THE CENTER FOR COUNSELING AND CONSULTATION

Financial Statements With Independent Auditors' Report

For the Years Ended December 31, 2017 and 2016

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ADAMS BROWN BERAN & BALL Chartered

Phone (620) 792-2428 ■ Fax (620) 792-5559 ■ www.abbb.com
2006 Broadway Ave. ■ Suite 2A ■ P.O. Drawer J
Great Bend, Kansas 67530-4043

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
The Center for Counseling and Consultation
Great Bend, Kansas

Report on the Financial Statements

We have audited the accompanying financial statements of **The Center for Counseling and Consultation**, which comprise the statements of net position as of December 31, 2017 and 2016, and the related statements of revenues, expenses and change in net position and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Basis for Qualified Opinion

The financial statements do not include the required annual cost and long-term obligations of **The Center for Counseling and Consultation's** other postemployment benefits as required by Governmental Auditing Standards Board Statements Number 43 and 45. Accounting principles generally accepted in the United States of America require the financial data for these other postemployment benefits be reported in the financial statements. The amount by which this departure would affect the assets, liabilities, net position, revenues and expenses is not reasonably determinable and are presumed to be material.

Qualified Opinion

In our opinion, except for the matter described in the "Basis for Qualified Opinion" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of **The Center for Counseling and Consultation** as of December 31, 2017 and 2016, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules listed in the Required Supplementary Information section of the Table of Contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise **The Center for Counseling and Consultation's** basic financial statements. The schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by Kansas Department for Aging and Disability Services and is also not a required part of the basic financial statements.

The supplementary information as listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the effects of the supplementary information of the qualified opinion on the basic financial statements as explained in the "Qualified Opinion" paragraph, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 25, 2019, on our consideration of **The Center for Counseling and Consultation'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 for Counseling and Consultation'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 **The Center for Counseling and Consultation's** internal control over financial reporting and compliance.

Adams, Brown, Beran & Ball, Chartered

ADAMS, BROWN, BERAN & BALL, CHTD.
Certified Public Accountants

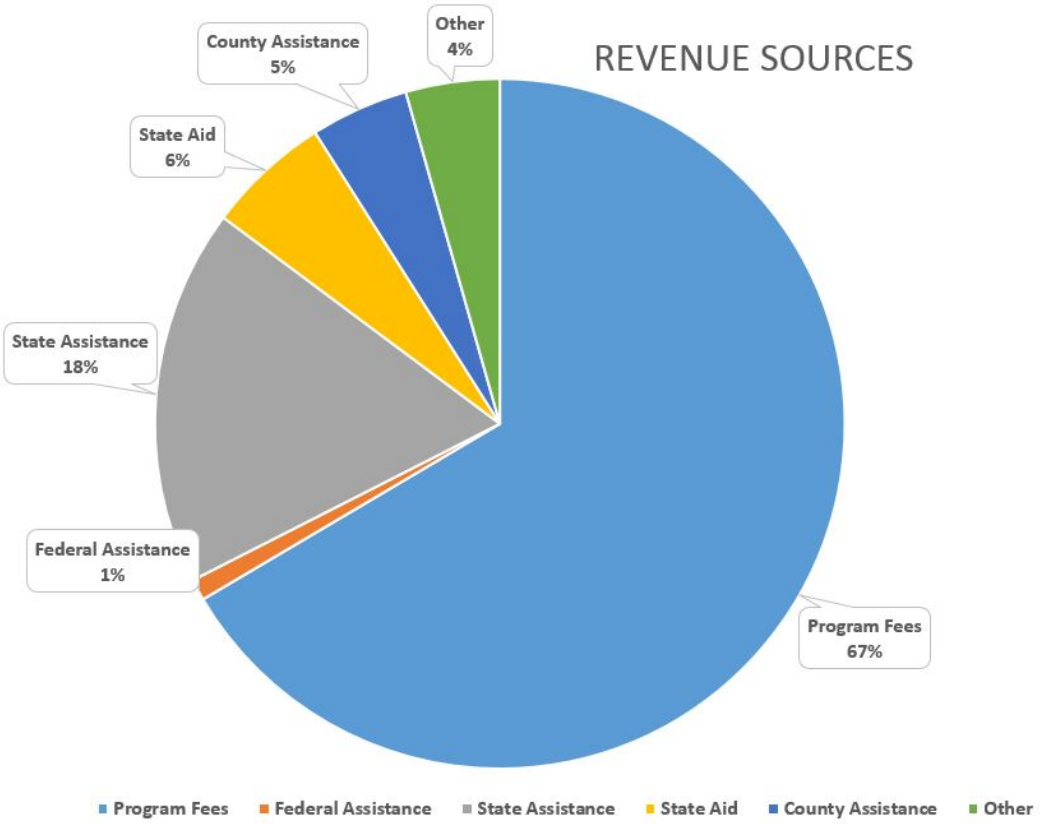
January 25, 2019

As management of **The Center for Counseling and Consultation** (the "Center"), we offer you this discussion and analysis of the financial activities of the Center for the year ended December 31, 2017. Since this information is designed to focus on the current year's activities, resulting changes, and currently known facts, it should be read in conjunction with the Center's financial statements and notes to the financial statements which begin after this section.

FINANCIAL HIGHLIGHTS

Total operating revenues for 2017 decreased by $851,231 compared to the 2016 and although total operating expenses also declined in the same period, the reduction of $400,972 only partially offset the significant decline in operating revenues to be examined in more detail later. Nonoperating revenues also decreased during 2017 compared to the prior year by $56,011. The total net position of the agency in 2017 declined $661,506 compared to 2016. The Center's cash balance at December 31, 2017 compared to the prior year decreased by $357,872.

REVENUES



Total operating revenues of the Center for the year ended December 31, 2017 totaled $3,884,693, a decrease of 17.97% compared to prior year (statements of revenues, expenses and change in net position), whereas, nonoperating revenues for the same period totaled $519,122, representing a decrease of 9.74% from 2016. The preceding pie chart displays the distribution of all revenue (operating and nonoperating) and compared to the prior the most noticeable difference was the contribution of program fees, which declined 8 percentage points from 75% in 2016 to 67% in 2017. Federal assistance, state aid and county assistance revenue amounts were roughly the same compared to the prior year and any percentage increase in their contribution of total revenue was related to the significant decline in program fees. State assistance and other revenue amounts were an exception and their percentage

increase from 2016 to 2017 were not entirely due to the program fee decline, but the actual amount increased.

EXPENSES

Total operating expenses of the Center for the year ended December 31, 2017 totaled $5,065,321, a decrease of 7.34% compared to prior year (statements of revenues, expenses and change in net position). Although total operating expenses declined in 2017, there were a limited number of expense categories with significant increases partially offsetting the overall decline in reduced operating expenses across the various expense categories.

OVERVIEW OF THE FINANCIAL STATEMENTS

Since the Center is considered a quasi-governmental entity, the financial statements detailed in this report reflect accounting methods similar to other government entities as mandated by GASB (Governmental Accounting Standards Board). Most government agencies, however, have multiple funds and when required by GASB have separate financial statements for each fund. The Center's only governmental fund is a proprietary enterprise fund which all financial statements in this report pertain to.

These financial statements offer short-term and long-term financial information about the agency's activities.

The Center's financial statements consist of the Statement of Net Position; Statement of Revenues, Expenses, and Change in Net Position, and Statement of Cash Flows and Notes to the Financial Statements. In addition to the financial statements, this report contains other supplementary information that will enhance the reader's understanding of the financial condition of the agency.

The Center migrated to a new accounting software effective January 1, 2017. With the enhanced features of the newer software it became clear revamping the agency's chart of accounts (COA) moving forward was necessary. As a result, there are a few isolated incidents where comparison of financial statement line items from 2016 to 2017 are affected. In those instances, this information will be shared about the accounts affected and the impact on the financial statement category of interest.

Statement of Net Position

The statement of net position reflects assets available to continue operations and future financial obligations (liabilities) as of December 31, 2017. The purpose of this statement is to present a snapshot of the financial condition of the Center. The difference of total assets and deferred outflows of resources compared to total liabilities and deferred inflows of resources is referred to as net position. Net position is a way to measure the Center's financial position. Over the years, increases and decreases to the net position are important indicators of whether the financial position is improving or deteriorating.

The Center's assets and deferred outflows of resources totaled $1,782,760 at December 31, 2017 as compared to $2,679,294 at December 31, 2016. Since liabilities and deferred inflows of resources totaled $2,836,695 exceeding assets and deferred outflows of resources, the net position as of December 31, 2017 was a negative $1,053,935. Total liabilities and deferred inflows of resources and net position the prior year were $3,071,723 and a negative $392,429, respectively.

As noted in the financial highlights, net position decreased $661,506 in 2017 (-$1,053,935) compared to 2016 (-$392,429). For brevity further analysis of the changes to the net position assets and deferred outflows of resources will be referred to as "assets np", whereas changes in net position liabilities and deferred inflows of resources will be identified as "liabilities np". In addition, increases in asset np and decreases in liability np have a positive impact on net position, whereas, asset np decreases and liability

np increases have a negative effect on net position. A review of these two broad category groups, assets np and liabilities np, finds asset np declined by $896,534 thereby affecting overall net position negatively. Conversely a decline of $235,028 in liability np categories improves the net position partially offsets the asset np decline. The $896,534 asset np change less the $235,028 liability np change equals the $661,506 decrease in the net position from 2016 to 2017.

The implementation of GASB 68 (Accounting and Financial Reporting for Pensions) due to the Center's participation in KPERS (Kansas Public Employees Retirement System) in 2015 adversely affected the Statement of Net Position by resulting in the first negative net position on agency financial statements, however, the changes in the related categories associated with GASB 68 compliance (Deferred Outflows – Pensions, Net Pension Liability and Deferred Inflows – Pension) in 2017 improved net position by $33,414 helping to partially offset changes in other categories responsible for the overall significant net position decline. When evaluating the non-pension related categories affecting net position, we find the changes in the current assets represent the most influential factor responsible for the significant decline in net position. The current assets of cash and AR – net of allowance both declined significantly negatively affecting net position. At the end of 2017 compared to 2016, cash declined by $357,872 and AR – net of allowance declined by $371,463. These two amounts total more than the net position decline of $661,506 and as indicated earlier changes in the pension related categories helped to offset. Similarly, declines in the current liabilities of accrued salaries and accrued payroll liabilities together totaling $9,332 helped to further negate the decline in current assets as did a reduction of $9,808 in the long-term liability of compensated absences. These items account for approximately 98% of the net position change from 2016 to 2017.

Although the changes in the pension categories related to GASB 68 compliance at the end of 2017 compared to the prior year had a positive effect on the net position in a year to year analysis, these categories as noted earlier were responsible for the Center's first negative net position and also the current one. A review of the three pension related categories (Deferred Outflows – Pensions, Net Pension Liability and Deferred Inflows – Pension) balances at year end 2017 finds their impact on net position to be a negative $2,147,585. In other words, without the GASB compliance categories the Center's net position would be a positive $1,093,647 as of December 31, 2017. The reader should be advised not all governmental entities in Kansas present financial statements in compliance with GASB. Kansas statute 75-1120a allows most municipalities to annually file a GAAP Waiver, which allows the governmental entity to present their financial statements according to cash basis accounting principles as opposed to accrual basis accounting principles, which GASB requires. Since the pension related categories discussed earlier rely on accrual accounting, the financial statements of any municipality in Kansas participating in KPERS with a GAAP Waiver would not include this information. Whereas GASB compliance may explain the overall negative net position of the Center, it does not assume responsibility for the significant decline in the agency's net position from 2016 to 2017, which will be examined in more detail later when reviewing the other financial statements of the Center.

Statement of Revenues, Expenses, and Change in Net Position

The statement of revenues, expenses, and change in net position includes the Center's revenues and expenses, both operating and nonoperating for the year ended December 31, 2017. The statement reflects all current year's revenues and expenses regardless of when cash is received or paid.

As noted in the financial highlights in the revenue section, the change in program fees were the most noticeable segment change in 2017 compared to 2016 in terms of the percentage contributing to total revenue, however, this segment still represents the largest portion of the Center's total revenue by a substantial margin accounting for 67% of the total revenues during 2017. Provision for bad debt reported as a reduction of program fees totaled $257,068 for 2017, an increase of $74,863 compared to the prior year. As a percentage of total program fee revenue, the amount provisioned for bad debt increased significantly from 4.36% in 2016 to 8.03% in 2017. The Center migrated to a new Electronic Medical

Record (EMR) software March 1, 2017 and the write-off of outstanding balances judged non-collectible, primarily Medicaid payers, contributed the most to the provision for bad debt increase.

With respect to the role specific categories played in the $851,231 decline in operating revenue, the severe decline of service fees (net of discount) played the largest role falling 17.97% compared to the prior year. Multiple factors contributed to lower service fees (net of discount) in 2017 compared to 2016 as opposed to one specific cause. First, the State of Kansas discontinuing Health Homes effective July 1, 2016 resulted in a $131,817 loss of program fees (net of discounts) since this was the amount of revenue generated during the last six months of the program in 2016. Similarly, the State of Kansas also cut Medicaid rates by 4% effective July 1, 2017, which had an estimated $70,000 effect on program fee revenues. Program fee revenue not only was severely less in 2017 compared to 2016 but continued to decline through 2017. For example, EMR reports indicate program fees in month of December 2017 to be $114,336 less compared to the month of March 2017. Both the Community Support Services (CSS) program and Community Based Services (CBS) program both experienced a lower number of clients limiting program fees. There was also difficulty with increased turnover in 2017 with experienced staff in the CBS program leaving for positions elsewhere with higher pay. Whether due to length of time a position is open before hiring a replacement or new staff are training, program fee revenue suffers as a result. The earlier mentioned declines in clients resulted in multiple open positions not being filled in the CBS and CSS program. The impact of an open position due to reduced clients can be better understood when considering a CBS or CSS case manager specializing in CPST services who meets minimum productivity standards set by the agency generates just under $133,000 in program fee revenue. As a result, the implications of a significant drop in CBS/CSS clients and described staff turnover had significant impact on operational revenue.

The earlier described sharp decline in program fees were partially offset by increases in two other operating revenue categories: state financial assistance and the other (miscellaneous) operating revenue category. State financial assistance increased by $111,418 from 2016 to 2017 a change of 16.71%. The State of Kansas fiscal year 2018 budget (July 1, 2017 thru June 30, 2018) increased the Community Based Behavioral Health Services (CBBHS) funding allocation by $55,709 a quarter. This increase for the last two quarterly payments of the Centers 2017 accounts for the increase in state financial assistance from 2016 to 2017 of $111,418. The "other" operating revenue category in 2017 totaled $128,461 an increase of $91,546 compared to 2016. The Centene grant revenue of $76,073 and EMR Meaningful Use payment of $42,500 account for 92% of this "other" operating revenue category in 2017.

As noted in the financial highlights, operating expenses declined $400,972 and only four out of the twenty operating expense categories increased from 2016 to 2017: advertising & public relations, employee benefits and equipment maintenance. Advertising & public relations expense totaling $52,100 in 2017 experienced the largest change increasing $15,149 compared to 2016. Most expenses in this category in 2017 were funded by the Centene grant. The grant covered the years 2016 thru 2017 and not all the funds allocated for advertising were expended in 2016 and were subsequently transferred to 2017. The advertising & public relations category in 2018 should decline substantially with the grant ending. The equipment maintenance category totaled $41,924 in 2017, an increase of $8,355 compared to FY 2016. This category also includes equipment purchases not meeting the Center's asset capitalization policy and instead are expensed fully when purchased rather than depreciated. During 2017, at the recommending of our financial auditors, the Center governing board increased the minimum asset value for capitalization from $500 to $5,000, which accounts for the increase in this category. The remaining operational expense category with an increase, employee benefits, totaled $751,844 in 2017 an increase of $680 in comparison to 2016. Again, what appears to be a modest increase is misleading. Although the Health Home program ending in 2016 along with a higher incidence of open positions in 2017 led to the operational expense of salaries declining $158,457 in 2017, the same was not true of employee benefits. Increases in employer health insurance costs for each employee resulted in this expense category increasing slightly despite less employees covered. With respect to other employee related operational costs, payroll taxes and KPERS, declined $12,201 and $79,154 respectively in 2017 compared to 2016.

After salaries and KPERS expenses, the reduction of building maintenance expense by $44,799 was the largest decrease in operational expenses in 2017. The significant decrease of maintenance expenses in 2017 of $44,799 were due to an atypical expense of $40,449 incurred in 2016 for roof repairs due to hail damage, which accounts for 90% of the reduction in this expense category. Contractual expenses in 2017 of $579,132 represent a reduction of $25,058 in comparison to 2016. With the Health Home program ending July 1, 2016 The Center had less contractual expenses associated with the discontinued location (Telephone, Internet & Cell Phones.). The agency was also contracting to use another software to document Health Home services and used the same software vendor's Revenue Cycle Management (RCM) to bill these services. The prior mentioned contractual costs associated with the close of the Health Home accounted for approximately an $8,500 decrease in contractual expenses in 2017. Also, our auditors advised of recent accounting changes clarifying the accounting of contractual SaaS expenses pertaining to certain implementation costs of a new EMR and as a result a portion of the one-time fees were capitalized as a fixed asset. This change allowing the depreciation of part of the implementation costs as a fixed asset resulted in lower contractual software costs by $47,296 in 2017. Future software contractual costs are expected to decline further in the future without the costs of maintaining two EMRs, which was the case in 2017. The Occupancy operational expense was $18,504 lower in 2017 compared to 2016, which again can be attributed to the closing of the Health Home program location. It should be noted these savings were partially offset by higher costs at one of the agency's satellite office locations due to moving to a space allowing the agency to serve clients better in that county.

As noted in the earlier section, there are limited instances where the updated COAs affected meaningful comparison between specific financial statement categories. This turns out to be true when reviewing the change in insurance operating expenses. In 2016, work comp insurance expense was included in the insurance operating expenses, whereas in 2017, work comp insurance expense is included as a part of the operating expense category of employee benefits. For meaningful comparison to 2016 data, the 2017 work comp insurance expense of $17,215 from employee benefits category is being included in the 2017 insurance total. With this change, the initial decrease of $29,995 from 2016 to 2017 is lowered to $12,740. The operational insurance expenses of work comp, professional/general liability, and auto liability decreased in 2017 $7,650, $1,859 and $1,600 respectively, which accounts for 87.2% of the $12,740 change. The supplies operational expense category also contains types of expenses recorded differently in 2016 and 2017 due to the COAs change in 2017. A new COA was created named clinical supplies, which merged multiple of the older accounts into this single category. By adjusting for the 2016 therapy and testing supplies amount of $12,279, the difference in the supplies operational expense category from fiscal 2016 to 2017 was reduced to $9,667. Part of this reduction can be attributed to lower office supplies, equipment supplies and custodial/cleaning supplies, which declined $2,843, $574 and $1,098 respectively for a total decrease of $4,971. These difficulties making meaningful comparisons between financial statement categories are isolated to the current audit period since moving forward the same COA classification will be used for each of the comparison years in future audits.

As noted in the financial highlights nonoperating revenue declined $56,011. The most significant change in this category was the decrease in miscellaneous revenue classified as non-operating revenue. The reader will recall an atypical expense mentioned in the explanation of the decline of the building maintenance expense when the roof was repaired in 2016 at a cost of $40,449. These expenses were covered by the agency's liability policy less the $15,000 deductible accounting for $25,449 of the decrease in this non-operating category, which declined $30,293 in 2017 compared to 2016. The other grant category was the next largest contributor to the overall reduction in the non-operating revenue category. Other grant revenue declined $18,866 in 2017 compared to the prior year and primarily reflects the lower proceeds of UMY Connect grant.

Although both operating and nonoperating revenues did not fully cover expenses in 2017, the burden of operating expenses associated with two EMRs in a transition period will end at the end of 2017 offering some relief saving the agency approximately $70,000 per year. In addition, the write-off of uncollectible amounts totaling $422,637 associated with the prior EMR is unlikely moving forward. The agency's former

EMR used prior to March 1, 2017 lacked features to allow efficient management of accounts receivable (AR) balances. As a result, total AR balances gradually increased over time as evidenced by the table below from 2013 thru 2016.

Year	2013	2014	2015	2016
AR – Net of Allowance	$563,967	$581,477	$838,612	$787,508

The new EMR, however, promotes more effective management of AR balances. For example, the total AR balance from December 31, 2017 to November 30, 2018 declined $23,512. This writer would also expect this improvement of AR balances to continue as staff become more familiar and skilled with the new software. The improved management of AR balances with the new EMR should substantially reduce the need for future significant write-offs as was the case of the prior EMR. Despite the expected financial benefits from a single EMR to maintain and improved AR management, a significant gap still exists between revenue and expenses at the Center, which will be discussed in further detail in the Future Challenges section.

Statement of Cash Flows

The statement of cash flows reflects cash provided by or used in operating activities, capital and related financing activities, and investing activities for the year ended December 31, 2017. The statement of cash flows represents detailed information about the cash activity of the Center during the year.

TABLE 1
STATEMENT OF NET POSITION

		2017	2016
Current Assets	$	**821,232**	1,527,278
Capital Assets		**563,660**	569,332
Other Assets		**550**	550
Total Assets		**1,385,442**	2,097,160
Deferred Outflows of Resources		**397,318**	582,134
Current Liabilities		**155,828**	132,565
Other Liabilities		**2,328,472**	2,786,323
Total Liabilities		**2,484,300**	2,918,888
Deferred Inflows of Resources		**352,395**	152,835
Invested in Capital Assets, Net of Related Debt		**563,660**	569,332
Unrestricted		**(1,617,595)**	(961,761)
Total Net Position	$	**(1,053,935)**	(392,429)

TABLE 2
STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION

		2017	2016
Total Operating Revenues	$	**3,884,693**	4,735,924
Total Operating Expenses		**5,065,321**	5,466,293

Net Operating Loss	**(1,180,628)**	(730,369)
Net Nonoperating Revenues	**519,122**	575,133
Change in Net Position	**(661,506)**	(155,236)
Total Net Position, Beginning	**(392,429)**	(237,193)
Total Net Position, Ending	$ **(1,053,935)**	(392,429)

TABLE 3
CAPITAL ASSETS

At the end of 2017, the Center had $569,332 invested in capital assets less depreciation.

	2017	2016
Office Equipment	$ **544,554**	468,906
Transportation Equipment	**521,559**	521,559
Land	**70,000**	70,000
Building and Parking Lots	**850,445**	850,445
Accumulated Depreciation	**(1,432,318)**	(1,341,578)
Net Capital Assets	$ **563,660**	569,332

2017 TECHNOLOGY CHALLENGES

The 2017 year involved either the selection, planning or implementation of multiple technology projects. The following summarizes these various technology projects.

- Implementation planning of Credible, the new EMR, began in late September of 2016 with the actual implementation date on March 1, 2017. Credible has one of the shorter implementations in the industry, however, the time commitment likely is increased with the implementation occurring in a shorter time frame. The task of AR/Billing staff working in two EMR simultaneously was compounded since the department was down one position during the first year of using the new EMR. The decision was made to not replace the open position when the current AR/Billing staff was still learning the new software. During this time there were challenges posting payments where part went to former EMR and part went to new EMR. In addition, PLB segments in electronic 835 payments were handled differently in the new software and it was difficult identifying the correct way these special transactions needed to be handled. Eventually, processes were established going forward, however, a very time consulting review of all cash transactions in the new EMR software was required to identify any issues caused by the split payments in both EMRs and PLB segments to ensure cash was correctly stated and matched bank deposits.
- Since the agency's former software had modules not only for the EMR component, but also accounting, the agency needed to migrate to a new accounting software. The implementation planning of Abila MIP began in early September 2016 with the launch date on January 1, 2017. The chart of accounts of our former accounting software was somewhat antiquated and was revamped during implementation planning due to improved capabilities of the new accounting software.
- During the first year of use of both the new EMR and Abila MIP, the creation of new reports to replace ones already in place in our former software was required. Examples include reports for productivity, grants, agency's state contract requirements and agency encounter data forwarded to a contractor hired by Association of Community Mental Health Centers of Kansas (ACMHCK), which allows for comparative analysis between the CMHCs submitting the same data. In addition,

our new software utilized a SQL relational database as opposed to a flat database used by the Unix OS of our former software. The canned reports of the new accounting software were sufficient with ample flexibility, however, many of the reports developed for the new EMR involved custom reports to meet the needs of the agency. These custom reports in the EMR software required the development of new skills within the agency in order to replace former reports in place.

- The agency purchased a tool provided by the software vendor of our former EMR. The tool exported around 1.5 million pdf files from our former EMR. For each pdf file exported there was a matching XML file with the same name, but instead of a pdf file extension it had an XML file extension. The XML file had meta data about the matching PDF file (client id, client name, date of service and type of service). During 2017 research identified an economical Document Management System (DMS), eFileCabinet, which was HIPPA compliant to house the medical records from our former EMR. The challenge was associating the meta data in the XML file with each of the PDF files. Center staff developed a PowerShell script which extracted the meta data from each XML file and converted it into delimited data in a CSV file. Each line of the CSV file contained meta data associated with one of the PDF files. The process allowed the eFileCabinet implementation specialist to import the meta data into the DMS and associate it with each of the appropriate pdf files.
- This agency due to the costs of maintaining two EMRs planned on discontinuing maintenance of the former EMR December 31, 2017. This goal was achieved; however, it required a significant amount of time including numerous hours of work outside regular working hours the last two weeks of December 2017. The work involved using the tool mentioned earlier to export the medical records, exporting financial data to allow importing beginning balances in the new EMR software and writing-off any non-collectible balances.
- To cut future costs, the agency ended a contract with a Professional Employment Organization (PEO) December 2017, who provided payroll, benefits management & HR services. The agency researched payroll, timekeeping and HR software during 2017 and opted to use modules of the new accounting software, Abila. Implementation planning and configuration for implementing the payroll, HR & timekeeping system began in October of 2017 and the first payroll of 2018 was processed with the new software. Therefore, payroll processing and benefit management was brought in house and a different company was contracted to provided HR support.
- In May of 2017, the agency's main server went down for five days. Contracted IT staff replaced the motherboard of the affected server. Due to the servers age, a new motherboard was not available and a used one was the only option. The experience of being down for five days and the concern about the dependability of our main server with a used motherboard led The Center to begin evaluating different contracted IT vendors after this incident. Alexander Open Systems (AOS) was identified as the new contracted IT vendor for the agency moving forward. AOS did not have a set monthly fee and charged for actual time compared to a set amount each month regardless if the contracted IT service was used or not. It was believed the arrangement with AOS would cut IT support costs for the agency. During the last few months of 2017, this agency worked with AOS to develop a plan to update the firewall and the suspect server with the used motherboard. The firewall was updated January of 2018 and the server June of 2018, both without incident. It should be noted, despite the server going down for five days in May of 2017, most business operations were not affected since our new EMR was hosted in the cloud and was still accessible allowing employees to complete their work.
- In the Future Challenges section of the Management Discussion & Analysis of last year's financial audit, this writer identified technology as the primary area involving critical future tasks. The preceding detail confirms the earlier held belief.

FUTURE CHALLENGES

Due to the financial challenges facing the agency, Julie Kramp, Executive Director, requested the technical assistance services available thru the ACMHCK. The service involves the assessment and

recommendation by a team of executive directors from other community mental health centers with expertise related to the agency's challenges. The technical assistance team was onsite at the end of January 2018 and examined all aspects of the agency's operations. Their findings were made available to our governing board and management team. The agency met and devised a strategy to implement suggestions to improve the financial stability of the Center. This includes such items as changing to centralized scheduling, counselors changing from hourly to salaried status, guidelines to programs serving target populations and eliminating one management position.

CONTACTING THE CENTER'S FINANCIAL MANAGEMENT

This annual financial report is designed to provide citizens, taxpayers, customers, board members and other users of this report a general overall summary of the Center's finances. The report is also to show the Center's accountability for the money it receives.

Further questions concerning the report or the financial status of **The Center for Counseling and Consultation** should be directed to Douglas Diel's office at 5815 Broadway Ave., Great Bend, Kansas, 67530, phone 620-792-2544.

Douglas Diel

Douglas Diel, M.S.
Financial Manager

THE CENTER FOR COUNSELING AND CONSULTATION
Statements of Net Position
December 31, 2017 and 2016

		2017	2016
ASSETS			
Current Assets			
Cash	$	**352,520**	710,392
Accounts Receivable - Patients, Net of Allowance		**416,045**	787,508
Due From Employee		**244**	72
Prepaid Expenses		**52,423**	29,306
Total Current Assets		**821,232**	1,527,278
Noncurrent Assets			
Capital Assets, Not Depreciated		**70,000**	70,000
Capital Assets, Net of Accumulated Depreciation of $1,432,318 and $1,341,578		**493,660**	499,332
Other Assets		**550**	550
Total Noncurrent Assets		**564,210**	569,882
Deferred Outflows of Resources			
Deferred Outflows - Pensions		**397,318**	582,134
Total Assets and Deferred Outflows of Resources		**1,782,760**	2,679,294
LIABILITIES AND NET POSITION			
Current Liabilities			
Accounts Payable		**30,236**	1,975
Accrued Salaries		**98,669**	103,312
Accrued Payroll Liabilities		**22,589**	27,278
Other Payables		**4,334**	-
Total Current Liabilities		**155,828**	132,565
Long-Term Liabilities			
Compensated Absences		**129,702**	139,510
Net Pension Liability		**2,198,770**	2,646,813
Total Long-Term Liabilities		**2,328,472**	2,786,323
Total Liabilities		**2,484,300**	2,918,888
Deferred Inflows of Resources			
Grants Received in Advance		**6,265**	36,518
Deferred Inflows - Pensions		**346,130**	116,317
Total Deferred Inflows of Resources		**352,395**	152,835
Total Liabilities and Deferred Inflows of Resources		**2,836,695**	3,071,723
Net Position			
Invested in Capital Assets, Net of Related Debt		**563,660**	569,332
Unrestricted		**(1,617,595)**	(961,761)
Total Net Position	$	**(1,053,935)**	(392,429)

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

THE CENTER FOR COUNSELING AND CONSULTATION

Statements of Revenues, Expenses and Change in Net Position

For the Years Ended December 31, 2017 and 2016

		2017	2016
Operating Revenues			
Program Service Fees, Net of Discounts and Allowances	$	**3,200,915**	4,175,254
Provision for Bad Debts		**(257,068)**	(182,205)
Net Program Service Fees		**2,943,847**	3,993,049
Federal Financial Assistance		**30,271**	32,594
State Financial Assistance		**778,178**	666,760
EAP Assistance Grant		**2,686**	3,106
Rent		**1,250**	3,500
Other		**128,461**	36,915
Total Operating Revenues		**3,884,693**	4,735,924
Operating Expenses			
Advertising and Public Relations		**52,100**	36,951
Building Maintenance		**34,622**	79,421
Conferences and Training		**35,945**	40,126
Contractual		**579,132**	604,190
Dues and Fees		**18,085**	19,627
Employee Benefits		**751,844**	751,164
Equipment Maintenance		**41,924**	33,569
Group Incentives		**17,666**	21,885
Housing and Flex Funds		**11,908**	12,754
Insurance		**70,167**	100,122
KPERS		**292,376**	371,530
Occupancy		**55,663**	74,167
Other		**8,253**	19,889
Payroll Taxes		**192,887**	205,088
Postage		**7,571**	10,288
Collection Fees		**10,335**	11,519
Salaries		**2,733,245**	2,891,702
Supplies		**22,518**	44,464
Travel		**38,340**	44,345
Depreciation		**90,740**	93,492
Total Operating Expenses		**5,065,321**	5,466,293
Net Operating Loss		**(1,180,628)**	(730,369)
Nonoperating Revenues			
State Aid		**255,708**	255,708
County Financial Assistance		**202,676**	206,322
Other Grant		**52,404**	71,270
Miscellaneous		**6,318**	36,611
Gain on Sale of Assets		**140**	3,897
Interest Income		**1,876**	1,325
Total Nonoperating Revenues		**519,122**	575,133
Change in Net Position		**(661,506)**	(155,236)
Total Net Position - Beginning		**(392,429)**	(237,193)
Total Net Position - Ending	$	**(1,053,935)**	(392,429)

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

THE CENTER FOR COUNSELING AND CONSULTATION
Statements of Cash Flows
For the Years Ended December 31, 2017 and 2016

		2017	2016
Cash Flows From Operating Activities			
Patient Services	$	**3,319,644**	4,044,153
Grants and Contracts		**780,882**	648,998
Payments to Employees		**(4,022,906)**	(4,172,208)
Payments to Suppliers		**(999,085)**	(1,107,091)
Other Receipts		**129,539**	40,415
Net Cash Used by Operating Activities		**(791,926)**	(545,733)
Cash Flows From Noncapital Financing Activities			
State Aid		**255,708**	255,708
County Financial Assistance		**202,676**	206,322
Other Grant		**52,404**	71,270
Miscellaneous		**6,318**	36,611
Net Cash Provided by Noncapital Financing Activities		**517,106**	569,911
Cash Flows From Capital and Related Financing Activities			
Proceeds From Sale of Assets		**140**	3,897
Disposal of Assets		**-**	6,538
Purchase of Capital Assets		**(85,068)**	(43,026)
Net Cash Used by Capital and Related Financing Activities		**(84,928)**	(32,591)
Cash Flows From Investing Activities			
Interest Income		**1,876**	1,325
Net Decrease in Cash		**(357,872)**	(7,088)
Cash - Beginning of Year		**710,392**	717,480
Cash - End of Year	$	**352,520**	710,392
Reconciliation of Net Operating Loss to Net Cash Used by Operating Activities			
Net Operating Loss	$	**(1,180,628)**	(730,369)
Adjustments to Reconcile Net Operating Loss to Net Cash Used By Operating Activities			
Depreciation and Amortization		**90,740**	93,492
(Increase) Decrease in			
Accounts Receivable		**371,463**	51,104
Due From Employee		**(172)**	-
Prepaid Expenses		**(23,117)**	44,892
Other Assets		**-**	34,945
Increase (Decrease) in			
Accounts Payable		**28,261**	1,334
Accrued Salaries		**(4,643)**	2,509
Accrued Payroll Liabilities		**(4,689)**	4,098
Other Payables		**4,334**	-
Compensated Absences		**(9,808)**	(8,816)
Net Pension Liability		**(33,414)**	14,540
Grants Received in Advance		**(30,253)**	(53,462)
Net Cash Used by Operating Activities	$	**(791,926)**	(545,733)

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of **The Center for Counseling and Consultation**, relating to the programs included in the accompanying financial statements, conform to generally accepted accounting principles applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governments (GASB 34 Edition), and by the Financial Accounting Standards Board, when applicable. The following is a summary of such significant policies.

Financial Reporting Entity

The Center is a quasi-governmental organization and is operated and licensed as a community mental health center under the laws and regulations enumerated under K.S.A. 19-4001 et. seq. The purpose of the Center is to provide mental health services and education to the communities in the following four counties: Barton, Stafford, Rice and Pawnee. The Center does not have any component units.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The entity financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the supplemental financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. For financial statement reporting purposes, the Center is considered a special-purpose government engaged only in business-type activities and consists of one proprietary fund.

When both restricted and unrestricted resources are available for use, it is the Center's policy to use restricted resources first, and then unrestricted resources as needed.

Budgetary Information

The Center is not subject to the legal annual operating budget requirements, but is controlled by the use of an internal budget established by the governing body. The internal budget is the source of the budget amounts listed in the supplementary information.

Revenue Classification

The Center has classified its revenues as either operating or nonoperating according to the following criteria:

Operating Revenues – Operating revenues include activities that have the characteristics of exchange transactions, such as (1) patient services, (2) federal and state grants and contracts, and (3) management fees.

Nonoperating Revenues – Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as donations, and other revenue sources that are defined as nonoperating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB Statement No. 34, such as state aid, county appropriations, and interest on investments.

Patient Service Revenue
The Center has agreements with several organizations that provide for payments on covered services rendered by the Center. The basis for payments under the agreements is at established rates. The Center also participates in a Participating CMHC Agreement with the Kansas Department for Aging and Disability Services (KDADS) to provide payments for patient services provided, which are governed by various rules and regulations by KDADS. Funding is comprised of funding allotments from Mental Health Reform, the Governor's Mental Health Initiatives, the Block Grant for Community Mental Health Services, and State Aid.

Cash
For purposes of the statement of cash flows, the Center considers all unrestricted, highly liquid deposits with original maturities of three months or less as cash.

Accounts Receivable
Accounts receivable consists of patient services and coverage plans. Accounts receivable are recorded net of discounts and estimated allowance for uncollectible amounts.

Management determines the adequacy of the allowance for doubtful accounts based upon review of the aged accounts receivable. Amounts determined uncollectible are charged to the allowance account and removed from accounts receivable.

The allowance for uncollectible amounts for coverage plan accounts receivable is determined on the net realized insurance billings based on a historical average net realization rate. The coverage plan uncollectible amount was $940,777 and $1,113,076 as of December 31, 2017 and 2016, respectively.

The allowance for uncollectible amounts for self-pay accounts receivable is computed as 50% of all accounts receivable over 60 days, 70% of all accounts receivable over 90 days, 80% of all accounts receivable over 120 days and 100% for all accounts in collection. The amount reported in self-pay accounts receivable is reduced by both sliding scale fee discounts and special fees prior to booking the receivable. The self-pay uncollectible amount was $827,643 and $714,185 as of December 31, 2017 and 2016, respectively.

The Center does not have any cost reports or settlements with third-party payers. The Center has contracted with various organizations at set, upfront rates that do not get adjusted until the contracts are renewed. No retrospective adjustments are made.

Prepaid Items
Payments made to vendors for goods or services that will benefit periods beyond the current year are recorded as prepaid items when they are deemed material and it is considered appropriate.

Capital Assets
Capital assets, which include property, plant and equipment, are reported in the statements of net position. The Center does not have a formal capitalization policy. Assets that are capitalized are recorded at historical cost, estimated historical cost if actual cost is not available, and estimated fair value on the date donated.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The sale or disposal of capital assets is recorded by removing cost and accumulated depreciation from the accounts and charging the resulting gain or loss to income.

Capital assets are capitalized and depreciated over the remaining useful lives of the related capital asset categories as applicable.

Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Buildings	15 to 45 years
Equipment	3 to 15 years
Vehicles	5 to 10 years

Deferred Outflows and Inflows of Resources
In addition to assets, the statement of net position may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Center reports collective deferred outflows for pensions. See Note 6 for more information on these deferred outflows.

In addition to liabilities, the statement of net position may report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The Center reports collective deferred inflows for pensions and grant revenue. See Note 6 for more information on the pension deferred inflows.

Net Position
The Center's net position is classified as follows:

a. *Invested in capital assets, net of related debt*: This represents the Center's total investment in capital assets, net of outstanding debt obligations related to those capital assets.

b. *Restricted net position*: Restricted net position includes resources in which the Center is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties. There were no restrictions as of December 31, 2017 and 2016.

c. *Unrestricted net position:* The Center receives various funds from organizations which are available for use at the discretion of the Center.

Income Taxes
The Center is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code; therefore, income taxes are not provided for in the financial statements.

NOTE 2 – CASH

The Center's carrying amount of deposits and cash on hand was $352,520 and $710,392 and the bank balance was $393,715 and $720,346 at December 31, 2017 and 2016, respectively. The bank balance was held by one financial institution resulting in a concentration of credit risk. Of the bank balance, $250,000 was covered by federal depository insurance, $143,715 and $470,346 at December 31, 2017 and 2016, respectively, was collateralized with securities held by pledging financial institutions' agents in the Center's name. The Center does not have a deposit policy for custodial credit risk.

The Center has no investment policy that would further limit its investment choices.

NOTE 3 – CAPITAL ASSETS

The following is a summary of changes in the various capital asset categories for the year ended December 31, 2017.

		Beginning Balances	Increases	Decreases	Ending Balances
Non-Depreciable Capital Assets					
Land	$	70,000	-	-	70,000
Depreciable Capital Assets					
Office Equipment		468,906	75,648	-	544,554
Transportation Equipment		521,559	-	-	521,559
Buildings and Parking Lots		850,445	9,420	-	859,865
Total Depreciable Capital Assets		1,840,910	85,068	-	1,925,978
Accumulated Depreciation		(1,341,578)	(90,740)	-	(1,432,318)
Depreciable Capital Assets, Net of Accumulated Depreciation		449,332	(5,672)	-	493,660
Capital Assets, Net of Accumulated Depreciation	$	**569,332**	**(5,672)**	**-**	**563,660**

The following is a summary of changes in the various capital asset categories for the year ended December 31, 2016.

		Beginning Balances	Increases	Decreases	Ending Balances
Non-Depreciable Capital Assets					
Land	$	70,000	-	-	70,000
Depreciable Capital Assets					
Office Equipment		640,451	20,963	192,508	468,906
Transportation Equipment		537,559	12,195	28,195	521,559
Buildings and Parking Lots		840,577	9,868	-	850,445
Total Depreciable Capital Assets		2,018,587	43,026	220,703	1,840,910
Accumulated Depreciation		(1,462,251)	(93,492)	(214,165)	(1,341,578)
Depreciable Capital Assets, Net of Accumulated Depreciation		556,336	(50,466)	6,538	499,332

Capital Assets, Net of Accumulated Depreciation	$ **626,336**	**(50,466)**	**6,538**	**569,332**

NOTE 4 – LEASES

Operating Leases

The Center for Counseling and Consultation is obligated under certain operating leases. Operating leases do not give rise to property rights or lease obligations and, therefore, the results of the lease agreements are not reflected in the Center's account groups.

The Center currently has operating leases for an office building and postage meter. As of December 31, 2017 and 2016, the payments totaled as follows:

	2017	2016
Office Building	$ -	18,000
Postage Meters	4,872	4,647

The following is a schedule by year of future minimum rental payments required under operating leases that have initial or remaining non-cancelable lease terms in excess of one year as of December 31, 2017.

	Postage Meters
2018	$ 4,764
2019	1,116
2020	1,116
2021	1,116
2022	558

The Center subleases office space in the office building above. The Center reported $1,250 and $3,500 in rental income from the subleased property for the years ended December 31, 2017 and 2016, respectively.

NOTE 5 – COMPENSATED ABSENCES

The Center provides vacation to its eligible employees as follows:

Clinical staff shall earn vacation at the rate of 1¼ days for each month of employment. After 5 years, clinical staff shall earn 20 days of vacation per year. Full-time support staff shall earn two weeks vacation the first year and thereafter shall earn vacation at the rate of 1¼ days for each month of employment. After 5 years the support staff shall earn 20 days of vacation. Vacation is available to part-time employees who are scheduled to work 20 hours or more per week on a pro-rata basis proportionate to the time they work. Vacation may carry over up to a maximum of 240 hours. Employees who have completed the introductory period shall be paid up to 160 hours of unused vacation at the time of termination. The Center's maximum potential carryover liability has been estimated at $145,897 and $172,975. The Center's potential liability for vacation paid upon termination has been estimated at $129,702 and $139,510 at December 31, 2017 and 2016, respectively, and is recorded in the financial statements.

The Center provides sick leave to its full-time eligible employees at the rate of 8 hours per month and may accumulate the hours up to a maximum of 480 hours. Part-time employees shall earn sick leave pro-rata on the same basis as full-time employees. Accumulated sick leave is not paid upon termination. The Center's potential liability for sick leave has been estimated at $206,159 and $217,124 at December 31, 2017 and 2016, respectively, and is not recorded in the financial statements.

NOTE 6 – DEFINED BENEFIT PENSION PLAN

Plan Description

The Center for Counseling and Consultation participates in a cost-sharing multiple-employer pension plan (Pension Plan), as defined in Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans*. The Pension Plan is administered by the Kansas Public Employees Retirement System (KPERS), a body corporate and an instrumentality of the State of Kansas. KPERS provides benefit provisions to the following statewide pension groups under one plan, as provided by K.S.A. 74, article 49:

- Public Employees, which includes
  - State/School Employees
  - Local Employees
- Police and Firemen
- Judges

Substantially all public employees in Kansas are covered by the Pension Plan. Participation by local political subdivisions is optional, but irrevocable once elected.

Those employees participating in the Pension Plan for the Center are included in the local employees group.

KPERS issues a stand-along comprehensive annual financial report, which is available on the KPERS website at www.kpers.org.

Benefits

Benefits are established by statute and may only be changed by the General Assembly. Members with ten or more years of credited service may retire as early as age 55, with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever a member's combined age and years of service equal 85.

Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, members may withdraw their contributions from their individual accounts, including interest. Members who withdraw their accumulated contributions lose all rights and privileges of membership. For all pension coverage groups, the accumulated contributions and interest are deposited into and disbursed from the membership accumulated reserve fund as established by K.S.A. 74-4922.

Members choose one of seven payment options for their monthly retirement benefits. At retirement, a member may receive a lump sum payment of up to 50% of the actuarial present value of the member's lifetime benefit. The monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc postretirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the Legislature and the Governor of the State of Kansas.

The 2012 Legislature made changes affecting new hires, current members and employers. A new KPERS 3 cash balance retirement plan for new hires starting January 1, 2015 was created. Normal retirement age for KPERS 3 is 65 with 5 years of service or 60 with 30 years of service. Early retirement is available at age 55 with 10 years of service with a reduced benefit. Monthly benefit options are an annuity benefit based on the account balance at retirement.

For all pension coverage groups, the retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

Contributions
Member contributions are established by state law, and are paid by the employee according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates be determined based on the results of an annual actuarial valuation. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74-4921. All of the retirement systems are funded on an actuarial reserve basis.

For fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap increase over the prior year contribution rate is 1.2% of total payroll for the fiscal year ended June 30, 2017.

For the year ended December 31, 2017, the actuarially determined employer contribution rate and the statutory employer capped contribution rate for local employees are both 8.46%. The member contribution rate as a percentage of eligible compensation for the fiscal year ended June 30, 2017 was 6.00% for local employees.

For the year ended December 31, 2016, the actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory employer capped contribution rate for local employees are both 9.18%. The member contribution rate as a percentage of eligible compensation for the fiscal year ended June 30, 2016 was 6.00% for local employees.

Contributions to the pension plan for the Center were $237,441 and $273,676 for the years ended December 31, 2017 and 2016, respectively.

Employer Allocations
Although KPERS administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each of the following groups of the plan:

- State/School
- Local
- Police and Fireman
- Judges

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer.

The allocation percentages for the Center's share of the collective pension amounts as of June 30, 2017 and 2016 was based on the ratio of its contributions to the total of the employer and nonemployer contributions of the group for the fiscal years ended June 30, 2017 and 2016, respectively.

The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2017, the Center's proportion was 0.152%, which was a decrease of 0.019% from its proportion measured at June 30, 2016. At June 30, 2016, the Center's proportion was 0.171%, which was a decrease of 0.004% from its proportion measured at June 30, 2015.

Net Pension Liability
Net pension liability activity for the years ended June 30 was as follows:

	2017	2016
Net Pension Liability	$2,198,770	$2,646,813
Measurement Date	June 30, 2017	June 30, 2016
Valuation Date	December 31, 2016	December 31, 2015

Actuarial Assumptions
The actuarial valuation used the following actuarial assumptions applied to all periods included in the measurement:

Price inflation	2.75%
Salary increases	3.50 to 12.00%, including price inflation
Investment rate of return	7.75%, compounded annually, net of investment expense, including price inflation

Mortality rates were based on the RP 2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2016.

The actuarial assumptions used in the December 31, 2016 valuation were based on the results of an actuarial experience study conducted for the period January 1, 2013 through December 31, 2015. The experience study is dated November 18, 2016.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocations as of November 18, 2016 are summarized in the following table.

Asset Class	**Long-Term Target Allocation**		**Long-Term Expected Real Rate of Return**	
Global Equity	47.00	%	6.80	%
Fixed Income	13.00		1.25	
Yield Driven	8.00		6.55	
Real Return	11.00		1.71	
Real Estate	11.00		5.05	
Alternatives	8.00		9.85	
Short-Term Investments	2.00		(0.25)	
Total	100.00	%		

Discount Rate
The discount rates used to measure the total pension liability for the years ended December 31, 2017 and 2016 were 7.75% and 8.00%, respectively. The projection of cash flows used to determine the discount rate was based on member and employer contributions. The local groups do not necessarily contribute the full actuarial determined rate. Based on legislation first passed in 1993 the employer contribution rates certified by the System's Board of Trustees for this group may not increase by more than the statutory cap. The expected KPERS employer statutory contribution was modeled for

future years, assuming all actuarial assumptions are met in future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate
For the year ended December 31, 2017, the following presents the Center's proportionate share of the net pension liability calculated using the discount rate of 7.75%, as well as what the Center's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.75%) or 1 percentage point higher (8.75%) than the current rate:

1% Decrease (6.75%)	Discount Rate (7.75%)	1% Increase (8.75%)
$3,166,710	$2,198,770	$1,382,835

For the year ended December 31, 2016, the following presents the Center's proportionate share of the net pension liability calculated using the discount rate of 8.00%, as well as what the Center's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (7.00%) or 1 percentage point higher (9.00%) than the current rate:

1% Decrease (7.00%)	Discount Rate (8.00%)	1% Increase (9.00%)
$3,627,885	$2,646,813	$1,814,940

Pension Expense
For the years ended December 31, 2017 and 2016, the Center recognized pension expense of $192,893 and $270,254, respectively, which includes the changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

Deferred Outflows of Resources and Deferred Inflows of Resources
At December 31, the Center reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2017		2016	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$ 10,635	76,029	15,362	47,772
Net differences between projected and actual earnings on investments	68,971	-	312,667	-
Changes in assumptions	118,413	16,078	-	43,786
Changes in proportion	90,798	254,023	133,594	24,759
Contributions subsequent to measurement date	108,501	-	120,511	-
Total	$ 397,318	346,130	582,134	116,317

The $108,501 reported as deferred outflows of resources related to pensions resulting from Center contributions subsequent to the measurement date will be recognized as a reduction of the net pension

liability for the year ending December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31		
2018	$	(21,685)
2019		58,866
2020		(413)
2021		(79,912)
2022		(14,169)

NOTE 7 – DEFERRED COMPENSATION PLAN

The Center sponsors a deferred compensation plan under Internal Revenue Code Section 457(b). All KPERS eligible employees are eligible to participate under the plan and are enrolled. Employees may supplement their KPERS retirement with a voluntary elective option to contribute to the plan offered by ING specifically for KPERS members. The Center is not required to make any contributions.

NOTE 8 – OTHER POST EMPLOYMENT BENEFITS

The Center allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the Center is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the Center makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

NOTE 9 – LITIGATION

The Center for Counseling and Consultation is party to various legal proceedings which normally occur in governmental operations. The legal proceedings are not likely to have a material financial impact on the funds of the Center.

NOTE 10 – RISK MANAGEMENT

The Center for Counseling and Consultation is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Center has been unable to obtain health insurance at a cost it considered to be economically justifiable. For this reason, the Center joined together with other entities in the State to participate in the State Employee Health Plan (SEHP), a public entity risk pool currently operating as a common risk management and insurance program for 92,040 covered lives.

The Center pays monthly premiums to the SEHP for its health insurance coverage. The agreement to participate provides that the SEHP will be self-sustaining through member premiums and will not reinsure through commercial companies. Additional premiums may be due if total claims for the pool are different than what has been anticipated by SEHP management.

The Center carries commercial insurance for all other risks of loss, including property, general liability, inland marine, automobile, professional liability, crime, workers compensation, directors and officers liability, and medical professional liability. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 11 – CONTINGENCY

The Center participates in numerous state and federal grant programs, which are governed by various rules and regulations. Costs charged to the respective grant programs are subject to audit and adjustments by the grantor agencies; therefore, to the extent that the Center has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the Center's management, any liability for reimbursement, which may arise as the result of such audits, is not believed to be material.

The Center also receives a substantial amount of revenue from third party payers, such as Medicare, Medicaid and Blue Cross Blue Shield. A significant reduction in reimbursements from any of these parties could have a material impact on the Center's programs and services.

NOTE 12 – CONCENTRATIONS

The Center for Counseling and Consultation provides counseling to individuals in multiple county areas. The Center grants credit without collateral to its patients, most of whom are insured under third-party payer agreements. The mix of receivables from third-party payers and patients at December 31st was as follows:

	2017	2016
Medicare	**7%**	11%
Blue Cross Blue Shield	**8%**	9%
Medicaid/KanCare	**46%**	57%
Other Commercial Insurance	**4%**	6%
Other Third-Party and Patient Payers	**35%**	17%

NOTE 13 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 25, 2019, which is the date the financial statements were available to be issued.

ADAMS BROWN BERAN & BALL Chartered

Phone (620) 792-2428 ■ Fax (620) 792-5559 ■ www.abbb.com
2006 Broadway Ave. ■ Suite 2A ■ P.O. Drawer J
Great Bend, Kansas 67530-4043

Certified Public Accountants

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

To the Board of Directors
The Center for Counseling and Consultation
Great Bend, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of **The Center for Counseling and Consultation**, as of and for the year ended December 31, 2017, and the related notes to the financial statements, and have issued our report thereon dated January 25, 2019. The report on the audited financial statements was qualified because it did not include the required annual cost and long-term obligations of the other postemployment benefits as required by Governmental Auditing Standards Board Statements Number 43 and 45 and accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and a significant deficiency.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs (2017-001 and 2017-002) to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs (2017-003) to be a significant deficiency.

Compliance and Other Matters

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

The Center for Counseling and Consultation's Response to Findings

The Center for Counseling and Consultation's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. **The Center for Counseling and Consultation's** response was not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Adams, Brown, Beran & Ball, Chartered

ADAMS, BROWN, BERAN & BALL, CHTD.
Certified Public Accountants

January 25, 2019

THE CENTER FOR COUNSELING AND CONSULTATION

Required Supplementary Information

THE CENTER FOR COUNSELING AND CONSULTATION

Schedule of Proportionate Share of the Collective Net Pension Liability
Kansas Public Employees Retirement System
December 31, 2017 and 2016

Fiscal year end		**December 31, 2017**	December 31, 2016	December 31, 2015
Measurement date		**June 30, 2017**	June 30, 2016	June 30, 2015
The Center's proportion of the collective net pension liability		**0.152%**	0.171%	0.175%
The Center's proportionate share of the net pension liability	$	**2,198,770**	2,646,813	2,295,884
The Center's covered-employee payroll	$	**2,646,378**	2,904,376	2,824,714
The Center's proportionate share of the collective net pension liability as a percentage of its covered-employee payroll		**83.09%**	91.13%	81.28%
Plan's fiduciary net position	$	**18,633,840,421**	17,192,432,371	16,635,520,735
Plan fiduciary net position as a percentage of the total pension liability		**67.12%**	65.10%	64.95%

GASB 68 requires presentation of ten years. Until a full 10-year trend is compiled, the Center will present information for those years for which information is available.

Note: Information on this schedule is as of the measurement date.

THE CENTER FOR COUNSELING AND CONSULTATION

Schedule of the Center's Contributions

Kansas Public Employees Retirement System

December 31, 2017 and 2016

		2017	2016	2015
Contractually required contribution	$	**237,441**	346,123	374,750
Contributions in relation to the contractually required contribution		**237,441**	346,123	374,750
Contribution deficiency (excess)	$	**-**	-	-
The Center's covered-employee payroll	$	**2,646,378**	2,904,376	2,824,714
Contributions as a percentage of covered-employee payroll		**8.97%**	11.92%	13.27%

GASB 68 requires presentation of ten years. Until a full 10-year trend is compiled, the Center will present information for those years for which information is available.

THE CENTER FOR COUNSELING AND CONSULTATION

Supplementary Information

THE CENTER FOR COUNSELING AND CONSULTATION

Schedule of Revenues, Expenses and Change in Net Position - Budget and Actual

For the Year Ended December 31, 2017

		2017		
		Original and Final Budget	**Actual**	Variance Over (Under)
Operating Revenues				
Program Service Fees, Net of Discounts and Allowances	$	4,121,045	**3,200,915**	(920,130)
Provision for Bad Debts		-	**(257,068)**	(257,068)
Net Program Service Fees		4,121,045	**2,943,847**	(1,177,198)
Federal Financial Assistance		32,594	**30,271**	(2,323)
State Financial Assistance		643,756	**778,178**	134,422
EAP Assistance Grant		2,686	**2,686**	-
Rent		3,000	**1,250**	(1,750)
Other		3,500	**128,461**	124,961
Total Operating Revenues		4,806,581	**3,884,693**	(921,888)
Operating Expenses				
Advertising and Public Relations		35,000	**52,100**	17,100
Building Maintenance		22,500	**34,622**	12,122
Conferences and Training		43,550	**35,945**	(7,605)
Contractual		608,834	**579,132**	(29,702)
Dues and Fees		19,125	**18,085**	(1,040)
Employee Benefits		805,283	**751,844**	(53,439)
Equipment Maintenance		56,720	**41,924**	(14,796)
Group Incentives		11,500	**17,666**	6,166
Housing and Flex Funds		13,500	**11,908**	(1,592)
Insurance		72,430	**70,167**	(2,263)
KPERS		349,940	**292,376**	(57,564)
Occupancy		48,814	**55,663**	6,849
Other		42,813	**8,253**	(34,560)
Payroll Taxes		177,285	**192,887**	15,602
Postage		10,500	**7,571**	(2,929)
Professional Fees		8,000	**10,335**	2,335
Salaries		2,838,520	**2,733,245**	(105,275)
Supplies		42,350	**22,518**	(19,832)
Travel		68,000	**38,340**	(29,660)
Total Operating Expenses		5,274,664	**4,974,581**	(300,083)
Net Operating Loss		(468,083)	**(1,089,888)**	(621,805)
Nonoperating Revenues				
State Aid		255,708	**255,708**	-
County Financial Assistance		206,341	**202,676**	(3,665)
Sale of Gain on Assets		-	**140**	140
Other Grant		-	**52,404**	52,404
Miscellaneous		-	**6,318**	6,318
Interest Income		2,000	**1,876**	(124)
Total Nonoperating Revenues		464,049	**519,122**	55,073
Change in Net Position		(4,034)	**(570,766)**	(566,732)
Total Net Position - Beginning		-	**(392,429)**	(392,429)
Total Net Position - Ending		(4,034)	**(963,195)**	(959,161)
Adjustment for GAAP				
Depreciation		(69,000)	**(90,740)**	(21,740)
Total Net Position Per Client	$	(73,034)	**(1,053,935)**	(980,901)

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses a qualified opinion on the financial statements of **The Center for Counseling and Consultation**.

2. The Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards* identified the following deficiencies in internal control over financial reporting that are considered to be a material weakness (2017-001) and a significant deficiency (2017-002).

3. No instances of noncompliance material to the financial statements of **The Center for Counseling and Consultation** were disclosed during the audit.

B. FINDINGS AND RESPONSES – FINANCIAL STATEMENTS AUDIT

Material Weakness in Internal Control

2017-001

Condition
Internal controls over the process of billing and collection of accounts receivable are not properly in place. The Center's policy on how and when delinquent accounts should be written off or sent to collections does not consistently reflect the process being followed.

Criteria
Internal controls should be in place to ensure accounts receivable are properly billed, recorded and written off in a timely manner.

Cause
Accounts receivable accounts were not fully evaluated to determine whether or not they need written off or sent to collections.

Effect
Due to the fact that accounts receivable balances were not properly reviewed at year end a material adjustment totaling $78,342 was needed to increase the allowance for doubtful accounts.

Recommendation
We encourage individual accounts be evaluated to determine whether or not they need written off or sent to collections. A process should then be established going forward to continue monitoring these accounts for collectability.

Views of responsible officials and planned corrective actions
See attached corrective action response.

2017-002

Condition
Internal controls over the process of reconciling the bank reconciliations are not properly in place.

Criteria
All activity within the bank account maintained by the Center should be recorded within their accounting software and reconciled monthly.

Cause
Implementation of a new accounting software and EMR software, within the same year, caused processes to change and thus delays in the bank reconciliation completion.

Effect
The bank reconciliations for the 2017 year were not completed until May of 2018. Due to transactions not being posted timely the monthly financial statements compiled for the Board were not accurate.

Recommendation
We encourage the Financial Director to provide proper guidance and training to the Accountant and allow full access to the proper software programs so the Accountant can ensure completion of the bank reconciliation process timely and accurately. The Finance Director should then review and approve the bank reconciliation after completion.

Views of responsible officials and planned corrective actions
See attached corrective action response.

Significant Deficiency in Internal Control

2017-003

Condition
Safeguards are not in place to prevent employees from getting paid for time not worked. Currently, the Center does not have a policy that requires timecards to be approved before sending to Sydneo for payroll processing.

Criteria
Internal controls should be in place to ensure that employees are getting paid for actual time worked.

Cause
Timesheets are either not provided for employees who are paid or not signed off on by the employee's supervisor.

Effect
Time worked is not being evaluated to ensure employees are being paid for time actually worked. Currently, supervisors are not required to review and sign off on employee timesheets.

Recommendation
The Center should implement a policy in which employees' timesheets must be reviewed and signed off on by a supervisor before being paid.

Views of responsible officials and planned corrective actions
See attached corrective action response.

C. COMPLIANCE REQUIREMENTS PER AGREEMENT FOR PARTICIPATING COMMUNITY MENTAL HEALTH CENTER CONSOLIDATED CONTRACT – MHCC 17-004

No material findings or questioned costs were disclosed per the Agreement for Participating Community Mental Health Center Consolidated Contract – MHCC 17-004 as required per the SRS Recipient Monitoring letter dated July 9, 2009.

B. FINDINGS AND RESPONSES – FINANCIAL STATEMENTS AUDIT

2016-001

Condition
Internal controls over the process of billing and collection of accounts receivable are not properly in place. The Center's policy on how and when delinquent accounts should be written off or sent to collections does not consistently reflect the process being followed.

Criteria
Internal controls should be in place to ensure accounts receivable are properly billed, recorded and written off in a timely manner.

Cause
Accounts receivable accounts were not fully evaluated to determine whether or not they need written off or sent to collections.

Effect
Due to the fact that private pay accounts receivable balances are not properly written off or sent to collections, over 80% of private pay accounts receivable are over 90 days old, which has increased from 74% at December 31, 2015. The reality of the situation is that these accounts will not be collected if further action is not taken and the result is a loss of cash flows for the Center.

Recommendation
We encourage individual accounts be evaluated to determine whether or not they need written off or sent to collections. A process should then be established going forward to continue monitoring these accounts for collectability.

Status
This is an ongoing finding. See finding 2017-001 and the corrective action plan provided by the Center to resolve this issue.

2016-002

Condition
Safeguards are not in place to prevent employees from getting paid for time not worked. Currently, the Center does not have a policy that requires timecards to be approved before sending to Sydneo for payroll processing.

Criteria
Internal controls should be in place to ensure that employees are getting paid for actual time worked.

Cause
Timesheets are either not provided for employees who are paid or not signed off on by the employee's supervisor.

Effect
Time worked is not being evaluated to ensure employees are being paid for time actually worked. Currently, supervisors are not required to review and sign off on employee timesheets.

Recommendation
The Center should implement a policy in which employees' timesheets must be reviewed and signed off on by a supervisor before being paid.

Status
This is an ongoing finding. See finding 2017-003 and the corrective action plan provided by the Center to resolve this issue.

THE CENTER FOR COUNSELING AND CONSULTATION
Schedule of Expenditures of Federal and State Awards
For the Year Ended December 31, 2017

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Agency or Pass-through Number	Federal Expenditures	State Expenditures
U.S. Department of Health and Human Services				
Passed Through Kansas Department for Aging and Disability Services				
Mental Health Reform			-	708,862
State Aid			-	255,708
State Hospital Screen Revenue			-	69,316
Passed Through Area Mental Health Center				
Block Grants for Community Mental Health Services	93.958	MHCC-16-004	30,271	-
Total Expenditures of Federal and State Awards			$ **30,271**	**1,033,886**

See accompanying notes to schedule of expenditures of federal and state awards.

THE CENTER FOR COUNSELING AND CONSULTATION
Note to Schedule of Expenditures of Federal and State Awards
For the Year Ended December 31, 2017

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and state awards includes the federal and state grant activity of **The Center for Counseling and Consultation**, and is presented on the accrual basis of accounting in compliance with the GASB 34 reporting model.

NOTE 2 – OTHER EXPENDITURES

The Center for Counseling and Consultation did not receive any federal awards in the form of noncash assistance, insurance, loans, or loan guarantees and incurred no expenditures in relation thereof for the year ended December 31, 2017.

THE CENTER FOR COUNSELING AND CONSULTATION
Schedule of Revenues and Expenditures
Budget and Actual - Grants
December 31, 2017

FEDERAL FUNDS	CFDA	Budget	Actual 1/1/17 to 06/30/17	Actual 7/1/17 to 12/31/17
Regional Recovery Center				
Revenues	93.958	$ 30,271	16,297	13,974
Expenditures		$ 30,271	16,297	13,974
STATE FUNDS				
Mental Health Reform				
Revenues		$ 708,862	354,431	354,431
Expenditures		$ 708,862	354,431	354,431
State Aid				
Revenues		$ 255,708	127,854	127,854
Expenditures		$ 255,708	127,854	127,854
State Hospital Screen Revenue				
Revenues		$ 69,316	34,658	34,658
Expenditures		$ 69,316	34,658	34,658