to the Center are recorded at fair value at the date of receipt. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed on the straight-line method. Estimated useful lives of depreciable assets are as follows:

Buildings	40 years
Furniture and equipment	3–7 years
Building and land improvements	10–20 years

Compensated Absences

Employees are entitled to accumulate a limited amount of earned but unused annual leave. Accordingly, the Center records an accrual for earned, unused, vested annual leave in accordance with the Center's policy. Upon separation from the Center, employees are entitled to this amount of unused vested leave.

Net Client Service Fees

The Center has agreements with third-party payors that provide for payments to the Center at amounts different from its established rates. Payment arrangements include prospectively determined rates per completion of service, reimbursed costs, and discounted charges. Net client service fees are reported at the estimated net realizable amounts from clients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors.

1. Organization and Summary of Significant Accounting Policies (continued)

The Center accepts clients in immediate need of care, regardless of their ability to pay, and serves certain clients whose care costs are not paid at established rates, including those sponsored under government programs such as Medicare and Medicaid, those sponsored under private contractual agreements, charity clients, and other uninsured clients who have limited ability to pay. The Center recognizes client service fee revenue associated with clients who have third-party payor coverage on the basis of contractual rates for the services rendered. For uninsured clients who do not qualify for charity care, revenue is recognized on the basis of discounted rates in accordance with the Center's policy.

A summary of the payment arrangements with major third-party payors follows:

Medicare – Client services rendered to Medicare program beneficiaries are reimbursed under a fee-for-service methodology.

Medicaid – Client mental health and substance abuse services rendered to Medicaid program beneficiaries are reimbursed under a capitated arrangement.

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

Charity Care

Quality care is provided to all persons requiring immediate treatment regardless of their ability to pay. An individual is classified as a charity client by reference to certain established policies of the Center. Essentially, these policies define charity services as those services for which no payment is anticipated. In assessing a client's ability to pay, the Center utilizes the most recently published federal poverty income guidelines, but also includes certain cases where incurred charges are significant when compared to income. These charges are subtracted in the net client service fees calculation.

The Center estimates the direct and indirect costs of providing charity care by applying a cost to gross charges ratio to the gross uncompensated charges associated with providing charity care to clients. The cost of providing charity care was $5,149 and $5,017 for the years ended September 30, 2020 and 2019, respectively.

1. Organization and Summary of Significant Accounting Policies (continued)

Medicaid Managed Medical Assistance Contract Revenue

The Center is licensed as a prepaid limited health services organization pursuant to Chapter 636, *Florida Statutes*. Effective August 1, 2014, the Center, doing business as Access Behavioral Health, was awarded contracts with the Medicaid Managed Medical Assistance Plan (the MMA Plan). The Center receives a per-member per-month rate to provide mental health and substance abuse services to an annual average of 113,000 Medicaid beneficiaries in Florida's Regions 1 and 2. Amounts received are recognized as contract revenue during the period in which the Center is obligated to provide services to beneficiaries. Approximately $30,216 and $29,111 was recognized as revenue under the MMA Plan during the years ended September 30, 2020 and 2019, respectively.

Medicaid Managed Medical Assistance Plan Costs

The Center is directly responsible for providing mental health and substance abuse services to beneficiaries residing in Escambia and Santa Rosa counties, representing approximately 54% of the covered lives under the MMA Plan. The Center has entered into subcontracts with three comprehensive community mental health centers to provide mental health services to the MMA Plan beneficiaries residing in the other counties in these Regions. These subcontracts are typically on a full-risk capitated basis. However, one subprovider was under a fee-for-service contract for the majority of FY20. The mental health services covered under the MMA Plan are generally the same as those covered under the Medicaid fee-for-service program. Covered services include inpatient psychiatric care, outpatient care, substance abuse, and physician services. The majority of services for which the Center is directly responsible is provided within its own service delivery system; however, some services are contracted for on a fee-for-service basis with local area hospitals and providers. A provision has been made for these services rendered but not reported as of September 30, 2020 and 2019.

Interest in Net Assets of Recipient Organization

Interest in net assets of recipient organization represents contributions received on behalf of the Center by Baptist Health Care Foundation, as well as any gains or losses experienced on the investment of those contributions.

1. Organization and Summary of Significant Accounting Policies (continued)

Income Taxes

The Center and its related entities are exempt from federal income taxes under Section 501(a) as organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and are also exempt from state income taxes.

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 740, *Income Taxes*, prescribes the accounting for uncertainty in income tax positions recognized in financial statements. ASC Topic 740 provides guidance for recognition threshold and measurement attributes for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. There were no material uncertain tax positions as of September 30, 2020 or 2019.

Cost Allocation

The Center uses several methods to allocate organization and overhead costs among program and support areas. Workers' compensation is allocated based on industry standard rates and salary expense. Unemployment, and administrative costs have personnel expense as their basis. Health plans are allocated based on plan participation. Property and auto insurances are allocated proportionately among those who benefit from the asset covered. General liability uses a staff-based allocation.

Recent Accounting Pronouncements

In September 2020, the FASB issued Accounting Standards Update (ASU) No. 2020-07, *Not-for-Profit Entities (Topic 958) Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* (ASU 2020-07). The amendments in ASU 2020-07 require contributed nonfinancial assets to be presented as a separate line item in the statement of activities, apart from contributions of cash and other financial assets, as well as disclosures to provide greater transparency on the contributed nonfinancial assets. ASU 2020-07 should be applied on a retrospective basis and is effective for annual periods beginning after June 15, 2021, and interim periods within annual periods beginning after June 15, 2022. Management is currently evaluating the impact of ASU 2020-07 on the Center's consolidated financial statements.

1. Organization and Summary of Significant Accounting Policies (continued)

In March 2020, the FASB issued ASU No. 2020-04, *Reference Rate Report (Topic 848) Facilitation of the Effects of Reference Rate Reform on Financial Reporting* (ASU 2020-04). The amendments in ASU 2020-04 provide optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions that reference LIBOR or another reference rate expected to be discontinued because of reference rate reform. ASU 2020-04 is effective as of March 12, 2020 through December 31, 2022. Management is currently evaluating the impact of ASU 2020-04 on the Center's consolidated financial statements.

In January 2020, the FASB issued ASU No. 2020-01, *Investments-Equity Securities (Topic 321), Investments-Equity Method and Joint Ventures (Topic 323), and Derivatives and Hedging (Topic 815)* (ASU 2020-01). The amendments in ASU 2020-01 clarify certain interactions between the guidance to account for certain equity securities under Topic 321, the guidance to account for investments under the equity method of accounting in Topic 323, and the guidance in Topic 815, which could change how an entity accounts for an equity security under the measurement alternative. ASU 2020-01 is effective for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. Management is currently evaluating the impact of ASU 2020-01 on the Center's consolidated financial statements.

In December 2019, the FASB issued ASU No. 2019-12, *Income Taxes (Topic 740) Simplifying the Accounting for Income Taxes* (ASU 2019-12). The amendments in ASU 2019-12 simplify the accounting for income taxes by removing certain exceptions to the general principles in Topic 740, and also improve consistent application of and simplify GAAP for other areas of Topic 740 by clarifying and amending existing guidance. ASU 2019-12 is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. Management is currently evaluating the impact of ASU 2019-12 on the Center's consolidated financial statements.

In August 2018, the FASB issued ASU No. 2018-14, *Compensation – Retirement Benefits – Defined Benefit Plans* (ASU 2018-14). The amendments in ASU 2018-14 modify the disclosure requirements for employers that sponsor defined benefit pension or other postretirement plans. ASU 2018-14 is effective for fiscal years ending after December 15, 2020. Management is currently evaluating the impact of ASU 2018-14 on the Center's consolidated financial statements.

In June 2018, the FASB issued ASU No. 2018-08, *Not-Profit Entities* (ASU 2018-08). The amendments in ASU 2018-08 clarify accounting guidance for contributions received and contributions made. The amendments will assist entities in (1) evaluating whether transactions

1. Organization and Summary of Significant Accounting Policies (continued)

should be accounted for as contributions (nonreciprocal transactions), or as exchange (reciprocal) transactions, and (2) determining whether a contribution is conditional. For contributions received, ASU 2018-08 is effective for annual periods beginning after June 15, 2018, and interim periods within those annual periods. For contributions made, ASU 2018-08 is effective for annual periods beginning after December 15, 2018, and interim periods within those annual periods. The Center adopted ASU 2018-08 on October 1, 2018. The adoption of ASU 2018-08 resulted in no material impact to the Center's consolidated financial statements.

In March 2017, the FASB issued ASU No. 2017-07, *Compensation-Retirement Benefits* (ASU 2017-07). The amendments in ASU 2017-07 require that an employer report the service cost component of the net periodic benefit cost in the same line item as other employee compensation costs. The other components of net benefit cost will be required to be presented in the income statement separately from the service cost component and outside of any subtotal of operating income (i.e., in non-operating income). ASU 2017-07 is effective for annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. Management is currently evaluating the impact of ASU 2017-07 on the Center's consolidated financial statements.

In November 2016, the FASB issued ASU No. 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*, which provides guidance on the presentation of restricted cash or restricted cash equivalents in the statement of cash flows. Accordingly, restricted cash or restricted cash equivalents should be included with cash and cash equivalents when reconciling the total amounts shown on the statement of cash flows at the beginning and at the end of period. The Center retrospectively adopted the standard effective for the September 30, 2020 consolidated financial statements. The adoption changed the presentation and classification of cash and cash equivalents included in investments limited as to use in the consolidated statements of cash flows. The adoption of the standard changed Net cash used in investing activities and Increase (decrease) in cash, cash equivalents, restricted cash, and restricted cash equivalents by an immaterial amount for the year ended September 30, 2019. This reclassification had no effect on the consolidated balance sheets or statements of operations and changes in net assets.

1. Organization and Summary of Significant Accounting Policies (continued)

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments – Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments*, which changes how entities will account for credit losses for most financial assets and certain other instruments that are not measured at fair value through net income. The new standard replaces today's 'incurred loss' model with an 'expected credit loss' model that requires consideration of a broader range of information to estimate expected credit losses over the lifetime of the asset. The standard is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. In April 2019, the FASB issued ASU 2019-04, *Codification Improvements to Topic 326, Financial Instruments-Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments* (ASU 2019-04), which updates, clarifies, and improves various aspects of ASU 2016-13. In November 2019, the FASB issued ASU 2019-11, *Codification Improvements to Topic 326, Financial Instruments-Credit Losses*, which clarifies and addresses specific issues about certain aspects of the amendments in ASU 2016-13. Management is currently evaluating the impact that adoption may have on the Center's consolidated financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases* (ASU 2016-02). The amendments in ASU 2016-02 require lessees to recognize the assets and liabilities arising from leases on their balance sheets, but recognize expenses on their income statements similar to current accounting requirements. The amendments also eliminate real estate-specific provisions for all entities. For lessors, the amendments modify classification criteria and the accounting for sales-type and direct financing leases. In July 2018, the FASB issued ASU No. 2018-10, *Codification Improvements to Topic 842, Leases*, which affects narrow aspects of the guidance issued in ASU 2016-02. The FASB also issued ASU 2018-11, *Targeted Improvements*, which provides entities with an additional transition method to adopt the leases standard, and provides lessors with a practical expedient to not separate nonlease components from the associated lease. ASU 2016-02, 2018-10 and 2018-11 are effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. The Center adopted the new lease guidance effective October 1, 2019, which at adoption resulted in recording operating lease right-of-use assets of $12,645 and operating lease obligations of $13,046 in the Center's consolidated financial statements.

(Dollars in Thousands)

2. Cash and Investments

The composition of cash, investments, and investments limited to use is as follows:

	September 30 2020	2019
Interest in the Pool	**$ 141,844**	$ 130,133
Cash and cash equivalents	**53,907**	54,646
U.S. corporate obligations	**18,163**	18,068
U.S. Treasury and government agencies obligations	**18,057**	16,973
Other	**4,729**	4,604
	$ 236,700	$ 224,424

The investments included in the Pool comprised the following:

	September 30 2020	2019
Equity securities and mutual funds that invest in equity securities	**14%**	18%
Mutual funds that invest in fixed-income securities	**13**	16
Alternative investments	**25**	22
Cash and cash equivalents	**7**	1
U.S. Treasury and government agencies obligations	**4**	8
U.S. corporate obligations	**34**	33
Mortgages and other asset-backed securities	**3**	2
	100%	100%

(Dollars in Thousands)

2. Cash and Investments (continued)

Investment income comprised the following:

	Year Ended September 30	
	2020	**2019**
Excess of revenue, support, and gains over expenses and losses:		
Investment return included in nonoperating gains:		
Interest and dividend income	**$ 2,173**	$ 2,055
Allocated share of Pool's:		
Investment income	**2,557**	2,675
Realized gains on sales of securities	**841**	2,597
Net unrealized (losses) gains on trading securities	**2,900**	(1,101)
	$ 8,471	$ 6,226

3. Concentrations of Credit Risk

The Center receives client service fees revenue from three primary sources: Medicaid and Medicare, other third-party payors, and client payments. The following indicates the applicable percentages of accounts receivable from those sources:

	September 30	
	2020	**2019**
Medicaid and Medicare	**32%**	31%
Other third-party payors	**59**	52
Client payments	**9**	17
	100%	100%

(Dollars in Thousands)

4. Property and Equipment

Major classifications of property and equipment are summarized as follows:

	September 30 2020	September 30 2019
Buildings and improvements	**$ 34,917**	$ 30,287
Furniture and equipment	**23,827**	20,965
Land	**3,327**	3,368
Construction-in-progress	**347**	5,093
	62,418	59,713
Less accumulated depreciation	**(36,650)**	(33,726)
	$ 25,768	$ 25,987

5. Long-Term Debt

Long-term debt consists of the following:

	September 30 2020	September 30 2019
Note payable to Bank of America, interest at 4.68%, monthly payments of $12,921 including interest, secured by real property and assignments of leases and rents, maturing December 2025	**$ 720**	$ 837
Note payable to HUD, interest at 9.0%, monthly payments of $5,000 including interest, secured by real property, maturing May 2032	**444**	464
Note payable to HUD, interest at 8.375%, monthly payments of $2,000 including interest, secured by real property, maturing March 2032	**170**	179
Note payable to HUD, interest at 9.25%, monthly payments of $1,000 including interest, secured by real property, maturing October 2021	**15**	29
	1,349	1,509
Less current portion	**(170)**	(160)
	$ 1,179	$ 1,349

(Dollars in Thousands)

5. Long-Term Debt (continued)

Following are maturities of long-term debt for each of the next five years and thereafter:

		Amount
Year ending September 30:		
2021	$	170
2022		165
2023		174
2024		184
2025		194
Thereafter		462
	$	1,349

The Center added debt in fiscal year 2019 as part of the Chautauqua Healthcare Services (CHCS) acquisition. The note payable to Bank of America is $720 at September 30, 2020.

During fiscal year 2010, Baptist Hospital, Inc. (Baptist), an affiliate of BHCC, issued $194,000 in bonds (the Bonds) through the Escambia County Health Facilities Authority (the Authority) to extinguish previously issued bonds; to pay or reimburse Baptist for the cost of acquiring, constructing, and equipping certain capital projects; to pay the related cost of issuance; and to fund a debt service reserve and capitalized interest fund. The Bonds are limited obligations of the Authority, payable principally from the receipts of loan agreements between the Authority and Baptist. The Bonds are secured by a gross revenue pledge of Baptist and a mortgage on the Gulf Breeze Hospital (an affiliate of BHCC) campus. Baptist and the Center comprise the Combined Group under a Master Trust Indenture, and the Center, as a restricted affiliate under the Master Trust Indenture, agrees to be bound by its terms but is not directly liable for obligations issued under the Master Trust Indenture. The Master Trust Indenture requires certain covenants and reporting requirements to be met by the Combined Group. The total amount of the Bonds outstanding, net of unamortized issue costs and unamortized bond discount, is $118,199 at September 30, 2020. None of the Bonds are included in the accompanying consolidated financial statements.

(Dollars in Thousands)

5. Long-Term Debt (continued)

2020 Health Facilities Revenue Bonds

In February 2020, $542,660 of Health Facilities Revenue Bonds, Series 2020A (the 2020A Bonds) and $67,645 of Health Facilities Taxable Revenue Bonds, Series 2020B (the 2020B Bonds), were issued by the Escambia County Health Facilities Authority (the Authority) on behalf of BHCC at fixed rates ranging from 3.0% to 5.0% for the 2020A Bonds, and 3.6% for the 2020B Bonds. The proceeds are primarily to pay or reimburse BHCC for costs incurred in the construction of a new flagship hospital, to refund certain other debt, to pay a portion of interest on the 2020A Bonds, and to pay certain expenses in connection with issuance.

The 2020A and 2020B Bonds are limited obligations of the Authority payable from payments received by the Bond Trustee under loan agreements between the Authority and the Obligated Group. Under a Master Trust Indenture, the Obligated Group consists of substantially all of BHCC, excluding Ventures and certain joint ventures and subsidiaries of Baptist. The 2020A and 2020B Bonds are secured by a pledge of the unrestricted receivables of each member of the Obligated Group. The Master Trust Indenture requires certain covenants and reporting requirements to be met by the Obligated Group. All covenants were complied with for the year ended September 30, 2020.

None of the Bonds are included in the accompanying consolidated financial statements.

Maturities of long-term debt held by BHCC, excluding finance leases, for the succeeding five years are as follows:

	Amount
Year ending September 30:	
2021	$ 881
2022	4,033
2023	4,934
2024	6,089
2025	6,821
Thereafter	713,912

(Dollars in Thousands)

6. Leases

On October 1, 2019, the Center adopted FASB's ASU 2016-02, *Leases*, electing to apply the optional transition method, which allows entities to forgo comparative reporting requirements. For leases that commenced before the effective date of ASU 2016-02, the Center elected the package of transition provisions available that allowed carryforward of the historical assessment of (1) whether contracts are or contain leases, (2) lease classification for any expired leases and (3) initial direct costs. In addition, the Center does not separate lease and non-lease components.

The Center's leases are primarily for real estate. The Center determines if an arrangement is a lease at contract inception. Lease assets and lease liabilities are recognized based on the present value of the lease payments over the lease term at the commencement date. Because most of the leases do not provide an implicit rate of return, the Center used a risk-free rate based on the daily treasury yield curve at lease commencement in determining the present value of lease payments.

Most leases include one or more options to renew, with renewal terms that can extend the lease term from months to years. The exercise of such lease renewal options is generally at the Center's sole discretion. For purposes of calculating lease liabilities, lease terms include options to extend or terminate the lease when it is reasonably certain that option will be utilized.

Leases with a lease term of 12 months or less at commencement are not recorded on the consolidated balance sheets. Lease expense for these arrangements is recognized on a straight-line basis over the lease term.

Operating leases consist of the following as of September 30, 2020:

Operating leases	
Operating lease assets	$ 9,816
Current portion of operating lease obligation	$ 2,258
Operating lease obligation, less current portion	8,012
Total operating lease liabilities	$ 10,270

(Dollars in Thousands)

6. Leases (continued)

Lease expense for lease payments is recognized on a straight-line basis over the lease term. The components of lease expense for the year ended September 30, 2020 are as follows:

Operating lease expense	$	3,016
Short-term lease expense		170
Total lease expense	$	3,186

Lease term and discount rate as of September 30, 2020 are as follows:

Weighted-average remaining lease terms:	
Operating leases	6.1 years
Weighted-average discount rate:	
Operating leases	1.6%

The following table summarizes the maturity of lease liabilities under operating leases for the next five years and the years thereafter, as of September 30, 2020:

		Operating Leases
2021	$	2,415
2022		1,855
2023		1,593
2024		1,303
2025		996
Thereafter		2,622
Total lease payments		10,784
Less: imputed interest		514
Total lease liabilities	$	10,270

6. Leases (continued)

Supplemental cash flow information related to leases for the year ended September 30, 2020 is as follows:

Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	$ 2,950

Rent expense for the years ended September 30, 2020 and 2019, amounted to $3,180 and $2,890, respectively.

7. Sources of Revenue

Federal, state, and local financial awards

The Center receives funding from a number of Government and other agencies to provide behavioral health and child protective services to clients in our four county region. This revenue is predominantly deemed to be unconditional contribution revenue and not governed under the ASC 606 guidance. The contractual obligations with these payors is met as services are provided. These contracts are billed monthly. The Center expects to be paid for all services provided. Adjustments are made as they arise for any services that will not be reimbursed.

Net Client Service Revenue

The Center's client service revenues generally relate to contracts with clients in which the performance obligation is to provide behavioral health care services. Revenues are recorded during the period the obligations are satisfied. The obligations are generally satisfied over a day or more for residential or inpatient programs or less for outpatient services. The contractual relationships with clients often involve a third-party payor and the transaction prices for the services provided are dependent upon the terms provided by or negotiated with the third-party payors. The payment arrangements with third party payers for services provided to clients are typically for rates lower than the customary and standard fees. The differences in these rates are considered to be explicit price concessions.

(Dollars in Thousands)

7. Sources of Revenue (continued)

Client service revenue is based upon the estimated amounts expected to be received from the clients and any third-party payors. Explicit price concessions are estimated at the time revenue is recorded and may be adjusted in future periods, as final settlements are determined. The Center elected to use the portfolio approach to assess collectability due to the large volume of similar contracts with similar classes of customers. The effect of applying the portfolio approach to a group of contracts would not differ materially from considering each contract separately. Management's judgment to group the contracts by portfolio is based on the payment behavior expected in each portfolio category. As a result, aggregating all contracts (which are at the patient level) by the particular payor or group of payors will result in the recognition of the same amount of patient service revenue as applying the analysis at the individual patient level.

Net client service fee revenue is not recognized for those clients that qualify for charity under the Center's charity care policies. For all others, service fee revenue, net of explicit price concessions and other deductions recognized from major payor sources is as follows:

	Year Ended September 30	
	2020	**2019**
Third-party payors, net of deductions	**$ 14,923**	$ 12,973
Self-pay clients, net of deductions	**2,927**	4,280
	$ 17,850	$ 17,253

Revenues from the Medicare and Medicaid programs accounted for approximately 38% and 17% of the Center's net client service fees for the years ended September 30, 2020 and 2019, respectively. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount. Changes in the Medicare and Medicaid programs and the reduction of funding levels could have an adverse impact on the Center.

(Dollars in Thousands)

7. Sources of Revenue (continued)

Vocational Service Contracts

The Center's vocational service revenues generally relate to contracts with federal, state or local customers in which the performance obligation is to provide various "bundled" type services to our customers. The Center has contractual obligations to provide services as outlined in the statement of work within each formal contract. Although the services within each business line are distinct, they are bundled services transferred consecutively on a monthly basis as a line of business. The lines of business consist of business services, custodial services, food services, facilities maintenance, health care environmental services, information technology, as well as employment support services. The performance obligation for vocational contracts are spelled out in the contract either in the performance work statement or other applicable section of the contract. These bundled services are invoiced each month at the contract price over the life of the contract period. Revenue for these services are recognized on a monthly basis as the services are performed. A summary for the years ended September 30, 2020 and 2019 is presented below:

	2020	**2019**
Federal	**$ 180,541**	$ 189,872
State	**1,220**	1,632
Local	**6,784**	6,850
Other	**60**	99
	$ 188,605	$ 198,453

Each distinct service is satisfied over time and the measurement of progress toward satisfaction of the performance obligation is the same for each of the services in the series (monthly services) in accordance with the contracts in place. Each contract for the above series of services (business line) delivers the services over an annual or multi-year period and is measured monthly, consistent with the billing for these services. Each line of business is considered a series of distinct services performed and treated as a single performance obligation that is set each month as services are provided.

7. Sources of Revenue (continued)

The monthly payment and methodology is fixed in each contract. All business lines and other services in each contract are valued at their standalone value of the service in the contract. There are no instances where a service or product is provided at no value or a value below its standalone value (discounted) as stated in a contract. Each business line has a fixed price that is recognized over the period the performance obligation is met. Contracts with time and materials (T&M) provisions have the hourly rate and materials recorded at their standalone value and are not discounted as a part of the overall contract. As nearly all contracts are with government/state organizations, collectability is assured as we have nearly no history of uncollectable amounts for services rendered. As such, no variable consideration is included in the determination of the transaction price for each contract.

Contract Revenue

The Center as a managed care provider receives payments under an agreement with Medicaid Managed Healthcare prepaid health plans (MMA plans), which obligates the Center to stand ready to pay for services to qualified beneficiaries (individuals who enroll with an MMA plan). The qualified beneficiaries sign up with the MMA plans to participate in such a health plan. These payments are referred to as capitation fees. The payment is calculated using a per member per month rate (PMPM rate) for each qualified beneficiary.

The Center has two performance obligations related to Managed Care contract revenue that are both paid through capitation revenues – administrative services and behavioral healthcare services.

The first is the administrative services component of the MMA Plan in the amount of 12.5% of the capitation revenue which is for the administrative, recordkeeping and other services of the plan activities. All these services are not considered distinct individually but are a series of services delivered simultaneously each month as a single performance obligation. Similar to the capitation revenue described above and below for providing healthcare services, the administrative services are also stand ready obligations recognized over time.

The second performance obligation is for healthcare services as detailed above. These are stand ready performance obligations and although may incorporate several different lines of services are deemed a single performance obligation delivered over time as measured each month.

Transaction price considerations include monthly capitation payment, retroactive adjustments, incentive payments and other risk pool adjustments.

7. Sources of Revenue (continued)

The capitation fees do not vary with of the volume of behavioral health services provided and are exclusive of any client copayments or deductibles under their respective plans. Therefore, the Center bears the risk of providing goods and services or contracting for services that the beneficiary is entitled to receive.

In addition to the capitation fees, the amount of contract revenue may be affected by factors such as reinsurance recoveries, retroactive adjustments for member eligibility, risk pools adjustments such as financial incentives and quality targets, and other adjustments. The Company has concluded that based on the immaterial nature of the adjustments no variable consideration need be included in the transaction price related to the capitation fees.

The contracts specify that 12.5% of the capitation fees are related to administrative services and 87.5% of the fees are related to the remaining healthcare services therefore the Center has allocated the transaction price to the two performance obligations based on the terms of the contract.

Capitation arrangements represent a stand-ready obligation to provide services to qualified beneficiaries. The Center recognizes monthly capitation fees as Managed Care contract revenue over time when the periods for which the qualified beneficiary is entitled to services are completed.

8. In-Kind Contributions

In-kind contributions and expenses represent the value assigned to instructional services provided by Escambia County School Board educators, as well as donated prescription drugs from the State of Florida. In-kind contributions are recognized if the services or goods received (a) create or enhance non-financial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. In-kind contributions for the years ended September 30, 2020 and 2019, amounted to $1,133 and $1,005, respectively.

9. Retirement Plan

The Center provides a tax deferred annuity 403(b) retirement plan (Plan) to all eligible employees. Employees who work a minimum of 20 hours per week are eligible to participate in the Plan after completing one year of employment. Voluntary employee contributions are allowed to the extent permitted by law. The Center contributed a total of 3% of each eligible participant's annual compensation to the Plan with a match of up to 2% of each eligible participant's compensation for Lakeview Center, Inc. employees and a match of up to 3% of each eligible participant's compensation for Global Connections to Employment, Inc. employees through June 30. For the remainder of the year, there was no employer contributions except as contractually required. In compliance with Internal Revenue Service regulations, employer contributions for eligible participants vest under a six-year graduated vesting schedule. Plan expense for the years ended September 30, 2020 and 2019, amounted to $1,968 and $2,556, respectively.

10. Support From the State of Florida Requiring Match

The Center received a substantial portion of its support from the state of Florida under grant contract number AO110 with the Florida Department of Children and Families (DCF) Substance Abuse and Mental Health Program. This contract must be renegotiated annually. The contract requires a 16.6% local match for certain community mental health services. This local match requirement has been met for both 2020 and 2019.

11. Related-Party Transactions

The Center manages West Florida Community Care Center pursuant to a contract with DCF. For the years ended September 30, 2020 and 2019, the Center received $467 and $490, respectively, for the management of that institution.

The Center has several transactions with BHCC and its affiliated entities and had a net intercompany receivable from BHCC in the amount of $11,874 and $9,138 at September 30, 2020 and 2019, respectively.

Additionally, the Center received $75 in management fees from BHCC for the years ended September 30, 2020 and 2019, $5,474 and $5,309 for services rendered and $433 and $242 in interest payments for the years ended September 30, 2020 and 2019, respectively, and paid $1,504 and $1,731 in management fees and other support services provided by BHCC for the years ended September 30, 2020 and 2019, respectively.

12. Net Assets with Donor Restrictions

Net assets with donor restrictions as of September 30, 2020 and 2019, were $615 and $631 respectively, the majority of which relate to children's services.

13. Commitments and Contingencies

The Center carries general and professional liability insurance from an unrelated commercial insurance carrier with coverage up to $2,000 per occurrence and $4,000 in the aggregate, on a claims-made basis, and employee benefits liability insurance with coverage up to $1,000 per occurrence and $1,000 in the aggregate. In addition, the Center has excess coverage under the BHCC policy.

The Center is involved in various lawsuits and claims incidental to the normal course of its operations. The Center may be liable for losses in excess of the amounts recorded at September 30, 2020; however, in the opinion of management, such potential losses would not be material to the consolidated financial statements.

Lakeview Center, Inc. is self-insured for employees' medical insurance claims. The Center carries stop-loss insurance coverage with annual limits of $300 per participant and $12,921 in the aggregate. Global Connections to Employment, Inc. is fully insured for full time employees and self-insured for part time employees. It is the opinion of management that recorded reserves are adequate for existing and unreported claims.

The Center has established multiple irrevocable standby letters of credit: three in amounts of $317, $140, and $115 with the Center's three previous administrators for workers' compensation claims as the named beneficiaries; one for $298 and two for $150 with the insurance providers for the Access Behavioral Health (ABH) managed medical advantage plan; and one for $1,375 with the Center's current administrator for workers' compensation claims as the named beneficiary. The Center, under its workers' compensation policies, is responsible to pay all individual claims up to $273 each, as well as certain administration costs to its claims administrators. Should the Center default on any of these payments, the letter of credit guarantees the claims administrators' payment of any outstanding amounts.

13. Commitments and Contingencies (continued)

Line of Credit Agreements

At September 30, 2020 and 2019, BHCC has available line of credit arrangements totaling $100,000 and $49,000. These lines of credit bear interest at rates ranging from LIBOR plus .85% to LIBOR plus 1.75% (1.00% to 1.90% at September 30, 2020, and 3.32% to 5.17% at September 30, 2019). At September 30, 2020 and 2019, amounts outstanding under these line of credit arrangements were $0 and $47,500, respectively. These are not reflected in the Center's financial statements.

Contingencies

Federal and State Financial Awards – The Center has received numerous federal and state grants. The disbursement of funds received under these programs is subject to review and audit by grantor agencies. Any disbursements disallowed by these agencies could become a liability of the Center. In the opinion of management, such claims, if any, should not have a material adverse effect on the consolidated financial position, results of operations, or cash flows of the Center.

Unemployment Compensation – The Center reports its wages to various states for unemployment compensation purposes, as a reimbursable employer. Reimbursable employers compensate prior employees only when a claim has been made with these states. In the opinion of management, no material claims were outstanding that had not been reserved for at September 30, 2020.

14. Fair Value Measurements

As defined in ASC Topic 820, *Fair Value Measurement,* fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC Topic 820 establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement).

14. Fair Value Measurements (continued)

Certain of the Center's financial assets are measured at fair value on a recurring basis, including money market and fixed income securities. The three levels of the fair value hierarchy defined by ASC Topic 820 and a description of the valuation methodologies used for instruments measured at fair value are as follows:

> *Level 1* – Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that the Center has the ability to access.
>
> *Level 2* – Financial assets and liabilities whose values are based on pricing inputs that are either directly observable or that can be derived or supported from observable data as of the reporting date. Level 2 inputs may include quoted prices for similar assets or liabilities in non-active markets or pricing models whose inputs are observable for substantially the full term of the asset or liability.
>
> *Level 3* – Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both significant to the fair value of the financial asset or financial liability and are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value. The Center has no financial assets with Level 3 inputs.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

(Dollars in Thousands)

14. Fair Value Measurements (continued)

The fair value of the Center's financial assets measured at fair value on a recurring basis at September 30, 2020, was as follows:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	**$ 53,907**	**$ –**	**$ –**	**$ 53,907**
Investments limited as to use:				
U.S. corporate obligations	**–**	**18,163**	**–**	**18,163**
U.S. Treasury obligations	**8,115**	**–**	**–**	**8,115**
U.S. government agencies and sponsored entities	**–**	**9,942**	**–**	**9,942**
Other	**157**	**4,572**	**–**	**4,729**
Total investments limited as to use	**8,272**	**32,677**	**–**	**40,949**
	$ 62,179	**$ 32,677**	**$ –**	**$ 94,856**

The fair value of the Center's financial assets measured at fair value on a recurring basis at September 30, 2019, was as follows:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 54,646	$ –	$ –	$ 54,646
Investments limited as to use:				
U.S. corporate obligations	–	18,068	–	18,068
U.S. Treasury obligations	11,141	–	–	11,141
U.S. government agencies and sponsored entities	–	5,832	–	5,832
Other	75	4,529	–	4,604
Total investments limited as to use	11,216	28,429	–	39,645
	$ 65,862	$ 28,429	$ –	$ 94,291

(Dollars in Thousands)

14. Fair Value Measurements (continued)

The fair value of the financial assets of the Pool measured at fair value on a recurring basis comprised the following at September 30, 2020:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	7%	–%	–%	7%
U.S. corporate obligations	–	34	–	34
U.S. government agencies and	–		–	
sponsored entities		4		4
Collateralized debt obligations	–	3	–	3
Domestic equities	14	–	–	14
Foreign equities	13	–	–	13
Other	-	25	–	25
	34%	66%	–%	100%

The fair value of the financial assets of the Pool measured at fair value on a recurring basis comprised the following at September 30, 2019:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	1%	–%	–%	1%
U.S. corporate obligations	–	33	–	33
U.S. government agencies and sponsored entities	–	8	–	8
Collateralized debt obligations	–	2	–	2
Domestic equities	18	–	–	18
Foreign equities	16	–	–	16
Other	–	22	–	22
	35%	65%	–%	100%

(Dollars in Thousands)

14. Fair Value Measurements (continued)

Financial assets are reflected in the accompanying consolidated balance sheets as follows:

	September 30	
	2020	**2019**
Interest in the Pool	**$ 126,578**	$ 119,905
Investments limited as to use, at fair value	**$ 40,949**	$ 39,645
Interest in the Pool	**15,266**	10,228
Total investments limited as to use	**$ 56,215**	$ 49,873

The fair values of the securities included in Level 1 were determined through quoted market prices. The fair values of Level 2 financial assets consisting of U.S. government agencies and sponsored entities were determined through evaluated bid prices provided by third-party pricing services where quoted market values were not available.

The carrying values of accounts receivable, accounts payable, and accrued liabilities are reasonable estimates of their fair value due to the short-term nature of these financial instruments. The fair value of the intercompany receivable is not practicable to estimate due to the uncertainty regarding the timing of future repayments.

(Dollars in Thousands)

15. Summary Information Relating to Financially Interrelated Entities

Summary financial information of the wholly owned subsidiaries, which are included in these consolidated financial statements, is shown below. Inter-entity transactions have not been eliminated from this summary data.

	As of and for the Year Ended September 30, 2020		
	CMHC Hernandez House, Inc.	**Lakeview Villa, Inc.**	**Lakeview Place, Inc.**
Total assets	**$ 140**	**$ 307**	**$ 219**
Total liabilities	**$ 66**	**$ 474**	**$ 317**
Net assets (deficit) without donor restrictions	**74**	**(167)**	**(98)**
Total net assets (deficit)	**74**	**(167)**	**(98)**
Total liabilities and net assets without donor restrictions	**$ 140**	**$ 307**	**$ 219**
Total revenue and support	**$ 43**	**$ 145**	**$ 85**
Total expenses	**37**	**142**	**83**
Change in net assets without donor restrictions	**$ 6**	**$ 3**	**$ 2**

(Dollars in Thousands)

15. Summary Information Relating to Financially Interrelated Entities (continued)

	As of and for the Year Ended September 30, 2019		
	CMHC Hernandez House, Inc.	Lakeview Villa, Inc.	Lakeview Place, Inc.
Total assets	$ 145	$ 319	$ 220
Total liabilities	$ 77	$ 488	$ 320
Net assets without donor restrictions	68	(169)	(100)
Total net assets (deficit)	68	(169)	(100)
Total liabilities and net assets without donor restrictions	$ 145	$ 319	$ 220
Total revenue and support	$ 75	$ 145	$ 91
Total expenses	(30)	141	100
Change in net assets without donor restrictions	$ 105	$ 4	$ (9)

16. Financial Assets and Liquidity Resources

As of September 30, 2020 financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, scheduled principal payments on debt, and capital expenditures were as follows:

	September 30, 2020
Cash and cash equivalents	$ 53,907
Short-term investments	126,578
Accounts receivable	40,169
Total Financial Assets	$ 220,654

17. Coronavirus Disease 2019

Due to the global viral outbreak caused by Coronavirus Disease 2019 (COVID-19) in 2020, there have been resulting effects that have negatively impacted the Center's financial condition, including: significant stock market exchange volatility impacting investment holdings, temporary reduction in certain service availability leading to declines in operating revenues and incurrence of additional costs to prepare for COVID-19 patient care activity. Various funding relief opportunities are being explored and evaluated by management. The ultimate impact of these matters to the Center and its financial condition is presently unknown.

The Center has received $68 thousand, recorded as other income in the accompanying consolidated statements of operations and changes in net assets, from the CARES Act Provider Relief Fund, administered by the U.S. Department of Health and Human Services (HHS). Additional CARES funding was received, and a third funding request submitted, subsequent to the fiscal year and is not reflected in the financial statements for the fiscal year ended September 30, 2020. The relief fund payment terms and conditions state that the payment is only to be used to prevent, prepare for, and respond to coronavirus, and shall reimburse the recipient only for health care related expenses or lost revenues that are attributable to coronavirus. In October 2020, HHS issued new reporting requirements for the CARES Act funding. Due to these new reporting requirements and various interpretations, there is a reasonable possibility that amounts recorded under CARES Act funding will change in future periods.

18. Functional Classification of Expenses

The Center provides human services, including inpatient, outpatient, long term and community-based behavioral health services, child protective services, and employment for people with disabilities within its region and nationally. Administrative services include administration, finance and accounting, information technology, human resources, and other functions. Organizational expenses are allocated to program and administrative services based on the benefit received in those areas while administrative services costs are allocated to program areas based on personnel costs.

(Dollars in Thousands)

18. Functional Classification of Expenses (continued)

Expenses by functional classification for the years ended September 30, 2020 and 2019 consist of the following:

	Year Ended September 30, 2020		
	Program Services	**Administrative Services**	**Total**
Salaries and benefits	**$ 147,675**	**$ 7,109**	**$ 154,783**
Subcontracted services	**72,954**	**–**	**72,954**
Subsidy payments	**26,552**	**–**	**26,552**
Contract medical services	**16,520**	**–**	**16,520**
Professional fees	**10,888**	**1,207**	**12,096**
Medical, pharmacy and other supplies	**8,883**	**54**	**8,937**
Building occupancy	**7,042**	**245**	**7,287**
Other general, administrative and other	**19,479**	**2,166**	**21,645**
	$ 309,993	**$ 10,781**	**$ 320,774**

	Year Ended September 30, 2019		
	Program Services	**Administrative Services**	**Total**
Salaries and benefits	$ 136,475	$ 6,812	$ 143,287
Subcontracted services	62,516	–	62,516
Subsidy payments	23,459	–	23,459
Contract medical services	16,388	–	16,388
Professional fees	11,426	1,193	12,619
Medical, pharmacy and other supplies	6,749	711	7,460
Building occupancy	6,798	198	6,996
Other general, administrative and other	19,963	1,498	21,461
	$ 283,774	$ 10,412	$ 294,186

19. New Hospital Construction

During 2019, BHCC announced plans for the construction of a new hospital facility to replace the Baptist downtown Pensacola hospital. Construction of the new facility began in 2020 and is scheduled to conclude in 2023. Projected costs are estimated to be $615 million, and are being financed primarily from proceeds from the 2020A Bonds (Note 5). As of September 30, 2020, it is estimated that the costs to complete the project is approximately $557 million. The construction itself will not impact the Center although subsequent changes on the existing campus may include the Center.

20. Subsequent Events

The Center evaluated events and transactions occurring subsequent to September 30, 2020, and through, December 22, 2020, the date the accompanying consolidated financial statements were available to be issued. During this period, there were no subsequent events that required recognition or disclosure in the accompanying consolidated financial statements with the exception of the item noted below.

Other Information

Lakeview Center, Inc. and Subsidiaries

Schedule of Functional Revenues and Expenses (Regulatory Basis) (Unaudited)

Year Ended June 30, 2020

			SAMH COVERED SERVICES																					
			STATE FUNDED																					
			Mental Health																			S		
FUNDING SOURCES & REVENUES			Case Management	Crisis Stabilization	Crisis Support/ Emergency	Day Treatment (Day/Night)	In-Home and On Site	Medical Services	Outpatient - Individual	Outreach	Residential Level 2	Residential Level 3	Incidental Expenses	Information and Referral	Outpatient - Group	R&B with Sup. II	BNET	Network Eval. & Dvlpmt.	CAT Team	FACT Team	Mental Health Total	Case Management	Crisis Support/ Emergency	Day Treatment (Day/Night)
			2	3	4	6	8	12	14	15	19	20	28	30	35	37	A1	B1	B4	B5	(B1-a+…+B1-r)	2	4	6
A			B1-a	B1-b	B1-c	B1-d	B1-e	B1-f	B1-g	B1-h	B1-i	B1-j	B1-k	B1-l	B1-m	B1-n	B1-o	B1-p	B1-q	B1-r	C1	B2-a	B2-b	B2-c
IA. STATE SAMH FUNDING																								
Expenditure Report OCA#	Provider Subcontract#	Funding Source: F-Federal S-State F/S-Federal and State																						
MH001	A0110	F/S										$ 165,302									$ 165,302			
MH009	A0110	F/S	$ 163,639			$ 315,788	$ 73,480	$ 2,096,530	$ 643,417						$ 33,662						$ 3,326,516			
MH018	A0110	S		$ 1,643,058	$ 1,145,698																$ 2,788,756			
MH073	A0170	F/S																		$ 1,196,552	$ 1,196,552			
MH076	A0110	S											$ 43,620								$ 43,620			
MH0BN	A0160	F/S															$ 201,089				$ 201,089			
MH0PG	A0260	F	$ 10,392							$ 17,352											$ 27,744			
MH0TB	A0110	F									$ 144,318										$ 144,318			
MHCAT	A0220/A0240	S																	$ 2,060,500		$ 2,060,500			
MHMCT	A0250	S			$ 1,632,846																$ 1,632,846			
MHSCV	A0010	F/S																$ 10,403			$ 10,403			
MHTRV	A0110	S											$ 16,860								$ 16,860			
MS003	A0110	F/S																			$ -			
MS011	A0110	F/S																			$ -	$ 1,957	$ 596	$ 419,133
MS021	A0110	F/S																			$ -			
MS023	A0110	F																			$ -			
MS025	A0110	F																			$ -			
MS091	A0190	F/S																			$ -			
MS0F4	A0110	F/S																			$ -			
MS0TB	A0200	F																			$ -			
MS0W4	A0110	F																			$ -			
MSSM2	A0200	F																			$ -	$ 1,135		$ 7,784
MSSOR	A0110	F																			$ -		$ 87	$ 17,377
MH001	A0070	F/S														$ 56,444					$ 56,444			
MH009	A0070	F/S	$ 11,820					$ 115,959	$ 39,094						$ 22,401						$ 189,275			
MH018	A0070	S			$ 32,500																$ 32,500			
MH076	A0070	S											$ 1,676								$ 1,676			
MH0PG	A0210	F	$ 1,112							$ 4,277											$ 5,389			
MHCAT	A0220	S																	$ 187,500		$ 187,500			
MS003	A0070	F/S																			$ -			
MS011	A0070	F/S																			$ -			
MS025	A0070	F																			$ -			
MS0FS	A0200	F																			$ -			
MS0WL	A0200	F																			$ -			
TAL CURRENT YEAR FUNDING =			$ 186,964	$ 1,643,058	$ 2,811,044	$ 315,788	$ 73,480	$ 2,212,489	$ 682,511	$ 21,629	$ 144,318	$ 165,302	$ 62,156	$ -	$ 56,063	$ 56,444	$ 201,089	$ 10,403	$ 2,248,000	$ 1,196,552	$ 12,087,290	$ 3,092	$ 683	$ 444,295

FUNDING SOURCES & REVENUES		ubstance Abuse In-Home and On-Site	Intervention - Individual	Medical Services	Medication Assisted Treatment	Outpatient - Individual	Residential Level 2	Residential Level 3	Substance Abuse Detox (No TANF)	TASC	Incidental Expenses	Outpatient - Group	Prevention - Universal Direct	Prevention - Universal Indirect	FIT Team	Substance Abuse Total	Total for State SAMH-Funded Covered Services	Total for Non-State-Funded Covered Services	Total for All Covered Services	Non-SAMH Covered Services	Total Funding
		8	11	12	13	14	19	20	24	27	28	35	50	51	A2	(B2-a+…+B2-q)	(C1+…+C2)		(D+E)		(F+G)
A		B2-d	B2-e	B2-f	B2-g	B2-h	B2-i	B2-j	B2-k	B2-l	B2-m	B2-n	B2-o	B2-p	B2-q	C2	D	E	F	G	H
IA. STATE SAMH FUNDING																					
Expenditure Report OCA#	**Provider Subcontract#**																				
MH001	A0110															$ -	$ 165,302	xxxxxxxxx	$ 165,302	xxxxxxxxx	$ 165,302
MH009	A0110															$ -	$ 3,326,516	xxxxxxxxx	$ 3,326,516	xxxxxxxxx	$ 3,326,516
MH018	A0110															$ -	$ 2,788,756	xxxxxxxxx	$ 2,788,756	xxxxxxxxx	$ 2,788,756
MH073	A0170															$ -	$ 1,196,552	xxxxxxxxx	$ 1,196,552	xxxxxxxxx	$ 1,196,552
MH076	A0110															$ -	$ 43,620	xxxxxxxxx	$ 43,620	xxxxxxxxx	$ 43,620
MH0BN	A0160															$ -	$ 201,089	xxxxxxxxx	$ 201,089	xxxxxxxxx	$ 201,089
MH0PG	A0260															$ -	$ 27,744	xxxxxxxxx	$ 27,744	xxxxxxxxx	$ 27,744
MH0TB	A0110															$ -	$ 144,318	xxxxxxxxx	$ 144,318	xxxxxxxxx	$ 144,318
MHCAT	A0220/A0240															$ -	$ 2,060,500	xxxxxxxxx	$ 2,060,500	xxxxxxxxx	$ 2,060,500
MHMCT	A0250															$ -	$ 1,632,846	xxxxxxxxx	$ 1,632,846	xxxxxxxxx	$ 1,632,846
MHSCV	A0010															$ -	$ 10,403	xxxxxxxxx	$ 10,403	xxxxxxxxx	$ 10,403
MHTRV	A0110															$ -	$ 16,860	xxxxxxxxx	$ 16,860	xxxxxxxxx	$ 16,860
MS003	A0110						$ 886,342	$460,073								$ 1,346,416	$ 1,346,416	xxxxxxxxx	$ 1,346,416	xxxxxxxxx	$ 1,346,416
MS011	A0110	$ 9,669	$ 115,483	$ 341,726		$ 659,026				$ 47,188		$ 75,051				$ 1,669,829	$ 1,669,829	xxxxxxxxx	$ 1,669,829	xxxxxxxxx	$ 1,669,829
MS021	A0110								$ 775,000							$ 775,000	$ 775,000	xxxxxxxxx	$ 775,000	xxxxxxxxx	$ 775,000
MS023	A0110					$ 1,132										$ 1,132	$ 1,132	xxxxxxxxx	$ 1,132	xxxxxxxxx	$ 1,132
MS025	A0110												$ 131,800			$ 131,800	$ 131,800	xxxxxxxxx	$ 131,800	xxxxxxxxx	$ 131,800
MS091	A0190														$ 646,336	$ 646,336	$ 646,336	xxxxxxxxx	$ 646,336	xxxxxxxxx	$ 646,336
MS0F4	A0110												$ 34,998			$ 34,998	$ 34,998	xxxxxxxxx	$ 34,998	xxxxxxxxx	$ 34,998
MS0TB	A0200						$ 51,134									$ 51,134	$ 51,134	xxxxxxxxx	$ 51,134	xxxxxxxxx	$ 51,134
MS0W4	A0110													$ 10,143		$ 10,143	$ 10,143	xxxxxxxxx	$ 10,143	xxxxxxxxx	$ 10,143
MSSM2	A0200			$ 145,104	$ 4,200	$ 50,132	$ 6,642				$ 170,845	$ 6,212				$ 392,053	$ 392,053	xxxxxxxxx	$ 392,053	xxxxxxxxx	$ 392,053
MSSOR	A0110			$ 61,790	$ 945	$ 18,537					$ 62,460	$ 6,363				$ 167,558	$ 167,558	xxxxxxxxx	$ 167,558	xxxxxxxxx	$ 167,558
MH001	A0070															$ -	$ 56,444	xxxxxxxxx	$ 56,444	xxxxxxxxx	$ 56,444
MH009	A0070															$ -	$ 189,275	xxxxxxxxx	$ 189,275	xxxxxxxxx	$ 189,275
MH018	A0070															$ -	$ 32,500	xxxxxxxxx	$ 32,500	xxxxxxxxx	$ 32,500
MH076	A0070															$ -	$ 1,676	xxxxxxxxx	$ 1,676	xxxxxxxxx	$ 1,676
MH0PG	A0210															$ -	$ 5,389	xxxxxxxxx	$ 5,389	xxxxxxxxx	$ 5,389
MHCAT	A0220															$ -	$ 187,500	xxxxxxxxx	$ 187,500	xxxxxxxxx	$ 187,500
MS003	A0070						$ 67,200	$ 17,402								$ 84,602	$ 84,602	xxxxxxxxx	$ 84,602	xxxxxxxxx	$ 84,602
MS011	A0070					$ 7,089						$ 4,006				$ 11,095	$ 11,095	xxxxxxxxx	$ 11,095	xxxxxxxxx	$ 11,095
MS025	A0070												$ 100,953			$ 100,953	$ 100,953	xxxxxxxxx	$ 100,953	xxxxxxxxx	$ 100,953
MS0FS	A0200												$ 17,500			$ 17,500	$ 17,500	xxxxxxxxx	$ 17,500	xxxxxxxxx	$ 17,500
MS0WL	A0200													$ 3,800		$ 3,800	$ 3,800	xxxxxxxxx	$ 3,800	xxxxxxxxx	$ 3,800
AL CURRENT YEAR FUNDING =		$ 9,669	$ 115,483	$ 548,619	$ 5,145	$ 735,915	$ 1,011,318	$477,475	$ 775,000	$ 47,188	$ 233,305	$ 91,632	$ 285,251	$ 13,943	$ 646,336	$ 5,444,349	$ 17,531,639	$ -	$ 17,531,639	$ -	$ 17,531,639

SAMH COVERED SERVICES

STATE FUNDED

FUNDING SOURCES & REVENUES A		Mental Health Case Management 2 B1-a	Crisis Stabilization 3 B1-b	Crisis Support/ Emergency 4 B1-c	Day Treatment (Day/Night) 6 B1-d	In-Home and On Site 8 B1-e	Medical Services 12 B1-f	Outpatient - Individual 14 B1-g	Outreach 15 B1-h	Residential Level 2 19 B1-i	Residential Level 3 20 B1-j	Incidental Expenses 28 B1-k	Information and Referral 30 B1-l	Outpatient - Group 35 B1-m	R&B with Sup. II 37 B1-n	BNET A1 B1-o	Network Eval. & Dvlpmt. B1 B1-p	CAT Team B4 B1-q	FACT Team B5 B1-r	Mental Health Total (B1-a+…+B1-r) C1	S Case Management 2 B2-a	Crisis Support/ Emergency 4 B2-b	Day Treatment (Day/Night) 6 B2-c
Carry Forward Funding																							
Expenditure Report OCA# / Provider Subcontract#	**Funding Source: F-Federal S-State F/S-Federal and State**																						
MH0CN A0110	S	$ 38,054																		$ 38,054			
MHTRV A0110	S											$ 11,470								$ 11,470			
MS091 A0190	S																			$ -			
MHTRV A0070	S											$ 654								$ 654			
MSTRV A0070	S																			$ -			
L CARRY FORWARD FUNDING =		$ 38,054	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 12,124	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 50,178	$ -	$ -	$ -
TOTAL STATE SAMH FUNDING =		$ 225,018	$ 1,643,058	$ 2,811,044	$ 315,788	$ 73,480	$ 2,212,489	$ 682,511	$ 21,629	$ 144,318	$ 165,302	$ 74,280	$ -	$ 56,063	$ 56,444	$ 201,089	$ 10,403	$ 2,248,000	$ 1,196,552	$ 12,137,468	$ 3,092	$ 683	$ 444,295
IB. OTHER GOVT. FUNDING																							
(1) Other State Agency Funding		$ 302,214	$ -	$ (51,904)	$ -	$ 25,306	$ 16,200	$ 15,829	$ 3,959	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 311,603	$ 124,570	$ -	$ 5,512
(2) Medicaid		$ 154,928	$ 2,310,835	$ 1,781,458	$ 659,518	$ 548,615	$ 1,227,194	$ 346,493	$ -	$ 199	$ 6,711	$ -	$ -	$ -	$ 114	$ 787	$ -	$ 28,103	$ -	$ 7,064,955	$ -	$ 1,885	$ 129,799
(3) Local Government		$ 115,302	$ 335,083	$ 272,005	$ 248,036	$ 1,271,805	$ 324,624	$ 124,433	$ -	$ -	$ 8,448	$ -	$ -	$ 14,301	$ -	$ -	$ -	$ -	$ -	$ 2,714,036	$ -	$ 469	$ 600,685
(4) Federal Grants and Contracts		$ -	$ -	$ -	$ 364,947	$ -	$ (640)	$ 129,425	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 493,732	$ -	$ -	$ 3,289
(5) In-kind from local govt. only		$ -	$ -	$ -	$ -	$ 620,196	$ -	$ 7,702	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 627,898	$ -	$ -	$ -
TOT. OTHER GOVT. FUNDING =		$ 572,444	$ 2,645,918	$ 2,001,558	$ 1,272,501	$ 2,465,922	$ 1,567,378	$ 623,881	$ 3,959	$ 199	$ 15,159	$ -	$ -	$ 14,301	$ 114	$ 787	$ -	$ 28,103	$ -	$ 11,212,225	$ 124,570	$ 2,354	$ 739,286
IC. ALL OTHER REVENUES																							
(1) 1st & 2nd Party Payments		$ 23,210	$ 110,995	$ 79,641	$ 303,402	$ 95,090	$ 2,016,050	$ 160,748	$ 24	$ 47,125	$ 20,023	$ -	$ -	$ -	$ 26,928	$ 150	$ -	$ (726)	$ (8)	$ 2,882,650	$ 10	$ 91	$ 65,783
(2) 3rd Party Payments (except Medicare)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	$ -	-	-	-
(3) Medicare		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	$ -	-	-	-
(4) Contributions and Donations		$ 166,495	$ -	$ -	$ 106,200	$ 92,000	$ -	$ 48,250	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 412,945	$ 405	$ -	$ 5,250
(5) Other		$ 47	$ 258	$ 167	$ 28,310	$ 2,780	$ 1,410	$ 27,689	$ -	$ -	$ 44	$ -	$ -	$ 2,505	$ -	$ (1,001)	$ -	$ -	$ -	$ 62,208	$ -	$ 0	$ 12,155
(6) In-kind		(1)	-	-	-	-	-	-	-	-	-	-	-	-	(1)	-	-	-	-	$ (2)	-	-	-
TOT. ALL OTHER REVENUES =		$ 189,751	$ 111,252	$ 79,807	$ 437,912	$ 189,870	$ 2,017,460	$ 236,687	$ 24	$ 47,125	$ 20,066	$ -	$ -	$ 2,505	$ 26,927	$ (851)	$ -	$ (726)	$ (8)	$ 3,357,802	$ 415	$ 91	$ 83,187
TOTAL FUNDING =		$ 987,213	$ 4,400,228	$ 4,892,410	$ 2,026,200	$ 2,729,272	$ 5,797,327	$ 1,543,080	$ 25,611	$ 191,642	$ 200,527	$ 74,280	$ -	$ 72,869	$ 83,485	$ 201,026	$ 10,403	$ 2,275,377	$ 1,196,544	$ 26,707,495	$ 128,077	$ 3,128	$ 1,266,768

EXPENSE CATEGORIES A		Mental Health Case Management 2 B1-a	Crisis Stabilization 3 B1-b	Crisis Support/ Emergency 4 B1-c	Day Treatment (Day/Night) 6 B1-d	In-Home and On Site 8 B1-e	Medical Services 12 B1-f	Outpatient - Individual 14 B1-g	Outreach 15 B1-h	Residential Level 2 19 B1-i	Residential Level 3 20 B1-j	Incidental Expenses 28 B1-k	Information and Referral 30 B1-l	Outpatient - Group 35 B1-m	R&B with Sup. II 37 B1-n	BNET A1 B1-o	Network Eval. & Dvlpmt. B1 B1-p	CAT Team B4 B1-q	FACT Team B5 B1-r	Mental Health Total (B1-a+…+B1-o) C1	S Case Management 2 B2-a	Crisis Support/ Emergency 4 B2-b	Day Treatment (Day/Night) 6 B2-c
IIA. PERSONNEL EXPENSES																							
(1) Salaries		$ 799,531	$ 978,114	$ 1,843,046	$ 776,001	$ 1,466,596	$ 5,193,547	$ 960,960	$ 14,305	$ 108,682	$ 112,903	$ -	$ -	$ 48,486	$ 62,104	$ 81,565	$ -	$ 1,101,269	$ 665,854	$ 14,212,963	$ 71,237	$ 3,440	$ 614,468
(2) Fringe Benefits		$ 237,704	$ 249,009	$ 488,774	$ 275,865	$ 437,597	$ 749,098	$ 244,431	$ 1,451	$ 49,983	$ 35,923	$ -	$ -	$ 15,936	$ 28,562	$ 20,339	$ -	$ 383,767	$ 173,601	$ 3,392,040	$ 24,703	$ 901	$ 180,595
TOTAL PERSONNEL EXPENSES =		$ 1,037,235	$ 1,227,123	$ 2,331,820	$ 1,051,866	$ 1,904,193	$ 5,942,645	$ 1,205,391	$ 15,756	$ 158,665	$ 148,826	$ -	$ -	$ 64,422	$ 90,666	$ 101,904	$ -	$ 1,485,036	$ 839,455	$ 17,605,003	$ 95,940	$ 4,342	$ 795,063

FUNDING SOURCES & REVENUES	ubstance Abuse In-Home and On-Site	Intervention - Individual	Medical Services	Medication Assisted Treatment	Outpatient - Individual	Residential Level 2	Residential Level 3	Substance Abuse Detox (No TANF)	TASC	Incidental Expenses	Outpatient - Group	Prevention - Universal Direct	Prevention - Universal Indirect	FIT Team	Substance Abuse Total	Total for State SAMH-Funded Covered Services	Total for Non-State-Funded Covered Services	Total for All Covered Services	Non-SAMH Covered Services	Total Funding
	8	11	12	13	14	19	20	24	27	28	35	50	51	A2	(B2-a+…+B2-q)	(C1+…+C2)		(D+E)		(F+G)
A	B2-d	B2-e	B2-f	B2-g	B2-h	B2-i	B2-j	B2-k	B2-l	B2-m	B2-n	B2-o	B2-p	B2-q	C2	D	E	F	G	H
Carry Forward Funding																				
Expenditure Report OCA# / Provider Subcontract#																				
MH0CN A0110															-	38,054	xxxxxxxxx	38,054	xxxxxxxxx	38,054
MHTRV A0110															-	11,470	xxxxxxxxx	11,470	xxxxxxxxx	11,470
MS091 A0190															-	-	xxxxxxxxx	-	xxxxxxxxx	-
MHTRV A0070															-	654	xxxxxxxxx	654	xxxxxxxxx	654
MSTRV A0070															-	-	xxxxxxxxx	-	xxxxxxxxx	-
CARRY FORWARD FUNDING =	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50,178	-	50,178	-	50,178
OTAL STATE SAMH FUNDING =	9,669	115,483	548,619	5,145	735,915	1,011,318	477,475	775,000	47,188	233,305	91,632	285,251	13,943	646,336	5,444,349	17,581,817	-	17,581,817	-	17,581,817
IB. OTHER GOVT. FUNDING																				
(1) Other State Agency Funding	-	-	273,044	203	6,562	-	-	-	-	-	(3)	68,545	1,042	-	479,476	791,079	3,563,565	4,354,644	57,523,188	61,877,832
(2) Medicaid	2,874	9,905	651,882	15,156	286,319	752,931	13,008	1,088,905	6,604	-	19,822	-	-	20,920	3,000,008	10,064,964	6,620,684	16,685,647	12,832,838	29,518,485
(3) Local Government	1,691	-	77,098	4,058	205,216	62,677	16,051	151,874	-	-	21,319	19,596	719	-	1,161,453	3,875,489	26,097	3,901,587	6,844,320	10,745,907
(4) Federal Grants and Contracts	-	-	(152)	(8)	9,296	148,950	-	-	-	-	671	-	-	-	162,046	655,779	1,225,192	1,880,971	179,835,819	181,716,790
(5) In-kind from local govt. only	-	-	-	-	23,105	-	-	-	-	-	-	-	-	-	23,105	651,004	162,039	813,043	157,451	970,493
OT. OTHER GOVT. FUNDING =	4,565	9,905	1,001,872	19,408	530,497	964,558	29,059	1,240,779	6,604	-	41,810	88,141	1,761	20,920	4,826,089	16,038,314	11,597,577	27,635,891	257,193,615	284,829,507
IC. ALL OTHER REVENUES																				
(1) 1st & 2nd Party Payments	114	1,627	817,683	23,260	218,388	36,811	98,632	45,304	1,085	-	14,296	-	-	21,403	1,344,486	4,227,137	14,338,054	18,565,191	253,231	18,818,421
(2) 3rd Party Payments (except Me	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3) Medicare	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(4) Contributions and Donations	-	-	-	-	48,750	-	-	-	-	-	3,750	-	-	-	58,155	471,100	326,000	797,100	78,017	875,118
(5) Other	-	-	335	18	23,024	375	83	105	-	-	3,359	-	-	-	39,454	101,662	440,622	542,284	6,434,443	6,976,727
(6) In-kind	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2)	2	-	-	-
TOT. ALL OTHER REVENUES =	114	1,627	818,017	23,277	290,162	37,187	98,715	45,409	1,085	-	21,405	-	-	21,403	1,442,096	4,799,897	15,104,678	19,904,575	6,765,690	26,670,266
TOTAL FUNDING =	14,348	127,016	2,368,508	47,831	1,556,574	2,013,063	605,249	2,061,188	54,876	233,305	154,846	373,392	15,704	688,659	11,712,533	38,420,028	26,702,256	65,122,284	263,959,306	329,081,590

*except IIC & IID

EXPENSE CATEGORIES	ubstance Abuse In-Home and On-Site	Intervention - Individual	Medical Services	Medication Assisted Treatment	Outpatient - Individual	Residential Level 2	Residential Level 3	Substance Abuse Detox (No TANF)	TASC	Incidental Expenses	Outpatient - Group	Prevention - Universal Direct	Prevention - Universal Indirect	FIT Team	Substance Abuse Total	Total for State SAMH-Funded Covered Services	Total for Non-State-Funded Covered Services	Total for All Covered Services	Non-SAMH Covered Services	Other Support Costs (optional)	Administration	Total Expenses
	8	11	12	13	14	19	20	24	27	28	35	50	51	A2	(B2-a+…+B2-r)	(C1+…+C4)		(D+E)				(F+G+H*+I*)
A	B2-d	B2-e	B2-f	B2-g	B2-h	B2-i	B2-j	B2-k	B2-l	B2-m	B2-n	B2-o	B2-p	B2-q	C2	D	E	F	G	H	I	J
IIA. PERSONNEL EXPENSES																						
(1) Salaries	24,515	97,705	1,816,458	58,534	1,087,900	852,206	354,249	399,230	65,137	-	128,246	207,765	13,133	365,911	6,085,456	20,298,419	9,733,137	30,031,556	83,160,603	-	7,982,753	121,174,911
(2) Fringe Benefits	8,197	31,231	324,134	7,443	284,459	254,592	132,518	101,636	20,820	-	26,366	34,043	1,522	101,244	1,508,801	4,900,841	2,345,369	7,246,210	23,772,708	-	1,949,830	32,968,748
TAL PERSONNEL EXPENSES =	32,712	128,935	2,140,592	65,977	1,372,359	1,106,798	486,768	500,866	85,957	-	154,612	241,808	14,655	467,154	7,594,257	25,199,260	12,078,506	37,277,766	106,933,310	-	9,932,583	154,143,659

FUNDING SOURCES & REVENUES	Case Management	Crisis Stabilization	Crisis Support/ Emergency	Day Treatment (Day/Night)	In-Home and On Site	Medical Services	Outpatient - Individual	Outreach	Residential Level 2	Residential Level 3	Incidental Expenses	Information and Referral	Outpatient - Group	R&B with Sup. II	BNET	Network Eval. & Dvlpmt.	CAT Team	FACT Team	Mental Health Total	Case Management	Crisis Support/ Emergency	Day Treatment (Day/Night)
	SAMH COVERED SERVICES																					
	STATE FUNDED																					
	Mental Health																			S		
	2	3	4	6	8	12	14	15	19	20	28	30	35	37	A1	B1	B4	B5	(B1-a+…+B1-r)	2	4	6
A	B1-a	B1-b	B1-c	B1-d	B1-e	B1-f	B1-g	B1-h	B1-i	B1-j	B1-k	B1-l	B1-m	B1-n	B1-o	B1-p	B1-q	B1-r	C1	B2-a	B2-b	B2-c
IIB. OTHER EXPENSES																						
(1) Building Occupancy	$ 74,961	$ 136,513	$ 113,427	$ 595,066	$ 375,563	$ 139,208	$ 241,714	$ 82	$ 20,357	$ 37,868	$ -	$ -	$ 8,821	$ 11,632	$ 742	$ -	$ 52,478	$ 28,506	$ 1,836,939	$ 3,281	$ 183	$ 178,828
(2) Professional Services	$ 875	$ 1,211,381	$ 842,700	$ 207	$ -	$ -	$ (4,581)	$ -	$ 669	$ -	$ -	$ -	$ -	$ 382	$ -	$ -	$ 207	$ -	$ 2,051,841	$ 162	$ -	$ 63
(3) Travel	$ 20,354	$ 11,054	$ 28,702	$ 62,758	$ 21,377	$ 12,316	$ 21,039	$ 868	$ 1,575	$ 2,366	$ -	$ -	$ 6,825	$ 900	$ 108	$ 10,403	$ 82,898	$ 22,444	$ 305,989	$ 3,061	$ 14	$ 5,989
(4) Equipment	$ 21,111	$ 13,496	$ 15,202	$ 19,022	$ 14,589	$ 96,738	$ 15,849	$ 1,240	$ 1,346	$ 1,783	$ -	$ -	$ 147	$ 769	$ 973	$ -	$ 35,786	$ -	$ 238,051	$ 2,371	$ 33	$ 3,155
(5) Food Services	$ 946	$ 99,507	$ 62,954	$ 55,070	$ 2,711	$ 1,087	$ 4,998	$ 31	$ 34,376	$ 39,030	$ -	$ -	$ 2,581	$ 19,644	$ 522	$ -	$ 805	$ 986	$ 325,246	$ 92	$ -	$ 61,804
(6) Medical and Pharmacy	$ 2,474	$ 37,373	$ 24,135	$ 7,221	$ 798	$ 8,220	$ 18,169	$ 9	$ 5,508	$ 2,331	$ -	$ -	$ -	$ 3,148	$ 4,487	$ -	$ 6,021	$ 705	$ 120,601	$ -	$ 1	$ 104,452
(7) Subcontracted Services	$ -	$ 1,892,544	$ 1,316,425	$ -	$ 1,828	$ 4,683	$ 15,855	$ 3,768	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,782	$ -	$ -	$ -	$ 3,243,885	$ -	$ -	$ 658
(8) Insurance	$ 11,316	$ 11,781	$ 20,583	$ 16,115	$ 24,253	$ 20,415	$ 9,640	$ -	$ 1,718	$ 2,907	$ -	$ -	$ 909	$ 982	$ 478	$ -	$ 15,051	$ 6,809	$ 142,957	$ 977	$ 56	$ 10,462
(9) Interest Paid	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(10) Operating Supplies & Expenses	$ 61,326	$ 49,964	$ 57,062	$ 78,978	$ 63,994	$ 77,659	$ 37,830	$ 1,029	$ 4,100	$ 4,730	$ 74,280	$ -	$ 1,051	$ 2,343	$ 5,087	$ -	$ 255,097	$ 208,029	$ 982,559	$ 1,909	$ 51	$ 21,826
(11) Other-Bad Debt	$ 139	$ 2,522	$ 2,309	$ 1,587	$ 270	$ 37,680	$ 2,376	$ -	$ 1,620	$ 90	$ -	$ -	$ -	$ 926	$ -	$ -	$ 141	$ 8	$ 49,667	$ 9	$ 7	$ 566
(12) Donated Items	$ -	$ -	$ -	$ -	$ 620,196	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 620,196	$ -	$ -	$ -
TOTAL OTHER EXPENSES =	$ 193,502	$ 3,466,137	$ 2,483,499	$ 836,025	$ 1,125,579	$ 398,007	$ 362,889	$ 7,026	$ 71,269	$ 91,105	$ 74,280	$ -	$ 20,335	$ 40,725	$ 21,179	$ 10,403	$ 448,484	$ 267,487	$ 9,917,932	$ 11,863	$ 345	$ 387,802
TOT. PERSONNEL & OTH. EXP. =	$ 1,230,737	$ 4,693,259	$ 4,815,319	$ 1,887,891	$ 3,029,772	$ 6,340,652	$ 1,568,280	$ 22,782	$ 229,934	$ 239,931	$ 74,280	$ -	$ 84,757	$ 131,391	$ 123,084	$ 10,403	$ 1,933,520	$ 1,106,942	$ 27,522,935	$ 107,803	$ 4,687	$ 1,182,865
IIC. DISTRIBUTED INDIRECT COSTS																						
(a) Other Support Costs (Optional)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(b) Administration	$ 393,267	$ 280,464	$ 534,664	$ 348,201	$ 437,405	$ 1,364,100	$ 443,614	$ 10,784	$ 95,608	$ 44,449	$ -	$ -	$ 14,450	$ 54,633	$ 23,598	$ -	$ 519,033	$ 190,467	$ 4,754,737	$ 60,591	$ 1,005	$ 199,034
TOT. DISTR'D INDIRECT COSTS =	$ 393,267	$ 280,464	$ 534,664	$ 348,201	$ 437,405	$ 1,364,100	$ 443,614	$ 10,784	$ 95,608	$ 44,449	$ -	$ -	$ 14,450	$ 54,633	$ 23,598	$ -	$ 519,033	$ 190,467	$ 4,754,737	$ 60,591	$ 1,005	$ 199,034
TAL ACTUAL OPER. EXPENSES =	$ 1,624,004	$ 4,973,723	$ 5,349,983	$ 2,236,092	$ 3,467,177	$ 7,704,752	$ 2,011,894	$ 33,566	$ 325,542	$ 284,380	$ 74,280	$ -	$ 99,206	$ 186,024	$ 146,682	$ 10,403	$ 2,452,554	$ 1,297,409	$ 32,277,672	$ 168,394	$ 5,692	$ 1,381,899
IID. UNALLOWABLE COSTS	$ (1,997)	$ (2,196)	$ (3,931)	$ (2,578)	$ (5,037)	$ (12,548)	$ (4,127)	$ (42)	$ (215)	$ (449)	$ -	$ -	$ (264)	$ (123)	$ (235)	$ -	$ (4,284)	$ (1,793)	$ (39,822)	$ (211)	$ (6)	$ (1,715)
TOT. ALLOWABLE OPER. EXP. =	$ 1,622,006	$ 4,971,527	$ 5,346,052	$ 2,233,513	$ 3,462,140	$ 7,692,204	$ 2,007,767	$ 33,524	$ 325,327	$ 283,931	$ 74,280	$ -	$ 98,942	$ 185,901	$ 146,447	$ 10,403	$ 2,448,269	$ 1,295,616	$ 32,237,850	$ 168,183	$ 5,686	$ 1,380,184

FUNDING SOURCES & REVENUES	ubstance Abuse																					
	In-Home and On-Site	Intervention - Individual	Medical Services	Medication Assisted Treatment	Outpatient - Individual	Residential Level 2	Residential Level 3	Substance Abuse Detox (No TANF)	TASC	Incidental Expenses	Outpatient - Group	Prevention - Universal Direct	Prevention - Universal Indirect	FIT Team	Substance Abuse Total	Total for State SAMH-Funded Covered Services	Total for Non-State-Funded Covered Services	Total for All Covered Services	Non-SAMH Covered Services	Total Funding		
	8	11	12	13	14	19	20	24	27	28	35	50	51	A2	(B2-a+…+B2-q)	(C1+…+C2)		(D+E)		(F+G)		
A	B2-d	B2-e	B2-f	B2-g	B2-h	B2-i	B2-j	B2-k	B2-l	B2-m	B2-n	B2-o	B2-p	B2-q	C2	D	E	F	G	H		
IIB. OTHER EXPENSES																						
(1) Building Occupancy	$ 1,740	$ 10,454	$ 133,624	$ 896	$ 88,290	$ 209,188	$ 98,123	$ 55,720	$ 6,969	$ -	$ 12,528	$ 2,291	$ 256	$ 56,710	$ 855,618	$ 2,692,557	$ 1,678,132	$ 4,370,689	$ 5,900,822	$ -	$ 1,070,507	$ 11,342,018
(2) Professional Services	$ -	$ -	$ 185	$ -	$ (873)	$ 2,992	$ 860	$ 579,356	$ -	$ -	$ (1,568)	$ 275	$ 37	$ 581	$ 581,909	$ 2,633,750	$ 48,430	$ 2,682,181	$ 5,306,523	$ -	$ 828,127	$ 8,816,831
(3) Travel	$ 970	$ -	$ 8,737	$ 145	$ 10,482	$ 7,997	$ 6,521	$ 4,512	$ -	$ -	$ 5,570	$ 1,031	$ 26	$ 41,004	$ 92,983	$ 398,972	$ 274,433	$ 673,405	$ 2,055,771	$ -	$ 111,648	$ 2,840,824
(4) Equipment	$ 198	$ 1,703	$ 27,894	$ 1,144	$ 14,794	$ 13,481	$ 5,119	$ 5,508	$ 1,136	$ -	$ 1,736	$ 6,238	$ 2,259	$ 3,989	$ 88,355	$ 326,406	$ 723,767	$ 1,050,173	$ 1,397,784	$ -	$ 1,270,776	$ 3,718,733
(5) Food Services	$ 76	$ 119	$ 2,052	$ 4	$ 1,529	$ 244,453	$118,355	$ 40,615	$ 79	$ -	$ 1,644	$ -	$ -	$ 640	$ 471,370	$ 796,616	$ 336,026	$ 1,132,642	$ 1,967,939	$ -	$ 26,536	$ 3,127,117
(6) Medical and Pharmacy	$ 89	$ -	$ 61,441	$ 97	$ 44,157	$ 13,862	$ 11,511	$ 15,254	$ -	$ 233,305	$ 1,635	$ -	$ -	$ 1,408	$ 487,211	$ 607,812	$ 7,921,049	$ 8,528,861	$ 259,816	$ -	$ 57,035	$ 8,845,713
(7) Subcontracted Services	$ -	$ -	$ 8,457	$ 59	$ 7,968	$ -	$ -	$ 904,987	$ -	$ -	$ 118	$ 269	$ 37	$ -	$ 922,554	$ 4,166,438	$ 918,925	$ 5,085,363	$ 113,451,917	$ -	$ -	$ 118,537,280
(8) Insurance	$ 247	$ 1,450	$ 10,445	$ 173	$ 10,569	$ 14,839	$ 7,732	$ 4,809	$ 966	$ -	$ 1,132	$ 1,325	$ 13	$ 3,106	$ 68,299	$ 211,256	$ 153,717	$ 364,973	$ 382,386	$ -	$ 35,649	$ 783,008
(9) Interest Paid	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 552,796	$ -	$ 32	$ 552,828
(10) Operating Supplies & Expens	$ 1,622	$ 828	$ 36,331	$ 634	$ 54,938	$ 28,863	$ 14,258	$ 20,393	$ 552	$ -	$ 4,277	$ 11,161	$ 1,238	$ 57,208	$ 256,090	$ 1,238,648	$ 553,602	$ 1,792,251	$ 4,510,504	$ -	$ 1,275,578	$ 7,578,333
(11) Other-Bad Debt	$ -	$ 56	$ 12,376	$ 411	$ 1,887	$ 226	$ 2,253	$ 1,030	$ 37	$ -	$ 390	$ -	$ -	$ 75	$ 19,323	$ 68,989	$ 496,226	$ 565,215	$ 4,408	$ -	$ -	$ 569,623
(12) Donated Items	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 620,196	$ 62,043	$ 682,239	$ 157,451	$ -	$ -	$ 839,690
TOTAL OTHER EXPENSES =	$ 4,942	$ 14,609	$ 301,542	$ 3,562	$ 233,740	$ 535,901	$264,731	$ 1,632,185	$ 9,740	$ 233,305	$ 27,462	$ 22,591	$ 3,867	$ 164,721	$ 3,843,711	$ 13,761,642	$ 13,166,349	$ 26,927,991	$ 135,948,118	$ -	$ 4,675,890	167,551,999
)T. PERSONNEL & OTH. EXP. =	$ 37,654	$ 143,545	$ 2,442,134	$ 69,539	$ 1,606,100	$ 1,642,699	$751,499	$ 2,133,051	$ 95,697	$ 233,305	$ 182,074	$ 264,399	$ 18,522	$ 631,875	$ 11,547,448	$ 38,960,902	$ 25,244,855	$ 64,205,757	$ 242,881,428	$ -	$ 14,608,473	321,695,658
IIC. DISTRIBUTED INDIRECT C																						
(a) Other Support Costs (Optional)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			$ < >	$	-
(b) Administration	$ 7,466	$ 29,269	$ 489,587	$ 15,153	$ 511,585	$ 460,001	$207,378	$ 114,475	$ 19,512	$ -	$ 64,108	$ 164,751	$ 10,492	$ 107,117	$ 2,461,524	$ 7,216,262	$ (1,300,934)	$ 5,915,327	$ 8,693,146	$ 0.00	$ (14,608,473)	-
)T. DISTR'D INDIRECT COSTS =	$ 7,466	$ 29,269	$ 489,587	$ 15,153	$ 511,585	$ 460,001	$207,378	$ 114,475	$ 19,512	$ -	$ 64,108	$ 164,751	$ 10,492	$ 107,117	$ 2,461,524	$ 7,216,262	$ (1,300,934)	$ 5,915,327	$ 8,693,146	XXXXXXXXXX)	XXXXXXXXX	-
AL ACTUAL OPER. EXPENSES =	$ 45,120	$ 172,813	$ 2,931,721	$ 84,693	$ 2,117,685	$ 2,102,700	$958,877	$ 2,247,526	$ 115,209	$ 233,305	$ 246,182	$ 429,151	$ 29,013	$ 738,992	$ 14,008,973	$ 46,177,164	$ 47,559,063	$ 70,121,085	$ 251,574,574	$ 0.00	$ 0.00	321,695,658
IID. UNALLOWABLE COSTS	$ (143)	$ (294)	$ (6,102)	$ (101)	$ (2,986)	$ (1,837)	$ (1,131)	$ (896)	$ (196)	$ -	$ (488)	$ (553)	$ (22)	$ (690)	$ (17,371)	$ (57,193)	$ (76,840)	$ (134,033)	$ (437,956)	XXXXXXXXXX)	XXXXXXXXX	$ (571,989)
OT. ALLOWABLE OPER. EXP. =	$ 44,977	$ 172,520	$ 2,925,619	$ 84,591	$ 2,114,699	$ 2,100,864	$957,746	$ 2,246,630	$ 115,013	$ 233,305	$ 245,694	$ 428,598	$ 28,991	$ 738,302	$ 13,991,602	$ 46,119,971	$ 47,482,222	$ 69,987,052	$ 251,136,618	XXXXXXXXX	XXXXXXXXX	321,123,669

Note to Schedule of Functional Revenues and Expenses (Regulatory Basis) (Unaudited)

June 30, 2020

1. Summary of Significant Accounting Policies

The accompanying schedule was prepared on the accrual basis of accounting for the contract period in accordance with guidelines established by the State of Florida Department of Children and Families.

Lakeview Center, Inc. and Subsidiaries

Schedule of State Earnings
(Regulatory Basis) (Unaudited)
(Dollars in Thousands)

Year Ended June 30, 2020

1. Total expenditures	$ 321,695
2. Less other state and federal funds	(273,113)
3. Less non-match SAMH funds	(6,184)
4. Less unallowable costs per 65E-14, F.A.C.	(572)
5. Total allowable expenditures (sum lines 1, 2, 3 and 4)	41,826
6. Maximum available earnings (line 5 times 75%)	31,370
7. Amount of state funds requiring match	4,095
8. Amount due to department (subtract line 7 from line 6)	$ –

See accompanying note.

Lakeview Center, Inc. and Subsidiaries

Note to Schedule of State Earnings
(Regulatory Basis) (Unaudited)

June 30, 2020

1. Summary of Significant Accounting Policies

The accompanying schedule was prepared on the accrual basis of accounting for the contract period. Calculations in the schedule were prepared in accordance with guidelines established by the State of Florida Department of Children and Families. Per guidance Rule 65E-14.003(1)(b), F.A.C., if the amount calculated as due to department is positive, then no amounts are due to department.

Lakeview Center, Inc. and Subsidiaries

Schedule of Related-Party Transaction Adjustments (Regulatory Basis)
(Unaudited)

Year Ended June 30, 2020

	Related Passed Through to Subrecipient
Revenues from grantee:	
Services	$ 2,205,144
Rent	–
Interest	–
Other	–
Total revenue from grantee	2,205,144
Expenses associated with grantee transactions:	
Personnel services	–
Depreciation	–
Interest	–
Other	–
Total associated expenses	–
Related-party transaction adjustment	$ 2,205,144
Allocation of related-party transaction adjustment:	
SAMH covered services:	
3	$ 1,792,073
24	413,071
Total	$ 2,205,144

See accompanying note.

Lakeview Center, Inc. and Subsidiaries

Note to Schedule of Related-Party Transaction Adjustments (Regulatory Basis) (Unaudited)

June 30, 2020

1. Summary of Significant Accounting Policies

The accompanying schedule was prepared on the accrual basis of accounting for the contract period. Calculations in the schedule were prepared in accordance with guidelines established by the State of Florida Department of Children and Families.

Lakeview Center, Inc. and Subsidiaries

Schedule of Bed-Day Availability Payments (Unaudited)

Year Ended June 30, 2020

Program	**Covered Service**	**Contracted Rate**	**Total Units of Service Provided**	**Total Units of Service Paid for by 3rd Party Contracts, Local Govt. or Other State Agencies**	**Passed**	**Amount Paid for Services by the Department**	**Maximum $ Value of Units in Column**	**Amount Owed to Department**
A	**B**	**C**	**D**	**E**	**F**	**G**	**H=FxC**	**> of G-H or $0**
Children's MH	Crisis stabilization unit	$ 328.47	967	–	967	$ 101,223	$ 317,630	$ –
Adult MH	Crisis stabilization unit	328.47	8,200	1,018	7,182	1,541,835	2,359,072	–
Children's SA	Substance abuse detox	n/a	n/a	n/a	n/a	n/a	n/a	–
Adult SA	Substance abuse detox	376.89	2,149	200	1,949	775,000	734,559	–
Adult MH	Short-term residential treatment	n/a	n/a	n/a	n/a	n/a	n/a	–
							Total amount owed to department	$ –

See accompanying note.

Lakeview Center, Inc. and Subsidiaries

Note to Schedule of Bed-Day Availability Payments (Unaudited)

June 30, 2020

1. Summary of Significant Accounting Policies

The accompanying schedule was prepared on the accrual basis of accounting for the contract period. Calculations in the schedule were prepared in accordance with guidelines established by the State of Florida Department of Children and Families.

Supplementary Information

Lakeview Center, Inc. and Subsidiaries

DUI School

Balance Sheets

	September 30			
	2020		**2019**	
Assets				
Current assets:				
Cash	**$**	**–**	$	–
Other accounts receivable		**–**		–
Property and equipment, less accumulated depreciation of $7,372 and $6,980 in 2020 and 2019, respectively		**49,348**		56,107
Total assets	**$**	**49,348**	$	56,107
Liabilities and net deficit				
Current liabilities:				
Accounts payable and accrued liabilities	**$**	**4,521**	$	1,418
Compensated absences		**10,262**		6,108
Total current liabilities		**14,783**		7,526
Long term liabilities:				
Due to Lakeview Center, Inc.		**135,473**		124,463
Total long term liabilities		**135,473**		124,463
Net deficit without donor restrictions:				
Without donor restrictions, designated		**(100,908)**		(75,882)
Total liabilities and net deficit	**$**	**49,348**	$	56,107

See accompanying notes.

Lakeview Center, Inc. and Subsidiaries

DUI School

Statements of Operations and Changes in Net Deficit
With Special Supervision Services (SSS) (Unaudited)

	Year Ended September 30 2020	2019
Changes in net deficit without donor restrictions		
Revenue:		
Net client fees	**$ 397,871**	$ 438,094
Net client fees – SSS	**87,213**	94,311
	485,084	532,405
Fees remitted to State of Florida	**(20,525)**	(12,708)
Fees remitted to State of Florida – SSS	**(4,499)**	(2,736)
	(25,024)	(15,444)
Total client fees	**460,060**	516,961
Total revenue	**460,060**	516,961
Expenses:		
DUI – other:		
Salaries	**230,887**	197,970
Fringe benefits	**47,383**	46,114
Building maintenance and operations	**30,536**	34,867
Conference and conventions	**7,347**	4,468
Other program costs	**57,974**	69,667
Testing and assessment	**4,510**	3,560
Printing and production	**2,121**	2,123
Promotion and publicity	**–**	–
Professional fees	**–**	1,899
Data processing	**4,354**	3,816
Administrative	**14,622**	13,722
	399,734	378,206

Lakeview Center, Inc. and Subsidiaries

DUI School

Statements of Operations and Changes in Net Deficit
With Special Supervision Services (SSS) (continued)

	Year Ended September 30	
	2020	**2019**
Expenses (continued):		
DUI – SSS:		
Salaries	**$ 50,610**	$ 42,618
Fringe benefits	**10,386**	9,927
Building maintenance and operations	**11,714**	7,810
Conference and conventions	**2,819**	1,001
Other program costs	**–**	15,749
Testing and assessment	**1,730**	797
Printing and production	**814**	475
Promotion and publicity	**–**	–
Professional fees	**–**	425
Data processing	**1,670**	855
Administrative	**5,609**	3,075
	85,352	82,732
Total expenses	**485,086**	460,938
Change in net deficit without donor restrictions	**(25,026)**	56,023
Net deficit without donor restrictions at beginning of year	**(75,882)**	(131,905)
Net deficit without donor restrictions at end of year	**$ (100,908)**	$ (75,882)

See accompanying notes.

1. Summary of Significant Accounting Policies

The DUI School financial statements are prepared on the accrual basis of accounting. Significant accounting policies for the DUI School are the same as those described in Note 1 to the accompanying consolidated financial statements of Lakeview Center, Inc. and Subsidiaries.

2. State Assessment Fee

As required by Section 322.293, *Florida Statutes*, each DUI program collects a $15 assessment fee on every client enrolling in its DUI program and remits the fee to the State of Florida. These and other fees collected and distributed to the State are summarized as follows:

	Year Ended September 30	
	2020	**20189**
Fees due from prior year	**$ –**	$ –
Fees collected during current year	**25,024**	15,444
Fees remitted during current year	**25,024**	15,444
Fees due to the state of Florida	**$ –**	$ –

Procedures have been established and maintained that adequately account for all fees received for the DUI program and for all receipts created and/or issued by the DUI program.

3. Other Program Costs for DUI (Non-Special Supervision Services (SSS) Expenses)

Other program costs for the DUI program, not including SSS, consist of the following:

	Year Ended September 30	
	2020	**2019**
Drug screen testing	**$ 499**	$ 3,082
Copier costs	**2,717**	20
Florida association of DUI program membership dues	**173**	186
Office supplies	**5,930**	1,103
Telephone	**5,553**	4,734
Other	**43,102**	23,351
Program admin allocations	**–**	37,191
Total other program costs	**$ 57,974**	$ 69,667

4. Indirect Cost Allocations

Lakeview Center, Inc. allocates administrative costs to its programs using a step-down allocation methodology. The allocation basis varies depending upon the nature of the indirect cost pool being allocated. The following are examples of the allocation processes employed (this list is not intended to be all-inclusive): the human resources allocation is based on adjusted active staff and maintenance service costs are allocated based on the square footage maintained. The methodologies used allow for the allocation of indirect costs across all appropriate components of operations, and are in accordance with Florida Administrative Code 15A-10.014.

Lakeview Center, Inc. and Subsidiaries

Access Behavioral Health

Balance Sheets (Regulatory Basis)

	September 30	
	2020	**2019**
	(In Thousands)	
Assets		
Cash and invested assets:		
Cash and cash equivalents	**$ 37,798**	$ 51,564
Real estate	**16,066**	17,339
Other invested assets	**143,073**	119,730
Internally designated investments	**53,434**	49,172
Total cash and invested assets	**250,371**	237,805
Electronic data processing equipment and software	**55**	18
Health care and other amounts receivable	**10,973**	4,342
Accounts receivable on service industry contracts (non-health)	**26,100**	26,340
Accounts receivable – other (non-health)	**7,512**	9,826
Amounts due from parent, subsidiaries, and affiliates	**725**	815
Inventories	**531**	334
Total assets	**$ 296,267**	$ 279,480
Liabilities and net assets		
Liabilities:		
Claims unpaid	**$ 600**	$ 768
General expenses due or accrued	**31,495**	15,638
Amounts withheld or retained for the account of others	**1,890**	2,883
Deferred revenue	**2,141**	259
Accrued wages	**4,963**	4,994
Accrued compensated absences	**5,661**	4,504
Total liabilities	**46,750**	29,046
Net assets:		
Net assets without donor restrictions	**276,268**	267,229
Less non-admitted assets	**(26,751)**	(16,795)
Total net assets	**249,517**	250,434
Total liabilities and net assets	**$ 296,267**	$ 279,480

See accompanying note.

Lakeview Center, Inc. and Subsidiaries

Access Behavioral Health

Statements of Operations (Regulatory Basis)

	Year Ended September 30	
	2020	**2019**
	(In Thousands)	
Revenue:		
Capitation revenue	**$ 29,233**	$ 27,933
Total revenue	**29,233**	27,933
Expenses:		
Sub-capitation expense	**25,670**	24,313
Taxes and insurance	**34**	29
Personnel	**1,741**	1,651
Printing/production and shipping	**5**	4
Other	**239**	271
Total expenses	**27,689**	26,268
Excess of revenue over expenses	**$ 1,544**	$ 1,665

See accompanying note.

1. Summary of Significant Accounting Policies

The Access Behavioral Health (ABH) financial statements are prepared on a regulatory basis of accounting in accordance with guidelines established by the State of Florida Office of Insurance Regulation. Significant accounting policies for ABH are the same as those described in Note 1 to the accompanying consolidated financial statements of Lakeview Center, Inc. and Subsidiaries. Capitation revenue is based on a per-member per-month rate to provide services as a managed behavioral health organization. ABH provides these services for the Center and four comprehensive community mental health centers to provide mental health services to the MMA Plan beneficiaries residing in Regions 1 and 2 in Florida. Subcontracts with the Center are on a full-risk capitated basis and is reported as sub-capitation expense within the statements of operations for ABH.

Schedule of Expenditures of Federal Awards and State Financial Assistance Listing

Year Ended September 30, 2019

Federal Grantor/Pass-Through Grantor/Project Title /Program Title	Grant Period	Federal Assistance Listing Number	Grantor's Number	Program/ Award Amount	Federal Expenditures	Passed Through to Subrecipients
Federal awards						
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Direct from Substance Abuse and Mental Health Services Administration						
Project S.H.A.P.E.:						
Substance Abuse and Mental Health Services Projects of Regional and National Significance	9/30/15-9/29/20	93.243	5H79SP021270-04	$ 308,875	$ 284,170	$
P.H.A.S.E. II:						
Substance Abuse and Mental Health Services Projects of Regional and National Significance	9/30/17–9/29/22	93.243	1H79TI080665-02	522,907	522,907	–
T.R.A.C.E.:						
Substance Abuse and Mental Health Services Projects of Regional and National Significance	9/30/18–9/29/23	93.243	1H79TI081267-01	541,350	488,379	–
Passed through from Big Bend Community Based Care (BB)						
Substance Abuse and Mental Health Services Projects of Regional and National Significance	7/1/19–6/30/21	93.243	BB-A0200	85,200	54,308	–
Total Assistance Listing No. 93.243					1,349,764	–
Direct from Substance Abuse and Mental Health Services Administration						
Drug Free Communities:						
Drug-Free Communities Support Program Grants	9/30/19-9/29/24	93.276	6H79SP081894-06	125,000	100,257	–
Total Assistance Listing No. 93.276					100,257	–

Schedule of Expenditures of Federal Awards and State Financial Assistance Listing (continued)

Federal Grantor/Pass-Through Grantor/Project Title /Program Title	Grant Period	Federal Assistance Listing Number	Grantor's Number	Program/ Award Amount	Federal Expenditures	Passed Through to Subrecipients
Federal awards (continued)						
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONTINUED)						
Passed through from the State of Florida Department of Children and Families (DCF)						
Community Based Care – Child Welfare:						
MaryLee Allen Promoting Safe and Stable Families Program	7/1/19-6/30/20	93.556	DCF – AJ495	$ 57,794,732	$ 1,741,490	$ 1,714,016
Grants to States for Access and Visitation Programs	7/1/19-6/30/20	93.597	DCF – AJ495		26,025	–
Chafee Education and Training Vouchers Program (ETV)	7/1/19-6/30/20	93.599	DCF – AJ495		52,112	–
Stephanie Tubbs Jones Child Welfare Services Program	7/1/19-6/30/20	93.645	DCF – AJ495		781,421	–
Foster Care – Title IV-E	7/1/19-6/30/20	93.658	DCF – AJ495		6,218,649	403,193
Title IV-E Candidacy IVE					1,999,184	
Title IV-E FC Training 75% FFP					584,613	
Title IV-E GAP Payments - FMAP					11	
Total Assistance Listing No. 93.658					8,802,457	403,193
Adoption Assistance	7/1/19-6/30/20	93.659	DCF – AJ495		9,639,850	
Child Abuse and Neglect State Grants	7/1/19-6/30/20	93.669	DCF – AJ495		125,746	106,368
John H. Chafee Foster Care Program for Successful Transition to Adulthood	7/1/19-6/30/20	93.674	DCF – AJ495		104,562	–
Social Services Block Grant	7/1/19-6/30/20	93.667	DCF – AJ495		3,097,130	–
Community Based Child Abuse Prevention Grants	7/1/19-6/30/20	93.590	DCF – AJ492	148,400	29,680	

Lakeview Center, Inc. and Subsidiaries

Schedule of Expenditures of Federal Awards and State Financial Assistance Listing (continued)

Federal Grantor/Pass-Through Grantor/Project Title /Program Title	Grant Period	Federal Assistance Listing Number	Grantor's Number	Program/ Award Amount	Federal Expenditures	Passed Through to Subrecipients
Federal awards (continued)						
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONTINUED)						
Passed through from Big Bend Community Based Care (BB)						
Substance Abuse and Mental Health Managing Entity:						
Temporary Assistance for Needy Families	7/1/19-6/30/21	93.558	BB – A0110	$ 12,535,631	$ 214,705	$ –
Passed through from The State of Florida Department of Children and Families (DCF)						
Community Based Care – Child Welfare:						
Temporary Assistance for Needy Families	7/1/19-6/30/20	93.558	DCF – AJ495		5,325,089	1,674,583
Total Assistance Listing No. 93.558					5,539,794	1,674,583
Passed through from Big Bend Community Based Care (BB)						
Substance Abuse and Mental Health Managing Entity:						
Block Grants for Community Health Mental Services	7/1/19-6/30/21	93.958	BB – A0110		993,199	–
Florida Assertive Community Treatment (FACT):						
Block Grants for Community Health Mental Services	7/1/19-6/30/21	93.958	BB – A0170	1,196,552	140,652	–
Total Assistance Listing No. 93.958					1,133,851	–
Passed through from Big Bend Community Based Care (BB)						
Substance Abuse and Mental Health Managing Entity:						
Projects for Assistance in Transition from Homelessness (PATH)	7/1/19-6/30/21	93.150	BB – A0210	127,500	34,235	–

Federal Grantor/Pass-Through Grantor/Project Title /Program Title	Grant Period	Federal Assistance Listing Number	Grantor's Number	Program/ Award Amount	Federal Expenditures	Passed Through to Subrecipients
Federal awards (continued)						
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONTINUED)						
Passed through from Big Bend Community Based Care (BB)						
Substance Abuse and Mental Health Managing Entity:						
Block Grants for Prevention and Treatment of Substance Abuse	7/1/19-6/30/21	93.959	BB – A0110		$ 1,887,672	$ –
Family Intensive Treatment (FIT):						
Block Grants for Prevention and Treatment of Substance Abuse	7/1/19-6/30/21	93.959	BB – A0190	685,000	342,500	–
Community Drug and Alcohol Council, Inc. (CDAC):						
Block Grants for Prevention and Treatment of Substance Abuse	7/1/19-6/30/21	93.959	LCI19-20	120,000	10,810	–
Passed through from Florida Alcohol and Drug Abuse Association						
Block Grants for Prevention and Treatment of Substance Abuse	7/1/19-6/30/21	93.959		612,083	26,254	–
Total Assistance Listing No. 93.959					2,267,236	–
Passed through from Healthy Start Community Coalition of Okaloosa and Walton Counties						
Maternal and Child Health Services Block Grant to the States	7/1/19-6/30/21	93.994	OKA-#01-1920	401,321	533,704	–
Passed through from Big Bend Community Based Care (BB)						
Substance Abuse and Mental Health Managing Entity:						
Opioid STR	7/1/19-6/30/21	93.788	BB-A0110		559,205	
Passed through from Florida Alcohol and Drug Abuse Association						
Opioid STR	7/1/19-6/30/21	93.788			197,174	–
Total Assistance Listing No. 93.788					756,379	–
Provider Relief Rund		93.498			38,762	–
Total U.S. Department of Health and Human Services					36,154,455	3,898,159

Schedule of Expenditures of Federal Awards and State Financial Assistance Listing (continued)

Federal Grantor/Pass-Through Grantor/Project Title /Program Title	Grant Period	Federal Assistance Listing Number	Grantor's Number	Program/ Award Amount	Federal Expenditures	Passed Through to Subrecipients
Federal awards (continued)						
STATE DEPARTMENT OF AGENCY FOR HEALTH CARE ADMINISTRATION						
Medicaid Cluster						
Passed through from The State of Florida Department of Children and Families (DCF)						
Community Based Care – Child Welfare:						
Medical Assistance Program	7/1/19-6/30/20	93.778	DCF – AJ495		$ 239,679	$ –
Passed through from Big Bend Community Based Care (BB)						
Florida Assertive Community Treatment (FACT):						
Medical Assistance Program	7/1/19-6/30/21	93.778	BB-A0170		266,028	–
Total Assistance Listing No. 93.778 and Medicaid Cluster					505,707	–
Passed through from Big Bend Community Based Care (BB)						
Children's Mental Health Behavioral Services (BNET):						
Children's Health Insurance Program						
Children's Health Insurance Program	7/1/19-6/30/21	93.767	BB – A0160	313,384	206,400	–
Total State Department of Agency for Health Care Administration					712,107	–

Lakeview Center, Inc. and Subsidiaries

Schedule of Expenditures of Federal Awards and State Financial Assistance Listing (continued)

Federal Grantor/Pass-Through Grantor/Project Title /Program Title	Grant Period	Federal Assistance Listing Number	Grantor's Number	Program/ Award Amount	Federal Expenditures	Passed Through to Subrecipients
Federal awards (continued)						
U.S. DEPARTMENT OF EDUCATION						
Passed through the State of Florida Department of Labor and Employment Security						
Vocational Rehab and Supported Employment:						
Rehabilitation Services Vocational Rehabilitation Grants to States	4/1/19–3/31/21	84.126	VR5096	R/A	$ 347,144	$
Total U.S. Department of Education					347,144	–
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
Housing First:						
Continuum of Care Program	7/1/20–6/30/21	14.267	FL0634L4H111903	130,547	32,637	–
Continuum of Care Program	7/1/19–6/30/20	14.267	FL0634L4H111802	122,493	91,870	–
Independent Living:						
Continuum of Care Program	7/1/20–6/30/21	14.267	FL0139L4H111912	39,058	–	–
Continuum of Care Program	7/1/19–6/30/20	14.267	FL0139L4H111811	202,369	181,841	
Total Assistance Listing No. 14.267					306,348	–
Total U.S. Department of Housing and Urban Development					306,348	–

Lakeview Center, Inc. and Subsidiaries

Schedule of Expenditures of Federal Awards and State Financial Assistance Listing (continued)

Federal Grantor/Pass-Through Grantor/Project Title /Program Title	Grant Period	Federal Assistance Listing Number	Grantor's Number	Program/ Award Amount	Federal Expenditures	Passed Through to Subrecipients
Federal awards (continued)						
U.S. DEPARTMENT OF JUSTICE						
Passed through the State of Florida Office of the Attorney General						
Victims of Crime Act Program Services (VOCA):						
Crime Victim Assistance	10/1/19–9/30/20	16.575	8-Lakeview Center,	$ 585,881	$ 491,228	$
Total U.S. Department of Justice					491,228	–
Total expenditures of federal awards					$ 38,011,282	$ 3,898,159

Lakeview Center, Inc. and Subsidiaries

Schedule of Expenditures of Federal Awards and State Financial Assistance Listing (continued)

State Grantor/Pass-Through Grantor/Project Title /Program Title	Grant Period	State Assistance Listing Number	Grantor's Number	Program/ Award Amount	State Expenditures	Passed Through to Subrecipients
State financial assistance						
State of Florida Department of Children and Families (DCF)						
Community Based Care – Child Welfare:						
Out-of-Home Supports	7/1/19-6/30/20	60.074	DCF – AJ495		$ 827,777	$ 87,700
The Independent Living and Road-to- Independence Program	7/1/19-6/30/20	60.112	DCF – AJ495		79,801	–
CBC - Extended Foster Care Program	7/1/19-6/30/20	60.141	DCF – AJ495		4,424	–
CBC - Purchase of Therapeutic Services for Children	7/1/19-6/30/20	60.183	DCF – AJ495		242,980	
Managing Entity - Big Bend Community Based Care (BB):						
Substance Abuse and Mental Health – Community Services	7/1/19-6/30/21	60.153	BB-A0110		2,337	
Total State of Florida Department of Children and Families					1,157,320	87,700
State of Florida Department of Health						
State and Community Interventions	7/1/19–6/30/20	64.093	COTHD	139,524	151,151	–
State of Florida Department of Health					151,151	–

Lakeview Center, Inc. and Subsidiaries

Schedule of Expenditures of Federal Awards and State Financial Assistance Listing (continued)

State Grantor/Pass-Through Grantor/Project Title /Program Title	Grant Period	State Assistance Listing Number	Grantor's Number	Program/ Award Amount	State Expenditures	Passed Through to Subrecipients
State financial assistance (continued)						
Florida Counsel Against Sexual Violence						
Rape Crisis Program Trust Fund – Sexual Battery Victims' Access to Services Act	7/1/16–6/30/20	64.061	16TFGR03	$ 36,579	$ 36,792	$
Total Assistance Listing No. 64.061					36,792	–
Rape Crisis Center	7/1/16–6/30/20	64.069	16TFGR03	62,978	62,978	–
Total Assistance Listing No. 64.069					62,978	–
Rape Crisis Program:						
Florida Council Against Sexual Violence	7/1/20-6/30/21	41.010	20OAG03	12,596	1,258	–
Florida Council Against Sexual Violence	7/1/19-6/30/20	41.010	19OAG03		11,336	
Total Assistance Listing No. 41.010					12,594	–
Total Florida Council Against Sexual Violence					112,364	–
Office of the State Court Administration						
Post-Adjudicatory Drug Court Program	7/1/18-6/30/20	22.021	010074Z	670,606	474,234	–
Naltrexone	7/1/19-6/30/20	22.022	SC00679	612,083	347,338	–
Total Office of the State Court Administration					821,572	–
Total expenditures of state financial assistance					$ 2,242,407	$ 87,700

See accompanying notes.

Lakeview Center, Inc. and Subsidiaries

Notes to Schedule of Expenditures of Federal Awards
and State Financial Assistance

September 30, 2020

1. Presentation and Basis of Accounting

The schedule of expenditures of federal awards and state financial assistance is prepared on the accrual basis in accordance with accounting principles generally accepted in the United States. It includes all the state and federal expenditures of Lakeview Center, Inc. (the Center).

The Center allocates administrative costs to its federal and state programs using a step-down allocation methodology. The methodologies used allow for the allocation of administrative costs across all appropriate components of operations, and are in accordance with Florida Administrative Code 15A-10.014. The Center has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance and instead adheres to an approved federal indirect rate or approved contract indirect rate.

2. Contingencies

The Center has received numerous federal and state grants. The disbursement of funds received under these programs is subject to review and audit by grantor agencies. Any disbursements disallowed by these agencies could become a liability of the Center. In the opinion of management, any such claims will not have a material adverse effect of the financial position of the Center.

3. Subrecipients

In order to fulfill contractual requirements for child protective services, behavioral health services, and vocational services, the Center subcontracts with various community agencies. The Center is responsible for compliance for the funds expended, but all regulatory and contractual obligations are passed to the subrecipients in their contracts.

Other Reports and Schedules

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Report of Independent Auditors 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*

President/Chief Executive Officer
Chief Financial Officer
The Board of Directors
Lakeview Center, Inc. and Subsidiaries

We have audited, in accordance with auditing standards generally accepted in the United States 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 Lakeview Center, Inc. and Subsidiaries (the Center), which comprise the consolidated balance sheet as of September 30, 2020, and the related consolidated statements of operations and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 22, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Center's internal control over financial reporting (internal control) as a basis for designing 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 the Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control.

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

Our consideration of 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.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Center'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 financial statements. 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ernst & Young LLP

December 22, 2020

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Report of Independent Auditors on Compliance for Each Major Federal Program and State Financial Assistance Project; Report on Internal Control Over Compliance Required by the Uniform Guidance Section 215.97 *Florida Statutes*, and Chapter 10.650, *Rules of the Auditor General*

President/Chief Executive Officer
Chief Financial Officer
The Board of Directors
Lakeview Center, Inc. and Subsidiaries

Report on Compliance for Each Major Federal Program and State Financial Assistance Project

We have audited Lakeview Center, Inc. and Subsidiaries' (the Center)'s compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* and the requirements described in the Florida Department of Financial Services State Projects Compliance Supplement that could have a direct and material effect on each of Center's major federal programs and state financial assistance projects for the year ended September 30, 2020. The Center's major federal programs and state financial assistance 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 and state awards applicable to its federal programs and state financial assistance projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Center's major federal programs and state financial assistance 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; 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); Section 215.97, *Florida Statutes*; and Chapter 10.650, *Rules of the Auditor General*. Those standards; the Uniform

Guidance; Section 215.97, *Florida Statutes*; and Chapter 10.650, *Rules of the Auditor General,* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program and state financial assistance project occurred. An audit includes examining, on a test basis, evidence about Center'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 financial assistance project. However, our audit does not provide a legal determination of Center's compliance.

Opinion on Each Major Federal Program and State Financial Assistance Project

In our opinion, the Center 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 financial assistance projects for the year ended September 30, 2020.

Report on Internal Control Over Compliance

Management of the Center 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 the Center'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 financial assistance 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 financial assistance project and to test and report on internal control over compliance in accordance with the Uniform Guidance, Section 215.97, *Florida Statutes*, and Chapter 10.650, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Center'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 financial assistance 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 financial assistance 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 financial assistance 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; Section 215.97, Florida Statutes; and Chapter 10.650, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

Ernst & Young LLP

December 22, 2020

Schedule of Findings and Questioned Costs

For the Year Ended September 30, 2020

Section I—Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified		
Internal control over financial reporting:			
Material weakness(es) identified?	**Yes**	X	**No**
Significant deficiency(ies) identified?	**Yes**	X	**None reported**
Noncompliance material to financial statements noted?	**Yes**	X	**No**

Federal Awards and State Projects

Internal control over major federal programs and state projects:			
Material weakness(es) identified?	**Yes**	X	**No**
Significant deficiency(ies) identified?	**Yes**	X	**None reported**
Type of auditor's report issued on compliance for major federal programs and state projects:	Unmodified		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a), section 215.97, Florida Statutes or Chapter 10.650, Rules of the Auditor General?	**Yes**	X	**No**

Section I—Summary of Auditor's Results (continued)

Identification of major federal programs:

Assistance Listing numbers	**Name of federal program**
93.658	Foster Care – Title IV-E
93.667	Social Services Block Grant

Identification of major state financial assistance projects:

Assistance Listing numbers	**Name of state program**
22.021	Post-Adjudicatory Drug Court Program
60.074	Out-of-Home Supports

Dollar threshold used to distinguish between Type A and Type B programs:	Federal awards:	$1,139,176
	State awards:	$ 672,722

Auditee qualified as low-risk auditee for Federal purposes?	X **Yes**	**No**

Section II—Financial Statement Findings

No matters were identified

Section III—Federal Award and State Project Findings and Questioned Costs

No matters were identified

Section IV—Management Letter and Summary Schedule of Prior Audit Findings

No matters were identified.