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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

► The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No 1545-0047

2008

Open to Public Inspection

A For the 2008 calendar year, or tax year beginning JULY 1 , 2008, and ending JUNE 30 , 20 09

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Termination
- ☐ Amended return
- ☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization WASHINGTON CO. MENTAL HEALTH AUTHORITY

Doing Business As

Number and street (or P.O box if mail is not delivered to street address) Room/suite
339 EAST ANTIETAM STREET 5

City or town, state or country, and ZIP + 4
HAGERSTOWN, MD 21740

D Employer identification number
52 1689627

E Telephone number
(301) 739-2490

G Gross receipts $ 2,855,204

F Name and address of principal officer MARSHALL ROCK
SAME AS C ABOVE

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ► N/A

I Tax-exempt status: ☑ 501(c) (3) ◄ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ► WWW.WCMHA.ORG

K Type of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ►

L Year of formation 1990

M State of legal domicile: MD

Part I Summary

1 Briefly describe the organization's mission or most significant activities: TO MANAGE AND COORDINATE THE PUBLICLY FUNDED MENTAL HEALTH SERVICES SYSTEM AND TO PROMOTE FULL COMMUNITY PARTICIPATION IN THE PLANNING AND DELIVERY OF MENTAL HEALTH SERVICES IN WASHINGTON COUNTY.

2 Check this box ► ☐ if the organization discontinued its operations or disposed of more than 25% of its assets.

3	Number of voting members of the governing body (Part VI, line 1a)	3	5
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	5
5	Total number of employees (Part V, line 2a)	5	4
6	Total number of volunteers (estimate if necessary)	6	6
7a	Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	0
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0

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		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	2,204,524	2,853,837
9	Program service revenue (Part VIII, line 2g)	0	0
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	11,553	1,367
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0	0
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	2,216,077	2,855,204
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	1,851,167	2,497,366
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	296,009	298,944
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ► 0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	56,534	58,536
18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	2,203,710	2,854,846
19	Revenue less expenses. Subtract line 18 from line 12	12,367	358

		Beginning of Year	End of Year
20	Total assets (Part X, line 16)	598,001	693,196
21	Total liabilities (Part X, line 26)	432,050	526,887
22	Net assets or fund balances. Subtract line 21 from line 20	165,951	166,309

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here

Marshall Rock
Signature of officer

4/12/2010
Date

MARSHALL ROCK, EXECUTIVE DIRECTOR
Type or print name and title

Paid Preparer's Use Only

Preparer's signature | Date | Check if self-employed ► ☐ | Preparer's identifying number (see instructions)

Firm's name (or yours if self-employed), address, and ZIP + 4 | EIN ► | Phone no ► ( )

May the IRS discuss this return with the preparer shown above? (see instructions) ☐ Yes ☐ No

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Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission:
TO MANAGE AND COORDINATE THE PUBLICLY FUNDED MENTAL HEALTH SERVICES SYSTEM AND TO PROMOTE FULL COMMUNITY PARTICIPATION IN THE PLANNING AND DELIVERY OF MENTAL HEALTH SERVICES IN WASHINGTON COUNTY.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . . ☐ Yes ☑ No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . . ☐ Yes ☑ No
If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses $ 2,339,311 including grants of $ 2,339,311) (Revenue $)
THE ORGANIZATION ACTS AS A CLEARING HOUSE, DISTRIBUTING FUNDS FROM THE STATE OF MARYLAND TO LOCAL MENTAL HEALTH SERVICE ORGANIZATIONS. THE RECIPIENT ORGANIZATIONS ARE ALL NONPROFIT ORGANIZATIONS.

4b (Code:) (Expenses $ 158,055 including grants of $ 158,055) (Revenue $)
SHELTER PLUS CARE - THE ORGANIZATION ACTS AS THE LIASON BETWEEN THE MENTAL HYGIENE ADMINISTRATION AND WASHINGTON COUNTY FOR THE LOCAL ADMINISTRATION OF THE SHELTER PLUS CARE GRANT.

4c (Code:) (Expenses $ including grants of $) (Revenue $)

4d Other program services. (Describe in Schedule O.)
(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses ▶ $** 2,497,366 *(Must equal Part IX, Line 25, column (B).)*

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	✓	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	✓	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		✓
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? *If "Yes," complete Schedule C, Part II*	4		✓
5	**Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		✓
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		✓
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		✓
9	Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		✓
10	Did the organization hold assets in term, permanent, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		✓
11	Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? *If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable*	11	✓	
12	Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12	✓	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		✓
14a	Did the organization maintain an office, employees, or agents outside of the U.S.?	14a		✓
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? *If "Yes," complete Schedule F, Part I*	14b		✓
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Part II.*	15		✓
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Part III*	16		✓
17	Did the organization report more than $15,000 on Part IX, column (A), line 11e? *If "Yes," complete Schedule G, Part I*	17		✓
18	Did the organization report more than $15,000 total on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		✓
19	Did the organization report more than $15,000 on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		✓
20	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20		✓
21	Did the organization report more than $5,000 on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21	✓	
22	Did the organization report more than $5,000 on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22	✓	
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? *If "Yes," complete Schedule J*	23	✓	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to question 25.*	24a		✓
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		✓
b	Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? *If "Yes," complete Schedule L, Part I*	25b		✓
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		✓
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	27		✓

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
28	During the tax year, did any person who is a current or former officer, director, trustee, or key employee:			
a	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? *If "Yes," complete Schedule L, Part IV*	28a		✓
b	Have a family member who had a direct or indirect business relationship with the organization? *If "Yes," complete Schedule L, Part IV*	28b		✓
c	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? *If "Yes," complete Schedule L, Part IV*	28c		✓
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		✓
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		✓
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		✓
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		✓
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? *If "Yes," complete Schedule R, Part I*	33		✓
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	34		✓
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35		✓
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		✓
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		✓

Part V Statements Regarding Other IRS Filings and Tax Compliance

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable	1a	24		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		✓	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	4		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b		✓	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* this return. (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	3a			✓
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			✓
b	If "Yes," enter the name of the foreign country: ► ..... See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a			✓
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			✓
c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c			
6a	Did the organization solicit any contributions that were not tax deductible?	6a			✓
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than $75?	7a			✓
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			✓
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			✓
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			✓
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h			
8	**Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b			

Part VI Governance, Management, and Disclosure *(Sections A, B, and C request information about policies not required by the Internal Revenue Code.)*

Section A. Governing Body and Management

			Yes	No
	For each "Yes" response to lines 2–7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.			
1a	Enter the number of voting members of the governing body 1a 5			
b	Enter the number of voting members that are independent 1b 5			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		✓
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	3		✓
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4		✓
5	Did the organization become aware during the year of a material diversion of the organization's assets?	5		✓
6	Does the organization have members or stockholders?	6		✓
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		✓
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . .	7b		✓
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a	The governing body?	8a	✓	
b	Each committee with authority to act on behalf of the governing body?	8b		✓
9a	Does the organization have local chapters, branches, or affiliates?	9a		✓
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	9b		
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	10		✓
11	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	11		✓

Section B. Policies

			Yes	No
12a	Does the organization have a written conflict of interest policy? *If "No," go to line 13*	12a		✓
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b		
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this is done*	12c		
13	Does the organization have a written whistleblower policy?	13		✓
14	Does the organization have a written document retention and destruction policy?	14		✓
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision.			
a	The organization's CEO, Executive Director, or top management official?	15a		✓
b	Other officers or key employees of the organization?	15b		✓
	Describe the process in Schedule O. (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		✓
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ **NONE**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.

☐ Own website ☐ Another's website ☑ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶ **KATHLEEN ZIMMERMAN, 301-739-2490, 339 EAST ANTIETAM STREET, SUITE 5, HAGERSTOWN, MD 21740.**

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if the organization did not compensate any officer, director, trustee, or key employee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
CONNIE PAULEY PRESIDENT	2	✓		✓				0	0	0
SUSAN MACDONALD VICE PRESIDENT	1	✓		✓				0	0	0
PATRICK FLICKINGER, JR. TREASURER	2	✓		✓				0	0	0
JENNIFER BARRETT DIRECTOR	1	✓						0	0	0
TONY REEDER DIRECTOR	1	✓						750	0	0
REBECCA YOUNKINS DIRECTOR	1	✓						0	0	0
MARSHALL ROCK EXECUTIVE DIRECTOR	40			✓				75,586	0	10,612
KATHLEEN ZIMMERMAN FINANCE DIRECTOR	40			✓				36,816	0	7,612
SHARON NORBERG FINANCE DIRECTOR	40			✓				50,694	0	6,261

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
1b Total ▶								163,846	0	24,485

2 Total number of individuals (including those in 1a) who received more than $100,000 in reportable compensation from the organization ▶

		Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3	✓	
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual.*	4		✓
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		✓

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including those in 1) who received more than $100,000 in compensation from the organization ▶

Part VIII Statement of Revenue

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns 1a				
	b Membership dues 1b				
	c Fundraising events 1c				
	d Related organizations 1d				
	e Government grants (contributions) 1e 2,853,837				
	f All other contributions, gifts, grants, and similar amounts not included above 1f				
	g Noncash contributions included in lines 1a-1f $				
	h **Total.** Add lines 1a–1f ▶	2,853,837			
Program Service Revenue		Business Code			
	2a				
	b				
	c				
	d				
	e				
	f All other program service revenue				
	g **Total.** Add lines 2a–2f ▶				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ▶	1,367			1,367
	4 Income from investment of tax-exempt bond proceeds ▶				
	5 Royalties ▶				
		(i) Real / (ii) Personal			
	6a Gross Rents				
	b Less: rental expenses				
	c Rental income or (loss)				
	d Net rental income or (loss) ▶				
		(i) Securities / (ii) Other			
	7a Gross amount from sales of assets other than inventory				
	b Less: cost or other basis and sales expenses				
	c Gain or (loss)				
	d Net gain or (loss) ▶				
	8a Gross income from fundraising events (not including $ ..... of contributions reported on line 1c). See Part IV, line 18 a				
	b Less: direct expenses b				
	c Net income or (loss) from fundraising events ▶				
	9a Gross income from gaming activities. See Part IV, line 19 a				
	b Less: direct expenses b				
	c Net income or (loss) from gaming activities ▶				
	10a Gross sales of inventory, less returns and allowances a				
	b Less: cost of goods sold b				
	c Net income or (loss) from sales of inventory ▶				
	Miscellaneous Revenue	Business Code			
	11a				
	b				
	c				
	d All other revenue				
	e **Total.** Add lines 11a–11d ▶				
	12 **Total Revenue.** Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e ▶	2,855,204			1,367

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	1,989,539	1,989,539		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	507,827	507,827		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	162,143		162,143	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	96,872		96,872	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	8,854		8,854	
9 Other employee benefits	11,319		11,319	
10 Payroll taxes	19,756		19,756	
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	7,730		7,730	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other				
12 Advertising and promotion	72		72	
13 Office expenses	11,882		11,882	
14 Information technology				
15 Royalties				
16 Occupancy	20,485		20,485	
17 Travel	5,110		5,110	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	379		379	
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	959		959	
23 Insurance	3,921		3,921	
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a CONSULTANTS	875		875	
b DUES & SUBSCRIPTIONS	6,340		6,340	
c EMPLOYEE ACTIVITIES	783		783	
d				
e				
f All other expenses				
25 **Total functional expenses.** Add lines 1 through 24f	2,854,846	2,497,366	357,480	0
26 **Joint Costs.** Check here ▶ ☐ if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

			(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing	100	1	100
	2	Savings and temporary cash investments	351,023	2	77,812
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	238,170	4	602,269
	5	Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	1,071	9	3,995
	10a	Land, buildings, and equipment: cost basis 10a 48,706			
	b	Less: accumulated depreciation. Complete Part VI of Schedule D 10b 44,854	2,469	10c	3,852
	11	Investments—publicly traded securities		11	
	12	Investments—other securities. See Part IV, line 11		12	
	13	Investments—program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11	5,168	15	5,168
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	598,001	16	693,196
Liabilities	17	Accounts payable and accrued expenses	188,739	17	366,408
	18	Grants payable		18	
	19	Deferred revenue	243,311	19	160,479
	20	Tax-exempt bond liabilities		20	
	21	Escrow account liability. Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable		24	
	25	Other liabilities. Complete Part X of Schedule D		25	
	26	**Total liabilities.** Add lines 17 through 25	432,050	26	526,887
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	165,951	27	166,309
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	165,951	33	166,309
	34	Total liabilities and net assets/fund balances	598,001	34	693,196

Part XI Financial Statements and Reporting

			Yes	No
1	Accounting method used to prepare the Form 990: ☐ Cash ☑ Accrual ☐ Other			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		✓
b	Were the organization's financial statements audited by an independent accountant?	2b	✓	
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c		✓
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	✓	
b	If "Yes," did the organization undergo the required audit or audits?	3b	✓	

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization	Employer identification number
WASHINGTON COUNTY MENTAL HEALTH AUTHORITY, INC.	52 : 1689627

Part I Reason for Public Charity Status (All organizations must complete this part.) (see instructions)

The organization is not a private foundation because it is: (Please check only **one** organization.)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).** (Attach Schedule H.)

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: ----------

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☑ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 ☐ An organization that normally receives: (1) more than 33⅓ % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33⅓ % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).** (see instructions)

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I **b** ☐ Type II **c** ☐ Type III–Functionally integrated **d** ☐ Type III–Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box . . . . . ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? 11g(i)		
(ii) A family member of a person described in (i) above? 11g(ii)		
(iii) A 35% controlled entity of a person described in (i) or (ii) above? 11g(iii)		

h Provide the following information about the organizations the organization supports.

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1–9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
Total									

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	1538964	1707631	1777397	2204524	2853837	10082353
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1-3	1538964	1707631	1777397	2204524	2853837	10082353
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4						10082353

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4	1538964	1707631	1777397	2204524	2853837	10082353
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	3168	8445	14793	11553	1367	39326
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 **Total support.** Add lines 7 through 10						10121679

12 Gross receipts from related activities, etc. (see instructions) 12

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

14	Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f))	14	99.61 %
15	Public support percentage from 2007 Schedule A, Part IV-A, line 26f	15	99.61 %

16a **33⅓ % support test—2008.** If the organization did not check the box on line 13, and line 14 is 33⅓ % or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☑

b **33⅓ % support test—2007.** If the organization did not check a box on line 13 or 16a, and line 15 is 33⅓ % or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

17a **10%-facts-and-circumstances test—2008.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

b **10%-facts-and-circumstances test—2007.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ ☐

Part III **Support Schedule for Organizations Described in Section 509(a)(2)**
(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1-5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or $5,000						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 **Total support.** (Add lines 9, 10c, 11, and 12.)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

15	Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f))	15	%
16	Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	%

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2008** (line 10c, column (f) divided by line 13, column (f))	17	%
18	Investment income percentage from **2007** Schedule A, Part IV-A, line 27h	18	%

19a **33⅓ % support tests—2008.** If the organization did not check the box on line 14, and line 15 is more than 33⅓ %, and line 17 is not more than 33⅓ %, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33⅓ % support tests—2007.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33⅓ %, and line 18 is not more than 33⅓ %, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

► Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization

WASHINGTON COUNTY MENTAL HEALTH AUTHORITY, INC.

Employer identification number

52 1689627

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

☐ Preservation of land for public use (e.g., recreation or pleasure)
☐ Protection of natural habitat
☐ Preservation of open space
☐ Preservation of an historically important land area
☐ Preservation of certified historic structure

2 Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

		Held at the End of the Year
a	Total number of conservation easements	2a
b	Total acreage restricted by conservation easements	2b
c	Number of conservation easements on a certified historic structure included in (a)	2c
d	Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ► _____

4 Number of states where property subject to conservation easement is located ► _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ► _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ► $ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ► $ _____

(ii) Assets included in Form 990, Part X ► $ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ► $ _____

b Assets included in Form 990, Part X ► $ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? . . . ☐ Yes ☐ No

Part IV Trust, Escrow and Custodial Arrangements. Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? . . . ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? . . . ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as:

a Board designated or quasi-endowment ▶ _____%
b Permanent endowment ▶ _____%
c Term endowment ▶ _____%

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

	Yes	No
(i) unrelated organizations 3a(i)		
(ii) related organizations 3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? 3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other		48,706	44,854	3,852
Total. Add lines 1a–1e. *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				3,852

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other		
Total. *(Column (b) should equal Form 990, Part X, col. (B) line 12.)* ▶		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) should equal Form 990, Part X, col (B) line 13.)* ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
DEPOSITS	5,168
Total. *(Column (b) should equal Form 990, Part X, col. (B) line 15.)* ▶	5,168

Part X Other Liabilities. See Form 990, Part X, line 25.

(a) Description of liability	(b) Amount
Federal income taxes	
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25.)* ▶	

In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48.

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	2,855,204
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	2,854,846
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	358
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4–8	9	0
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	10	358

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	2,855,204
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines **2a** through **2d**			2e	0
3	Subtract line **2e** from line **1**			3	2,855,204
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	0
5	Total revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12.)			5	2,855,204

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	2,854,846
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Losses reported on Form 990, Part IX, line 25	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines **2a** through **2d**			2e	0
3	Subtract line **2e** from line **1**			3	2,854,846
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	0
5	Total expenses. Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18.)			5	2,854,846

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b.

PART X: IN JUNE 2006, THE FINANCIAL ACCOUNTING STANDARDS BOARD (FASB) RELEASED FASB INTERPRETATION (FIN) NO. 48, ACCOUNITNG FOR UNCERTAINTY IN INCOME TAXES. WHEN FIN 48 IS IMPLEMENTED, THE AGENCY WILL UTILIZE DIFFERENT RECOGNITION THRESHOLDS AND MEASUREMENT REQUIREMENTS WHEN COMPARED TO PRIOR TECHNICAL LITERATURE. ON DECEMBER 30, 2008, THE FASB STAFF ISSUED FASB STAFF POSITION (FSP) FIN 48-3, EFFECTIVE DATE OF FASB INTERPRETATION NO. 48 FOR CERTAIN NONPUBLIC ENTERPRISES, WHICH DEFERRED THE IMPLEMENTATION OF THE PROVISIONS OF FIN 48 UNTIL FISCAL YEARS BEGINNING AFTER DECEMBER 15, 2008. AS SUCH, THE AGENCY HAS NOT IMPLEMENTED THOSE PROVISIONS

Part XIV Supplemental Information *(continued)*

IN THE 2009 FINANCIAL STATEMENTS SINCE THE PROVISIONS OF FIN 48 HAVE NOT BEEN IMPLEMENTED IN ACCOUNTING FOR UNCERTAIN TAX POSITIONS, THE ORGANIZATION CONTINUES TO UTILIZE ITS PRIOR POLICY OF ACCOUNTING FOR THESE POSITIONS. A LIABILITY FOR TAXES IS RECORDED WHEN IT IS PROBABLE THAT THE LIABILITY HAS BEEN INCURRED AND THE AMOUNT OF THE LIABILITY CAN BE REASONABLY ESTIMATED. IF A TAX LIABILITY IS PROBABLE, BUT CANNOT BE REASONABLY ESTIMATED, OR IT IS REASONABLY POSSIBLE THAT A TAX LIABILITY HAS BEEN INCURRED, DISCLOSURE IS REQUIRED. USING THAT GUIDANCE, AS OF JUNE 30, 2009, THE AGENCY HAS NO UNCERTAIN TAX POSITIONS THAT QUALIFY FOR EITHER RECOGNITION OR DISCLOSURE IN THE FINANCIAL STATEMENTS.

SCHEDULE I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments, and Individuals in the U.S.

▶ Complete if the organization answered "Yes," on Form 990, Part IV, lines 21 or 22.

▶ Attach to Form 990.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization

WASHINGTON COUNTY MENTAL HEALTH AUTHORITY, INC.

Employer identification number

52 : 1689627

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . . ☑ Yes ☐ No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed . . . . . ▶ ☐

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
W.C. COMMISSION ON AGING HAGERSTOWN, MD 21740	52-0899001	501(c)(3)	87,959	0			MENTAL HLTH SVC
INCLUSION RESEARCH INST WASHINGTON, DC 20007	52-2272438		294,030	0			MENTAL HLTH SVC
INST FAMILY CENTERED SVC HENRICO, VA 23294	54-1503721	501(c)(3)	121,505	0			MENTAL HLTH SVC
DR. CORRIENE KURZ SMITHSBURG, MD 21783	107-44-045		65,718	0			MENTAL HLTH SVC
MD COALITION OF FAMILIES COLUMBIA, MD 21044-3273	52-2211436	501(c)(3)	92,730	0			MENTAL HLTH SVC
MD DISABILITY LAW CENTER BALTIMORE, MD 21201	51-0215570	501(c)(3)	50,000	0			MENTAL HLTH SVC
NAMI, MARYLAND GLEN BURNIE, MD 21061	52-1295484	501(c)(3)	42,769	0			MENTAL HLTH SVC
OFFICE OF CONSUMER ADV HAGERSTOWN, MD 21740	52-2116425	501(c)(3)	322,589	0			MENTAL HLTH SVC
ON OUR OWN OF MARYLAND BALTIMORE, MD 21227	52-1812414	501(c)(3)	120,400	0			MENTAL HLTH SVC
ANN PINCUS WASHINGTON, DC 20008	429-64-780		38,900	0			MENTAL HLTH SVC
POTOMAC CASE MGMT HAGERSTOWN, MD 21740	52-2118801	501(c)(3)	217,998	0			MENTAL HLTH SVC
UNIVERSITY OF MARYLAND BALTIMORE, MD 21250-5394	52-6002033		13,500	0			MENTAL HLTH SVC

2 Enter total number of section 501(c)(3) and government organizations . . . . . ▶ 8

3 Enter total number of other organizations . . . . . ▶ 4

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Use Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
CONSUMER SUPPORT FUNDS	40	15,558	0		
HOUSING ASSISTANCE	29	158,055	0		
SELF DIRECTED CARE SUPPORT FUNDS	56	38,823	0		
INDIVIDUAL SPECIAL ASSISTANCE	1	21,735	0		
ADULT FOSTER CARE	13	270,454	0		
CHILD AND ADOLESCENT FOSTER CARE	1	3,202	0		

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

SCHEDULE I, PART I, LINE 2: VENDORS ARE REQUIRED TO SIGN A CONTRACT DETAILING GRANT REQUIREMENTS. THE VENDORS ARE MONITORED ON A REGULAR BASIS VIA WRITTEN REPORTS. ADDITIONALLY, ANNUAL ON-SITE MONITORING OF THE VENDORS VERIFIES ALL CONTRACT REQUIRMENTS ARE MET.

SCHEDULE I-1
(Form 990)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule I (Form 990)

▶ Attach to Form 990 to list additional information for Part II and Part III, Schedule I (Form 990).

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization

WASHINGTON COUNTY MENTAL HEALTH AUTHORITY, INC.

Employer identification number

52 : 1689627

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the U.S. (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section If applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
WC HEALTH DEPARTMENT HAGERSTOWN, MD 21740	52-1842599		56,300	0			MENTAL HLTH SVC
WC HOSPITAL ASSOCIATION HAGERSTOWN, MD 21740	52-0607949		92,700	0			MENTAL HLTH SVC
WAY STATION, INC. HAGERSTOWN, MD 21740	52-11627949	501(c)(3)	347,844	0			MENTAL HLTH SVC

2 Enter total number of Section 501(c)(3) and government organizations . . . . . ▶ 1

3 Enter total number of other organizations . . . . . ▶ 2

SCHEDULE J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 23.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization

WASHINGTON COUNTY MENTAL HEALTH AUTHORITY, INC.

Employer identification number

52 1689627

Part I Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax indemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e.g., maid, chauffeur, chef)			
b	If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2		
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply. ☐ Compensation committee ☐ Written employment contract ☐ Independent compensation consultant ☐ Compensation survey or study ☐ Form 990 of other organizations ☑ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a:			
a	Receive a severance payment or change of control payment?	4a		✓
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b		✓
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		✓
	If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III.			
	Only 501(c)(3) and 501(c)(4) organizations must complete lines 5–6.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:			
a	The organization?	5a		✓
b	Any related organization?	5b		✓
	If "Yes" to line 5a or 5b, describe in Part III.			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:			
a	The organization?	6a		✓
b	Any related organization?	6b		✓
	If "Yes" to line 6a or 6b, describe in Part III.			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7		✓
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III	8		✓

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)–(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
SHARON NORBERG	(i)	50,694	0	0	4,007	2,254	48,440	0
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
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	(ii)							
	(i)							
	(ii)							

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

► Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization

WASHINGTON COUNTY MENTAL HEALTH AUTHORITY, INC.

Employer identification number

52 : 1689627

FORM 990, PART VI, SECTION A, LINE 10: THE 990 IS REVIEWED BY THE EXECUTIVE DIRECTOR.

FORM 990, PART VI, SECTION C, LINE 18: DOCUMENTS ARE MADE AVAILABLE FOR PUBLIC INSPECTION UPON REQUEST.

FORM 990, PART VI, SECTION C, LINE 19: THE ORGANIZATION MAKES THE FOLLOWING DOCUMENTS AVAILABLE TO THE PUBLIC: GOVERNING DOCUMENTS AND FINANCIAL STATEMENTS. THESE DOCUMENTS ARE MADE AVAILABLE FOR INSPECTION UPON REQUEST. THE DOCUMENTS CAN BE REVIEWED IN THE ORGANIZATION'S OFFICE.

WASHINGTON COUNTY MENTAL HEALTH AUTHORITY, INC.
FIXED ASSETS
FY 2009

MHA ASSET ID	SE&K ASSET ID	DESCRIPTION	DATE ACQUIRED	LIFE	COST	ACCUMULATED DEPRECIATION 6/30/08	FY 2009 DEPRECIATION	ACCUMULATED DEPRECIATION 6/30/09
566	9	GATEWAY 500S PC COMPUTER SYSTEM	5/13/2002	5.00	1,467 00	1,467 00	-	1,467 00
121	12	LAPTOP COMPUTER GATEWAY #5001972	7/1/1995	5.00	5,023 00	5,023 00	-	5,023 00
126-137	15	SLED BASED CHAIRS - ROSE/GRAY	6/30/1994	7.00	2,600.00	2,600.00	-	2,600.00
140	17	REFRIGERATOR	10/1/1993	7 00	500 00	500 00	-	500.00
144	20	BLUE RECEPTION AREA CHAIRS	3/1/1994	7 00	1,588 00	1,588 00	-	1,588 00
153	25	LIGHT GRAY DESK 72 X 36	7/1/1993	7.00	383.00	383 00	-	383 00
154	26	DOUBLE PEDESTAL DESK W/ CENTER DRAWER	6/1/1995	7 00	317 00	317.00	-	317 00
580	31	GATEWAY 500S (PIV-2400)	3/21/2003	5.00	959.98	959.98	-	959 98
207	33	2 DRAWER FILE CABINET - PUTTY/BLACK	10/1/1994	7.00	135.00	135 00	-	135 00
582	34	MONITOR - 17" (#580)	3/21/2003	5.00	504.02	504.02	-	504.02
235	36	2 SHELF BOOKCASE - PUTTY	6/1/1995	7.00	96.00	96 00	-	96 00
585	40	MONITOR - 17" (#583)	3/21/2003	5.00	504.02	504 02	-	504 02
594	42	AVAYA PARTNER TELEPHONE SYSTEM	10/2/2002	7.00	2,686.62	2,206.85	383 80	2,590 65
217	43	ETHERNET HUB/NETWORK	7/1/1993	5 00	5,994.00	5,994.00	-	5,994 00
595	44	DISPATCH 4-PORT VM SYSTEM	10/2/2002	5 00	2,990.00	2,990 00	-	2,990.00
351	45	2 DRAWER LATERAL FILE	7/1/1990	7 00	289 00	289.00	-	289.00
611	46	HP LJ2300 PRINTER	11/7/2003	5.00	785 00	732 67	52 33	785.00
262	49	DELL DIMENSION E521	7/12/2007	5 00	757 00	151.40	151 40	302 80
627	50	DELL VOSTRO 200 MINI TOWER	1/3/2008	5 00	848 00	84 80	169 60	254 40
357	51	4 DRAWER FILE CABINET	11/1/1993	7.00	147 00	147.00	-	147.00
227	53	BINDER MAKER	7/1/1992	5.00	317.00	317 00	-	317.00
228	54	2 SHELF BOOKCASE - BLACK	6/1/1995	7 00	79 00	79 00	-	79.00
230	56	GUEST CHAIR GRAY/CHROME	7/1/1990	7.00	150.00	150 00	-	150 00
236	60	BEVIS TABLE - PUTTY	6/1/1995	7.00	103 00	103 00	-	103.00
237	61	4 DRAWER FILE CABINET	10/1/1996	7.00	226.00	226.00	-	226.00
240	62	BURGUNDY AND BLACK SWIVEL CHAIR	7/1/1993	7.00	138 00	138 00	-	138 00
241	63	STATIONARY CHAIR/BURGUNDY & BLACK	7/1/1994	7.00	129 00	129.00	-	129.00
629	64	DELL VOSTRO 200 MINI TOWER	1/8/2008	5 00	648 00	64 80	129 60	194 40
249	69	72 X 36 DESK BLACK/WALNUT	3/1/1993	7.00	363.00	363 00	-	363 00
251	71	60 X 20 UTILITY TABLE BLACK/WALNUT	7/1/1990	7.00	95.00	95 00	-	95 00
260	75	GUEST CHAIR - HON	7/1/1993	7 00	185 00	185.00	-	185.00
264	79	GUEST CHAIR - HON	7/1/1993	7 00	185 00	185.00	-	185.00
273	84	TENNSCO FOUR SHELF BOOKCASE - BLACK	11/1/1993	7.00	107 00	107.00	-	107 00
276	87	DESK GRAY	6/1/1995	7.00	370 00	370.00	-	370 00
277	88	CREDENZA GRAY	11/1/1993	7 00	385 00	385 00	-	385.00
285	94	LATERAL FILE CABINET	7/1/1994	7 00	147 00	147.00	-	147 00
292	100	GUEST CHAIR GRAY/CHROME	6/1/1990	7.00	118.00	118.00	-	118 00
294	101	GUEST CHAIR GRAY/CHROME	6/1/1990	7 00	118 00	118 00	-	118.00
311	113	TABLE WOODGRAIN TOP	7/1/1994	7.00	103 00	103 00	-	103 00

MHA ASSET ID	SE&K ASSET ID	DESCRIPTION	DATE ACQUIRED	LIFE	COST	ACCUMULATED DEPRECIATION 6/30/08	FY 2009 DEPRECIATION	ACCUMULATED DEPRECIATION 6/30/09
456	127	TYPEWRITER ML 300	6/30/1998	5 00	189 00	189.00	-	189.00
474	130	5 SHELF PUTTY BOOKCASE	5/6/1998	7 00	119.00	119 00	-	119 00
463	131	16 X 25 CHERRY TABLE	6/30/1998	7.00	169 00	169.00	-	169.00
464	132	48 X 16 CHERRY TABLE	6/30/1998	7.00	211 00	211 00	-	211 00
462	222	5 SHELF PUTTY BOOKCASE	9/21/1998	7.00	132 00	132.00	-	132.00
500	224	30" MULTIMEDIA CABINET	2/22/1998	7.00	266.00	266 00	-	266.00
501	225	GRAY FIREPROOF SAFE	2/22/1999	7 00	266.00	266 00	-	266 00
521	237	RICOH COPIER AFICIA/350E	6/26/2000	5.00	8,863.00	8,863.00	-	8,863.00
530	241	GRAY/WOOD DESK 30 X 60	1/9/2001	7.00	309.00	309 00	-	309.00
527	245	UPS - BACKUP (PRO 650)	12/1/2000	3.00	258 00	258 00	-	258 00
485	255	HP LJ2200D PRINTER W/ MEMORY	5/14/2001	5.00	793 82	793 82	-	793 82
486	256	HP LJ2200D PRINTER W/ MEMORY	5/14/2001	5 00	793.81	793.81	-	793.81
483	257	NETGEAR DS 116 16 PORT 10/100 HUB	5/7/2001	5.00	149 00	149 00	-	149.00
533	262	PHONE SOUNDSTATION 100 CONF.	6/5/2001	7.00	488.62	488 62	-	488 62
550	274	FRAMED PRINT	6/20/2001	7 00	202 00	202.00	-	202 00
551	275	FRAMED PRINT	6/20/2001	7.00	202 00	202 00	-	202 00
549	276	CLOCK	6/20/2001	7.00	129.00	129 00	-	129.00
541	277	KISSINGER DIRECT DEPOSIT SOFTWARE	11/17/2000	3.00	285.00	285.00	-	285 00
631		DELL OPTI 360 MINITOWER COMPUTER SYSTEM W/ MONITOR	12/15/2008	5.00	862.00	-	86.20	86.20
		PEACHTREE SOFTWARE	6/30/2009	3 00	1,479 95	-	-	-
TOTAL					48,706.84	43,880 79	972 93	44,853 72

Form **8868**
(Rev April 2009)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

► File a separate application for each return.

OMB No 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box . . . . . ► ☐
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I **Automatic 3-Month Extension of Time.** Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only . . . . . ► ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (*e-file*). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit *www.irs.gov/efile* and click on *e-file for Charities & Nonprofits.*

Type or print File by the due date for filing your return See instructions	Name of Exempt Organization	Employer identification number
	WASHINGTON COUNTY MENTAL HEALTH AUTHORITY, INC.	**52 1689627**
	Number, street, and room or suite no. If a P O box, see instructions. **339 EAST ANTIETAM STREET, SUITE 5**	
	City, town or post office, state, and ZIP code For a foreign address, see instructions **HAGERSTOWN, MD 21740**	

Check type of return to be filed (file a separate application for each return):

☑ Form 990	☐ Form 990-T (corporation)	☐ Form 4720
☐ Form 990-BL	☐ Form 990-T (sec. 401(a) or 408(a) trust)	☐ Form 5227
☐ Form 990-EZ	☐ Form 990-T (trust other than above)	☐ Form 6069
☐ Form 990-PF	☐ Form 1041-A	☐ Form 8870

- The books are in the care of ► **KATHLEEN ZIMMERMAN**

Telephone No. ► (**301**) **739-2490** FAX No. ► (**301**) **739-2250**

- If the organization does not have an office or place of business in the United States, check this box . . . . . ► ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN)_____ If this is for the whole group, check this box . . . . . ► ☐ . If it is for part of the group, check this box . . . . . ► ☐ and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until **FEBRUARY 15**, 20**10**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
- ► ☐ calendar year 20_____ or
- ► ☑ tax year beginning **JULY 1**, 20 **08**, and ending **JUNE 30**, 20 **09**

2 If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	$ 0
b	If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	$
c	**Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	$ 0

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

• If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box . ► ☑
Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
• If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1).

Part II **Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed).

Type or print	Name of Exempt Organization		Employer identification number
File by the extended due date for filing the return. See instructions	WASHINGTON COUNTY MENTAL HEALTH AUTHORITY, INC.		52 1689627
	Number, street, and room or suite no. If a P O. box, see instructions.		For IRS use only
	339 EAST ANTIETAM STREET, SUITE 5		
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.		
	HAGERSTOWN, MD 21740		

Check type of return to be filed (File a separate application for each return):

☑ Form 990	☐ Form 990-PF	☐ Form 1041-A	☐ Form 6069
☐ Form 990-BL	☐ Form 990-T (sec. 401(a) or 408(a) trust)	☐ Form 4720	☐ Form 8870
☐ Form 990-EZ	☐ Form 990-T (trust other than above)	☐ Form 5227	

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

• The books are in the care of ► KATHLEEN ZIMMERMAN
Telephone No. ► (301) 739-2490 FAX No. ► (301) 739-2250

• If the organization does not have an office or place of business in the United States, check this box . . . . . ► ☐

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the whole group, check this box . . . . . ► ☐ . If it is for part of the group, check this box. . . . . ► ☐ and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until MAY 15, 20 10.

5 For calendar year _____, or other tax year beginning JULY 1, 20 08, and ending JUNE 30, 20 09.

6 If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

7 State in detail why you need the extension DUE TO SEVERE INCLEMENT WEATHER CONDITIONS, THAT RESULTED IN THE CLOSURE OF LOCAL U.S. POSTAL OFFICES, NUMEROUS ROADS AND MAJOR HIGHWAYS, AND BUSINESSES, THE ORGANIZATION WAS UNABLE TO ADEQUATELY COMPLETE TAX RETURN AND HAVE IT SIGNED BY FEBRUARY 15, 2010. TAX RETURN WILL BE FILED AS SOON AS POSSIBLE.

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	$	
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	$	
c	**Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	$	0

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature ► _____ Title ► DIRECTOR OF FINANCE Date ► 2/12/10

WASHINGTON COUNTY
MENTAL HEALTH AUTHORITY, INC.

FINANCIAL REPORT
and
OMB CIRCULAR A-133 SUPPLEMENTARY REPORT

JUNE 30, 2009

CONTENTS

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Smith Elliott Kearns & Company, LLC
Certified Public Accountants & Consultants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Washington County Mental Health Authority, Inc.
Hagerstown, Maryland

We have audited the accompanying statements of financial position of Washington County Mental Health Authority, Inc. (Authority) as of June 30, 2009 and 2008, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Washington County Mental Health Authority, Inc. as of June 30, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 15, 2010, on our consideration of Washington County Mental Health Authority, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be considered in assessing the results of our audit.

Smith Elliott Kearns & Company, LLC

Hagerstown, Maryland
January 15, 2010

WASHINGTON COUNTY MENTAL HEALTH AUTHORITY, INC.

STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2009 AND 2008

	2009	2008
ASSETS		
Cash and cash equivalents	$ 77,912	$ 351,123
Accounts receivable	602,269	238,170
Prepaid expenses	3,995	1,071
Equipment, net	3,852	2,469
Deposit	5,168	5,168
TOTAL ASSETS	$ 693,196	$ 598,001
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	$ 349,936	$ 175,103
Accrued salaries and other payroll liabilities	16,472	13,636
Deferred revenue	160,479	243,311
TOTAL LIABILITIES	$ 526,887	$ 432,050
UNRESTRICTED NET ASSETS	166,309	165,951
TOTAL LIABILITIES AND NET ASSETS	$ 693,196	$ 598,001

The Notes to Financial Statements are an integral part of these statements

WASHINGTON COUNTY MENTAL HEALTH AUTHORITY, INC.

STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2009 AND 2008

	2009	2008
REVENUES AND OTHER SUPPORT		
Mental Hygiene Administration	$ 1,895,968	$ 1,843,840
Federal grants	562,121	331,964
Emergency Preparedness	294,030	-
DJJ Child Psychiatrist	65,718	-
Frederick consulting	27,780	28,720
Interest	1,367	11,553
Miscellaneous	8,220	-
TOTAL REVENUES AND OTHER SUPPORT	$ 2,855,204	$ 2,216,077
EXPENSES		
Accounting	$ 1,130	$ 1,525
Advertising	72	2,963
Audit	6,600	5,750
Contract labor	875	850
Depreciation	959	1,449
Dues and subscriptions	6,340	1,163
Employee activities	783	800
Employee benefits	45,607	36,532
Equipment	-	375
Housekeeping	750	780
Liability insurance	3,921	3,879
Printing	49	276
Program grants	2,497,366	1,851,167
Rent	19,735	19,245
Repairs and maintenance	3,204	3,180
Salaries and payroll taxes	253,337	258,697
Supplies and postage	4,223	3,611
Training	379	387
Travel	5,110	6,749
Utilities and telephone	4,406	4,332
TOTAL EXPENSES	$ 2,854,846	$ 2,203,710
CHANGE IN UNRESTRICTED NET ASSETS	$ 358	$ 12,367
UNRESTRICTED NET ASSETS, BEGINNING OF PERIOD	165,951	153,584
UNRESTRICTED NET ASSETS, END OF PERIOD	$ 166,309	$ 165,951

The Notes to Financial Statements are an integral part of these statements

WASHINGTON COUNTY MENTAL HEALTH AUTHORITY, INC.

STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2009 AND 2008

	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 358	$ 12,367
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation	959	1,449
(Increase) in accounts receivable	(364,099)	(205,308)
(Increase) decrease in prepaid expenses	(2,924)	10,714
Increase in accounts payable	174,833	68,695
(Decrease) in due to state government	-	(158)
Increase in accrued salaries and other payroll liabilities	2,836	3,670
Increase (decrease) in deferred revenue	(82,832)	105,403
NET CASH (USED IN) OPERATING ACTIVITIES	$ (270,869)	$ (3,168)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of equipment	$ (2,342)	$ (2,253)
NET (DECREASE) IN CASH	$ (273,211)	$ (5,421)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	351,123	356,544
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 77,912	$ 351,123

The Notes to Financial Statements are an integral part of these statements

Note 1. Summary of Significant Accounting Policies

Organization:
Washington County Mental Health Authority, Inc. (Authority) was formed to manage and coordinate the publicly funded mental health services system and to promote full community participation in the planning and delivery of mental health services in Washington County. The Authority acts as a clearinghouse, distributing funds from the state to local mental health services providers. The recipient local mental health service providers are nonprofit organizations whose financial statements are not included herein. The Authority's support comes primarily from the State of Maryland.

Basis of Presentation:
The financial statements are presented in accordance with generally accepted accounting principles and require net assets to be classified as either 1) unrestricted, 2) temporarily restricted, or 3) permanently restricted depending on limitations placed on the net assets.

Use of Estimates in the Preparation of Financial Statements:
The preparation of financial statements in conformity with generally accepted accounting principles 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

Classification of Revenues and Expenditures:
Grant revenues include certain grantor imposed restrictions and program requirements that are met in the same reporting period. Therefore, grant revenues and the related expenditures are reported as unrestricted net assets in the financial statements.

Revenue Recognition:
Revenue from federal, state and local government grants are recognized, generally, when the related expenditures are recognized. Revenues from all other sources except contributions are recognized when received. To the extent applicable, deferred revenue is recognized for succeeding fiscal year revenues received prior to year-end.

The State of Maryland Department of Health and Mental Hygiene (DHMH) funds the mental health system with fee for services based reimbursements. Under this funding method, the fee for service payments for covered services are paid directly to the local mental health providers and do not flow through the Authority.

Under the method of funding the delivery of mental health services to the citizens of Maryland from various grants, payments made to providers are based on a contract setting forth specific amounts to be provided by DHMH. DHMH could request any excess funds be returned and distributed to other state contracted providers, or rolled over into future periods to be used locally.

Note 1. Summary of Significant Accounting Policies (Continued)

Accounts Receivable:
The Authority does not normally provide credit to its customers. Receivables are recorded for reimbursement of expenditures from government grants. Management of the Authority periodically reviews the collectability of accounts receivable, and those accounts which are considered not collectible are written off as bad debts. Based on management's review, an allowance for doubtful accounts is not considered necessary.

Equipment:
Equipment is recorded at cost. Depreciation of fixed assets is charged as an expense against operations. Depreciation has been provided over the estimated useful lives, between three and seven years, using the straight-line method. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in income for the period. The cost of maintenance and repairs is charged to income as incurred; significant renewals and betterments are capitalized. The Authority capitalizes property and equipment costing over $500 with useful lives in excess of one year.

Advertising:
Advertising costs are expensed as incurred and amounted to $72 and $2,963 for the years ending June 30, 2009 and 2008, respectively.

Income Tax Status:
The Authority is a not-for-profit corporation as defined under Section 501(c)(3) of the Internal Revenue Code and, is exempt from federal income tax pursuant to Section 501(a) of the Internal Revenue Code.

In June 2006, the Financial Accounting Standards Board (FASB) released FASB Interpretation (FIN) No. 48, Accounting for Uncertainty in Income Taxes. When FIN 48 is implemented, the Authority will utilize different recognition thresholds and measurement requirements when compared to prior technical literature. On December 30, 2008, the FASB Staff issued FASB Staff Position (FSP) FIN 48-3, Effective Date of FASB Interpretation No. 48 for Certain Nonpublic Enterprises, which deferred the implementation of the provisions of FIN 48 until fiscal years beginning after December 15, 2008. As such, the Authority has not implemented those provisions in the 2009 financial statements.

Note 1. Summary of Significant Accounting Policies (Continued)

Accounts Receivable:
The Authority does not normally provide credit to its customers. Receivables are recorded for reimbursement of expenditures from government grants. Management of the Authority periodically reviews the collectability of accounts receivable, and those accounts which are considered not collectible are written off as bad debts. Based on management's review, an allowance for doubtful accounts is not considered necessary.

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Note 3. Equipment and Depreciation

	Cost	Accumulated Depreciation	Net Book Value
2009			
Equipment	$ 48,706	$ 44,854	$ 3,852
2008			
Equipment	$ 46,364	$ 43,895	$ 2,469

Depreciation expense was $959 and $1,449 for 2009 and 2008, respectively.

Note 4. Line of Credit

The Authority has a $50,000 revolving line of credit with Susquehanna Bank that is renewed annually. Interest on the unpaid principal balance is equal, at all times, to the prime rate plus one percent as published in the Wall Street Journal list of "money rates" (3.25% at June 30, 2009). The line of credit is unsecured. There were no borrowings against the line of credit at June 30, 2009 and 2008.

Note 5. Retirement Plan

The Authority maintains variable annuity contracts with an insurance company for each of its employees who elect to participate. The Authority pays an amount equal to 7% of an employee's gross salary into their retirement plan and will match up to an additional 4% of their contributions. During the years ended June 30, 2009 and 2008 contributions by the Authority amounted to $24,652 and $21,793, respectively.

Note 6. Operating Lease

The Authority leases office space, primarily for administrative purposes. Beginning on August 1, 2005, the monthly lease payments were $2,753 for the first three months then decreased to $1,530 per month, with yearly increases of 2.5% beginning August 1, 2006 as set forth in the lease agreement. The lease will expire July 31, 2012, at which time the lease would convert to a month-to-month basis absent any agreement to extend the initial term.

Note 6. Operating Lease (Continued)

The following is a schedule by years of future minimum rental payments required under the operating lease as of June 30, 2009

Year Ending June 30,	
2010	$ 20,227
2011	$ 20,730
2012	$ 21,245
2013	$ 1,774

Rent expense under the operating lease amounted to $19,735 and $19,245 for the years ended June 30 2009 and 2008, respectively.

Note 7. Risk Management

The Authority maintains professional liability insurance coverage up to $2,000,000 per occurrence. Management believes this coverage is adequate against potential malpractice claims.

Note 8. Contingencies

In the normal course of operation, the Authority receives grant funds and program funding from various federal and state agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the grant of funds. The liability in deferred revenue at June 30, 2009 and 2008 relates to rollover money to be expended in future periods upon State approval. Any additional liability for reimbursement which may arise as the result of these audits is not believed to be material.

Note 9. Approved Use of Rollover Funds

DHMH had approved the use of fiscal year 2008 rollover funds to pay certain approved expenditures during fiscal year 2009, with the exception of $2,591 that was paid back during fiscal year 2009. As of January 7, 2010, the Authority has not yet received notification of approval or denial of use of the fiscal year 2009 rollover funds.

Note 10. Relationship with Frederick County Mental Health Management Agency (FCMHMA)

The Authority has agreed to provide fiscal services to FCMHMA for an average of 16 hours per week at a rate of $40 per hour. During fiscal year 2009 and 2008, the Authority received $27,780 and $28,720, respectively, for their contracted services.

Note 11. Related Party Transactions

The Commission on Aging has a contract with the Authority to provide Level E case management services to adults with mental illnesses. The Executive Director of The Commission on Aging is also the Vice President of the Authority. The Authority has paid The Commission on Aging $27,893 and $27,761 during fiscal year 2009 and 2008, respectively. As of June 30, 2009 and 2008, the Authority owed The Commission on Aging $2,368 and $2,237, respectively for providing Level E case management services.

A board member works on a contractual basis for the Authority to provide maintenance services. The Authority has paid the board member $750 and $780 during fiscal year 2009 and 2008, respectively.

Note 12. Fair Value Measures

FASB statement No. 157, Fair Value Measurements, defines fair value, establishes a framework for measuring fair value, establishes a three-level valuation hierarchy for disclosure of fair value measurement and enhances disclosure requirements for fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

Level 1 – Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

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

As of June 30, 2009, the Authority did not have any financial instruments measured at fair value that fall within the scope of FASB No. 157.

Note 13. Subsequent Events

The Authority has evaluated events and transactions subsequent to June 30, 2009 through January 15, 2010, the date these financial statements were available to be issued. Based on the definitions and requirements of Generally Accepted Accounting Principles, management has not identified any events that have occurred subsequent to June 30, 2009 and through January 15, 2010, that require recognition or disclosure in the financial statements.

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Certified Public Accountants & Consultants

INDEPENDENT AUDITOR'S REPORT ON ACCOMPANYING INFORMATION

Board of Directors
Washington County Mental Health Authority, Inc.
Hagerstown, Maryland

Our report on our audit of the basic financial statements of Washington County Mental Health Authority, Inc. as of and for the years ended June 30, 2009, and 2008 appears on page 1. Those audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information for the years ended June 30, 2009, and 2008 in the schedules on pages 12 and 13 are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards, shown on page 18, is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Smith Elliott Kearns & Company, LLC

Hagerstown, Maryland
January 15, 2010

WASHINGTON COUNTY MENTAL HEALTH AUTHORITY, INC.

COMBINING STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2009

	Program Services		Supporting Services	
	General	Shelter Plus Care	Management and General	Total
REVENUES AND OTHER SUPPORT				
Mental Hygiene Administration	$ 1,575,946	$ -	$ 320,022	$ 1,895,968
Federal grants	398.397	158,055	5,669	562,121
Emergency Preparedness	294,030	-	-	294,030
DJJ Child Psychiatrist	65,718	-	-	65,718
Frederick consulting	-	-	27,780	27,780
Interest	-	-	1,367	1,367
Miscellaneous	5,220	-	3,000	8,220
TOTAL REVENUES AND OTHER SUPPORT	$ 2,339,311	$ 158,055	$ 357,838	$ 2,855,204
EXPENSES				
Accounting	$ -	$ -	$ 1,130	$ 1,130
Advertising	-	-	72	72
Audit	-	-	6,600	6,600
Contract labor	-	-	875	875
Depreciation	-	-	959	959
Dues and subscriptions	-	-	6,340	6,340
Employee activities	-	-	783	783
Employee benefits	-	-	45,607	45,607
Equipment	-	-	-	-
Housekeeping	-	-	750	750
Liability insurance	-	-	3,921	3,921
Printing	-	-	49	49
Program grants	2,339,311	158,055	-	2,497,366
Rent	-	-	19,735	19,735
Repairs and maintenance	-	-	3,204	3,204
Salaries and payroll taxes	-	-	253,337	253,337
Supplies and postage	-	-	4,223	4,223
Training	-	-	379	379
Travel	-	-	5,110	5,110
Utilities and telephone	-	-	4,406	4,406
TOTAL EXPENSES	$ 2,339,311	$ 158,055	$ 357,480	$ 2,854,846
CHANGE IN UNRESTRICTED NET ASSETS	$ -	$ -	$ 358	$ 358
UNRESTRICTED NET ASSETS, BEGINNING OF PERIOD	-	41,770	124,181	165,951
UNRESTRICTED NET ASSETS, END OF PERIOD	$ -	$ 41,770	$ 124,539	$ 166,309

WASHINGTON COUNTY MENTAL HEALTH AUTHORITY, INC.

COMBINING STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2008

	Program Services		Supporting Services	
	General	Shelter Plus Care	Management and General	Total
REVENUES AND OTHER SUPPORT				
Mental Hygiene Administration	$ 1,524,080	$ -	$ 319,760	$ 1,843,840
Federal grants	212,643	114,444	4,877	331,964
Frederick consulting	-	-	28,720	28,720
Interest	-	-	11,553	11,553
TOTAL REVENUES AND OTHER SUPPORT	$ 1,736,723	$ 114,444	$ 364,910	$ 2,216,077
EXPENSES				
Accounting	$ -	$ -	$ 1,525	$ 1,525
Advertising	-	-	2,963	2,963
Audit	-	-	5,750	5,750
Contract labor	-	-	850	850
Depreciation	-	-	1,449	1,449
Dues and subscriptions	-	-	1,163	1,163
Employee activities	-	-	800	800
Employee benefits	-	-	36,532	36,532
Equipment	-	-	375	375
Housekeeping	-	-	780	780
Liability insurance	-	-	3,879	3,879
Printing	-	-	276	276
Program grants	1,736,723	114,444	-	1,851,167
Rent	-	-	19,245	19,245
Repairs and maintenance	-	-	3,180	3,180
Salaries and payroll taxes	-	-	258,697	258,697
Supplies and postage	-	-	3,611	3,611
Training	-	-	387	387
Travel	-	-	6,749	6,749
Utilities and telephone	-	-	4,332	4,332
TOTAL EXPENSES	$ 1,736,723	$ 114,444	$ 352,543	$ 2,203,710
CHANGE IN UNRESTRICTED NET ASSETS	$ -	$ -	$ 12,367	$ 12,367
UNRESTRICTED NET ASSETS, BEGINNING OF PERIOD	-	41,770	111,814	153,584
UNRESTRICTED NET ASSETS, END OF PERIOD	$ -	$ 41,770	$ 124,181	$ 165,951

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Smith Elliott Kearns & Company, LLC
Certified Public Accountants & Consultants

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

Board of Directors
Washington County Mental Health Authority, Inc.
Hagerstown, Maryland

We have audited the financial statements of Washington County Mental Health Authority, Inc. (Authority) as of and for the year ended June 30, 2009, and have issued our report thereon dated January 15, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the Authority's financial statements that is more than inconsequential will not be prevented or detected by the Authority's internal control. We consider the deficiency described in the accompanying schedule of findings and questioned costs, as item 2009-1, to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Authority's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that the significant deficiency described above is not a material weakness.

Compliance and Other Matters

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

Washington County Mental Health Authority, Inc.'s response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Authority's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of Directors of the Washington County Mental Health Authority, Inc., management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Smith Elliott Kearns & Company, LLC

Hagerstown, Maryland
January 15, 2010

Smith Elliott Kearns & Company, LLC
Certified Public Accountants & Consultants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Directors
Washington County Mental Health Authority, Inc.
Hagerstown, Maryland

Compliance

We have audited the compliance of the Washington County Mental Health Authority, Inc. (Authority) with the types of compliance requirements described in the *U.S Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Authority's management. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Authority's compliance with those requirements.

In our opinion, the Authority complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Authority's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the Authority's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A control deficiency in an organization's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the organization's internal control. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs, as item 2009-1 to be a significant deficiency.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the organization's internal control. We do not consider any of the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses.

Washington County Mental Health Authority, Inc.'s response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Authority's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of Directors of the Washington County Mental Health Authority, Inc. , management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Smith Elliott Kearns & Company, LLC

Hagerstown, Maryland
January 15, 2010

WASHINGTON COUNTY MENTAL HEALTH AUTHORITY, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

Federal Grantor/Program Title	Federal CFDA Number	Grant Number	Federal Expenditures
HHS/SAMHSA			
Passed through State of Maryland Department of Health and Mental Hygiene			
Shelter Plus Care	14 238	MH 306 OTH	$ 158,055
Shelter Plus Care (Administrative)	14 238	MH 306 OTH	5,669
Projects for Assistance in Transition from Homelessness	93 150	PATH MH 358 OTH	35,074
Mental Health Transformation State Infrastructure	*93 243	MH 481 OTH	363,322
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 562,121

* Identified as a major program

The accompanying notes are an integral part of this schedule

WASHINGTON COUNTY MENTAL HEALTH AUTHORITY, INC.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Scope of Audit Pursuant to OMB Circular A-133

All federal awards programs operated by the Authority are included in the scope of the Federal Office of Management and Budget (OMB) Circular A-133 audit. The single audit was conducted in accordance with the provisions of the OMB's *Compliance Supplement*. The single audit fulfills all the federal agencies' audit requirements, which include financial, compliance and the adequacy of internal control. Compliance testing was performed for major federal award programs, which cover 65% of total federal awards program expenditures. Major federal awards programs were:

Program	CFDA Number	Expenditures
Transformation	93 243	$ 363,322

The United States Department of Health and Human Services is the Authority's oversight Authority for the OMB Circular A-133 audit.

Note 2. Fiscal Period Audited

Single audit testing procedures were performed for program transactions occurring during the fiscal year ended June 30, 2009.

Note 3. Summary of Significant Accounting Policies

Basis of Presentation:

The accompanying Schedule of Expenditures of Federal Awards includes all Federal grants of the Authority, which had expenditures during fiscal year 2009. This schedule has been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The expenditures reflect only Federal Awards, program expenditures of non-Federal revenues is not presented.

WASHINGTON COUNTY MENTAL HEALTH AUTHORITY, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009

SECTION I – SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued:	Unqualified	
Internal control over financial reporting:		
Material weakness(es) identified?	____ yes	X no
Significant deficiency(ies) identified that are not considered to be material weaknesses(es)?	X yes	____ none reported
Noncompliance material to financial statements noted?	____ yes	X no

FEDERAL AWARDS

Internal control over compliance.		
Material weakness(es) identified?	____ yes	X no
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	X yes	____ none reported
Type of auditor's report issued on compliance for major programs:	Unqualified	
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	X yes	____ no

Identification of major programs

CFDA Number(s)	Name of Federal Program or Cluster
93.243	Mental Health Transformation State Infrastructure

Dollar threshold used to distinguish between type A and type B programs:	$300,000	
Auditee qualified as low-risk auditee?	____ yes	X no

WASHINGTON COUNTY MENTAL HEALTH AUTHORITY, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009

SECTION II - FINANCIAL STATEMENT FINDINGS

Finding 2009-1

Criteria:	The Organization does not have procedures and controls in place for the review of journal entries or bank reconciliations, allowing for the proper segregation of duties. This constitutes a deficiency in internal control.
Condition/ Context:	The Authority does not have someone designated to review journal entries and completed bank reconciliations.
Cause:	The Authority has limited accounting staff.
Questioned Cost:	None
Effect:	A misstatement may go undetected without proper review.
Recommendation:	Journal entries should be approved by an employee other than the one who responsibility over preparing the entry or the source documentation. Completed bank reconciliations should be reviewed by an appropriate member of management or the board of directors.
Management Response:	All journal entries prepared by the Office Manager will be reviewed by the Director of Finance. All journal entries prepared by the Director of Finance will be reviewed by the Executive Director. All bank reconciliations will be reviewed by the Executive Director.