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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

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 07-01-2011 and ending 06-30-2012

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Terminated

☐ Amended return

☐ Application pending

C Name of organization
GREEN RIVER REGIONAL MENTAL HEALTH
MENTAL RETARDATION BOARD INC
Doing Business As

Number and street (or P O box if mail is not delivered to street address)
CIGAR FACTORY COMPLEX 1100 WALNUT ST

Room/suite

City or town, state or country, and ZIP + 4
OWENSBORO, KY 42301

F Name and address of principal officer
GAYLE DICESARE
1100 WALNUT STREET
OWENSBORO, KY 42301

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 ▶

D Employer identification number
61-0668290

E Telephone number
(270) 689-6500

G Gross receipts \$ 37,454,550

I Tax-exempt status ☒ 501(c)(3) ☐ 501(c) () ◀(insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW RVBH COM

K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1966

M State of legal domicile KY

Part I

Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities PLANNING, COORDINATION AND DIRECT DELIVERY OF MENTAL HEALTH, SUBSTANCE ABUSE AND MENTAL RETARDATION SERVICES AT VARIOUS LOCATIONS				
	2	Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets				
	3	Number of voting members of the governing body (Part VI, line 1a)			3	18
	4	Number of independent voting members of the governing body (Part VI, line 1b)			4	18
Revenue	5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)			5	240
	6	Total number of volunteers (estimate if necessary)			6	0
	7a	Total unrelated business revenue from Part VIII, column (C), line 12			7a	0
	b	Net unrelated business taxable income from Form 990-T, line 34			7b	0
	8	Contributions and grants (Part VIII, line 1h)			Prior Year	
	9	Program service revenue (Part VIII, line 2g)			Current Year	
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)			10,322,972	12,004,499
Expenses	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)			20,587,228	25,434,344
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)			53,615	6,107
	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)			8,800	9,600
	14	Benefits paid to or for members (Part IX, column (A), line 4)			30,972,615	37,454,550
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)			0	0
	16a	Professional fundraising fees (Part IX, column (A), line 11e)			0	0
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ ⁰				
Net Assets or Fund Balances	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)			18,645,487	17,600,779
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)			27,057,422	32,371,658
	19	Revenue less expenses Subtract line 18 from line 12			3,915,193	5,082,892
					Beginning of Current Year	
	20	Total assets (Part X, line 16)			End of Year	
	21	Total liabilities (Part X, line 26)			21,230,503	25,704,636
	22	Net assets or fund balances Subtract line 21 from line 20			5,646,948	5,042,147
					15,583,555	20,662,489

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	***** Signature of officer	2013-01-09 Date		
	MIKE MOUNTAIN CFO Type or print name and title			
Paid Preparer's Use Only	Preparer's signature ▶ SCOTT L CLAY CPA	Date	Check if self-employed ▶ ☐	Preparer's taxpayer identification number (see instructions) P00114132
	Firm's name (or yours if self-employed), address, and ZIP + 4 ▶	RINEY HANCOCK CPAS PSC 2900 VEACH ROAD SUITE 2 OWENSBORO, KY 42303		EIN ▶ 61-0920132
				Phone no ▶ (270) 926-4540

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2011)

Part III

Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

1

Briefly describe the organization's mission

TO PROVIDE PLANNING, COORDINATION AND DIRECT DELIVERY OF MENTAL HEALTH, SUBSTANCE ABUSE AND MENTAL RETARDATION SERVICES AT VARIOUS LOCATIONS

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 organization's program service accomplishments for each of its three largest program services, as measured 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 \$ 29,177,569 including grants of \$) (Revenue \$ 25,434,344)

PLANNING, COORDINATION, AND DIRECT DELIVERY OF MENTAL HEALTH, SUBSTANCE ABUSE, AND MENTAL RETARDATION SERVICES, PRIMARILY ON AN OUT-PATIENT BASIS

4b

(Code) (Expenses \$ including grants of \$) (Revenue \$)

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 \$ 29,177,569

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	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors(see instructions)? 	2	Yes	
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		No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4		No
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which 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		No
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		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8		No
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		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10		No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? If "Yes," complete Schedule D, Part VI. 	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII. 	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII. 	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX. 	11d	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X. 	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X. 	11f		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII 	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional 	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Part I	14b		No
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 U S ? If "Yes," complete Schedule F, Part II and IV	15		No
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 U S ? If "Yes," complete Schedule F, Part III and IV	16		No
17	Did the organization report a total of more than \$15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I	17		No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18		No
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19		No
20a	Did the organization operate one or more hospitals? If "Yes," complete Schedule H 	20a	Yes	
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? Note. All Form 990 filers that operated one or more hospitals must attach audited financial statements 	20b	Yes	

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21		No
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	Yes	
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? <i>If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25</i>	24a		No
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? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
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? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
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? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34	Yes	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	35a		No
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b		No
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		No
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? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance						
Check if Schedule O contains a response to any question in this Part V ☐						
		Yes	No			
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. .	1a	57			
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	Yes			
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return. .	2a	240			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b	Yes			
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a				No
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 or securities account)?	4a				No
b	If "Yes," enter the name of the foreign country: _____ See instructions for 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				No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b				No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c				
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6a				No
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 receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a				No
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				No
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e				No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f				No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g				No
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h				No
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8				No
9	Sponsoring organizations maintaining donor advised funds.					
a	Did the organization make any taxable distributions under section 4966?	9a				No
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b				No
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				
13	Section 501(c)(29) qualified nonprofit health insurance issuers.					
a	Is the organization licensed to issue qualified health plans in more than one state? Note. All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state.	13a				
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13b				
c	Enter the aggregate amount of reserves on hand.	13c				
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a				No
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	14b				

Part VI

Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.
Check if Schedule O contains a response to any question in this Part VI ☒

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year		
1a	18		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	18
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	No
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	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	No
6	Did the organization have members or stockholders?	6	No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
a	The governing body?	8a	Yes
b	Each committee with authority to act on behalf of the governing body?	8b	Yes
9	Is there any officer, director, 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	9	No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a	No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes
b	Describe in Schedule O the process, if any, used by the organization to review the Form 990		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes
b	Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes
13	Did the organization have a written whistleblower policy?	13	Yes
14	Did the organization have a written document retention and destruction policy?	14	Yes
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	Yes
b	Other officers or key employees of the organization	15b	Yes
	If "Yes," to line 15a or 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	No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take 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 ▶ _____
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made 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 made its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ MIKE MOUNTAIN CIGAR FACTORY COMPLEX 1100 WALNUT OWENSBORO, KY 42301 (270) 689-6500

Part VII

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

Check if Schedule O contains a response to any question in this Part VII

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

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

- 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 all of the organization's **current** key employees, if any See instructions for definition of "key employee "
- 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, or 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 neither the organization nor any related organizations compensated any current or former officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
(1) RICK COX CHAIRMAN	50	X						0	0	0
(2) GALENA FULKERSON VICE CHAIRMAN	50	X						0	0	0
(3) NOEL QUINN SECRETARY/TREASURER	50	X						0	0	0
(4) PATTI ALLEN DIRECTOR	50	X						0	0	0
(5) DR WES BOOKER DIRECTOR	50	X						0	0	0
(6) JUDGE RENONA BROWNING DIRECTOR	50	X						0	0	0
(7) DONNA BUMPUS DIRECTOR	50	X						0	0	0
(8) JUDGE TOM CASTLEN DIRECTOR	50	X						0	0	0
(9) KELLY EDMONDSON DIRECTOR	50	X						0	0	0
(10) REBECCA EDMONDSON DIRECTOR	50	X						0	0	0
(11) KRISTI HIGDON DIRECTOR	50	X						0	0	0
(12) BETH MITCHELL DIRECTOR	50	X						0	0	0
(13) SHIRLEY MERCER DIRECTOR	50	X						0	0	0
(14) MYRA SPAULDING DIRECTOR	50	X						0	0	0
(15) STEVE STEINER DIRECTOR	50	X						0	0	0
(16) PETRINA WEISS DIRECTOR	50	X						0	0	0
(17) KEITH WELLS DIRECTOR	50	X						0	0	0

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	12,001,671				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	2,828				
	g	Noncash contributions included in lines 1a-1f \$ _____						
	h	Total. Add lines 1a-1f			12,004,499			
Program Service Revenue			Business Code					
	2a	PATIENT SERVICES	624100	18,372,410	18,372,410			
	b	MEDICARE/MEDICAID PAYM	624100	5,922,480	5,922,480			
	c	MANAGEMENT SERVICES	624100	1,113,112	1,113,112			
	d	TENANT RENT	623000	26,342	26,342			
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f			25,434,344			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)			6,107		6,107	
	4	Income from investment of tax-exempt bond proceeds . .						
	5	Royalties						
	6a	(i) Real		(ii) Personal				
		9,600						
		0						
		9,600						
	d	Net rental income or (loss)			9,600		9,600	
	7a	(i) Securities		(ii) Other				
	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				
		Less direct expenses		b				
	c	Net income or (loss) from fundraising events . .						
	9a	Gross income from gaming activities See Part IV, line 19		a				
		Less direct expenses		b				
	c	Net income or (loss) from gaming activities . .						
	10a	Gross sales of inventory, less returns and allowances		a				
		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. See Instructions			37,454,550	25,434,344	0	15,707	

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)

Check if Schedule O contains a response to any question in this Part IX

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 United States See Part IV, line 21				
2	Grants and other assistance to individuals in the United States See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees				
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	11,513,317	10,361,985	1,151,332	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	1,025,109	922,598	102,511	
9	Other employee benefits	1,433,299	1,289,969	143,330	
10	Payroll taxes	799,154	719,238	79,916	
11	Fees for services (non-employees)				
a	Management	2,069,891	1,862,901	206,990	
b	Legal				
c	Accounting	310,562	279,505	31,057	
d	Lobbying				
e	Professional fundraising See Part IV, line 17				
f	Investment management fees				
g	Other	10,059,453	9,053,507	1,005,946	
12	Advertising and promotion	148,279	133,450	14,829	
13	Office expenses	652,833	587,550	65,283	
14	Information technology	257,967	232,170	25,797	
15	Royalties				
16	Occupancy	1,059,599	953,639	105,960	
17	Travel	395,745	356,170	39,575	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	46,541	41,887	4,654	
20	Interest	23,915	21,524	2,391	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	348,614	313,752	34,862	
23	Insurance	298,495	268,645	29,850	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	SUPPLIES	1,154,416	1,038,974	115,442	
b	BAD DEBTS	300,000	300,000		
c	MISCELLANEOUS	131,791	118,612	13,179	
d	MEDICAID TAX ASSESSMENT	130,821	130,821		
e					
f	All other expenses	211,857	190,672	21,185	
25	Total functional expenses. Add lines 1 through 24f	32,371,658	29,177,569	3,194,089	0
26	Joint costs. Check here ☐ if following SOP 98-2 (ASC 958-720) 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)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			8,351,999	1	9,283,825
	2	Savings and temporary cash investments			156,408	2	156,838
	3	Pledges and grants receivable, net			69,280	3	67,324
	4	Accounts receivable, net			3,614,406	4	4,014,670
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. 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			595,882	9	506,587
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	14,348,060			
	b	Less: accumulated depreciation	10b	10,656,843	4,048,472	10c	3,691,217
	11	Investments—publicly traded securities			93,667	11	166,093
	12	Investments—other securities. See Part IV, line 11				12	
	13	Investments—program-related. See Part IV, line 11				13	
	14	Intangible assets			554	14	507
	15	Other assets. See Part IV, line 11			4,299,835	15	7,817,575
16	Total assets. Add lines 1 through 15 (must equal line 34)			21,230,503	16	25,704,636	
Liabilities	17	Accounts payable and accrued expenses			4,432,093	17	3,971,896
	18	Grants payable				18	
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities				20	
	21	Escrow or custodial 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			774,499	23	707,253
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D			440,356	25	362,998
	26	Total liabilities. Add lines 17 through 25			5,646,948	26	5,042,147
	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			15,583,555	27	20,662,489
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			15,583,555	33	20,662,489
34	Total liabilities and net assets/fund balances			21,230,503	34	25,704,636	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI ☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	37,454,550
2	Total expenses (must equal Part IX, column (A), line 25)	2	32,371,658
3	Revenue less expenses Subtract line 2 from line 1	3	5,082,892
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	15,583,555
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-3,958
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	20,662,489

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII ☒

		Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		No
b	Were the organization's financial statements audited by an independent accountant?	Yes	
c	If "Yes," to 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? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both ☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separated basis		
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?	Yes	
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	Yes	

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

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

OMB No 1545-0047

2011

Open to Public
Inspection

Name of the organization GREEN RIVER REGIONAL MENTAL HEALTH MENTAL RETARDATION BOARD INC	Employer identification number 61-0668290
--	--

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 (For lines 1 through 11, check only one box)

- 1

☐

A church, convention of churches, or association of churches **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).**
- 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 33 1/3% 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 33 1/3% 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 Se**section 509(a)(4).**
- 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?

(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 the supported organization?

(ii)

a family member of a person described in (i) above?

(iii)

a 35% controlled entity of a person described in (i) or (ii) above?
- h

☐

Provide the following information about the supported organization(s)

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(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 IRC 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 or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support						
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
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 through 3						
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						

Section B. Total Support							
Calendar year (or fiscal year beginning in)		(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7	Amounts from line 4						
8	Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9	Net income from unrelated business activities, whether or not the business is regularly carried on						
10	Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
11	Total support (Add lines 7 through 10)						
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 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage		
14	Public Support Percentage for 2011 (line 6 column (f) divided by line 11 column (f))	14
15	Public Support Percentage for 2010 Schedule A, Part II, line 14	15
16a	33 1/3% support test—2011. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	☐
b	33 1/3% support test—2010. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	☐
17a	10%-facts-and-circumstances test—2011. 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—2010. 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 IIIPart III

Support Schedule for Organizations Described in IRC 509(a)(2)
(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support						
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	12,375,952	13,036,744	12,660,031	10,322,972	12,004,499	60,400,198
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	18,917,653	19,861,239	19,998,723	20,587,228	25,434,344	104,799,187
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 through 5	31,293,605	32,897,983	32,658,754	30,910,200	37,438,843	165,199,385
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						0
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						0
c Add lines 7a and 7b						0
8 Public Support (Subtract line 7c from line 6)						165,199,385

Section B. Total Support						
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6	31,293,605	32,897,983	32,658,754	30,910,200	37,438,843	165,199,385
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	218,460	157,126	141,816	62,415	15,707	595,524
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	218,460	157,126	141,816	62,415	15,707	595,524
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)	31,512,065	33,055,109	32,800,570	30,972,615	37,454,550	165,794,909
14 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here	☐					

Section C. Computation of Public Support Percentage			
15 Public Support Percentage for 2011 (line 8 column (f) divided by line 13 column (f))	15	99.640 %	
16 Public support percentage from 2010 Schedule A, Part III, line 15	16	99.470 %	

Section D. Computation of Investment Income Percentage			
17	Investment income percentage for 2011 (line 10c column (f) divided by line 13 column (f))	17	0.360 %
18	Investment income percentage from 2010 Schedule A, Part III, line 17	18	0.530 %
19a	33 1/3% support tests—2011. If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization 		
b	33 1/3% support tests—2010. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, 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 		

Part IV **Supplemental Information.** Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation

SCHEDULE D
(Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2011

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
Attach to Form 990. See separate instructions.

Name of the organization GREEN RIVER REGIONAL MENTAL HEALTH MENTAL RETARDATION BOARD INC	Employer identification number 61-0668290
--	--

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 for any other purpose conferring 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 importantly land area

☐ Preservation of a 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
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06

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, handling of violations, and enforcement of the conservation easements it holds?

Yes

No

6

Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year

7

Amount of expenses incurred in monitoring, inspecting, and enforcing conservation 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 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

Escrow and Custodial Arrangements. Complete if the 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
1c	
1d	
1e	
1f	

1c

Beginning balance

1d

Additions during the year

1e

Distributions during the year

1f

Ending balance

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 the 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

(i)

unrelated organizations

(ii)

related organizations

b

If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

	Yes	No
3a(i)		
3a(ii)		
3b		

4

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

Part VI

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

Description of property	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		335,913		335,913
b Buildings		9,319,080	6,556,457	2,762,623
c Leasehold improvements		309,173	230,013	79,160
d Equipment		3,844,532	3,401,145	443,387
e Other		539,362	469,228	70,134
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				3,691,217

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)	137,454,550
2	Total expenses (Form 990, Part IX, column (A), line 25)	232,371,658
3	Excess or (deficit) for the year Subtract line 2 from line 1	35,082,892
4	Net unrealized gains (losses) on investments	4-3,958
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	9-3,958
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	105,078,934

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return		
1	Total revenue, gains, and other support per audited financial statements	142,752,952
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12	
a	Net unrealized gains on investments2a	-3,958
b	Donated services and use of facilities2b	
c	Recoveries of prior year grants2c	
d	Other (Describe in Part XIV)2d	11,122,872
e	Add lines 2a through 2d2e	11,118,914
3	Subtract line 2e from line 13	31,634,038
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 7b4a	
b	Other (Describe in Part XIV)4b	5,820,512
c	Add lines 4a and 4b4c	5,820,512
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)5	37,454,550

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return		
1	Total expenses and losses per audited financial statements	139,612,068
2	Amounts included on line 1 but not on Form 990, Part IX, line 25	
a	Donated services and use of facilities2a	
b	Prior year adjustments2b	
c	Other losses2c	
d	Other (Describe in Part XIV)2d	13,060,922
e	Add lines 2a through 2d2e	13,060,922
3	Subtract line 2e from line 13	26,551,146
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 7b4a	
b	Other (Describe in Part XIV)4b	5,820,512
c	Add lines 4a and 4b4c	5,820,512
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)5	32,371,658

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. Also complete this part to provide any additional information.

Identifier	Return Reference	Explanation
PART XII, LINE 2D - OTHER ADJUSTMENTS		RELATED ENTITIES' REVENUE PER CONSOLIDATED FINANCIAL STATEMENTS 22,499,611 ELIMINATIONS PER CONSOLIDATED FINANCIAL STATEMENTS -11,403,237 OTHER ADJUSTMENTS 26,498
PART XII, LINE 4B - OTHER ADJUSTMENTS		MICHELLE P. WAIVER REVENUES REPORTED NET OF EXPENSES ON AUDIT REPORT 5,820,512
PART XIII, LINE 2D - OTHER ADJUSTMENTS		RELATED ENTITIES' EXPENSES PER CONSOLIDATED FINANCIAL STATEMENTS 24,437,661 ELIMINATIONS PER CONSOLIDATED FINANCIAL STATEMENTS -11,403,237 OTHER ADJUSTMENTS 26,498
PART XIII, LINE 4B - OTHER ADJUSTMENTS		MICHELLE P. WAIVER REVENUES REPORTED NET OF EXPENSES ON AUDIT REPORT 5,820,512

Additional Data

Software ID:
Software Version:
EIN: 61-0668290
Name: GREEN RIVER REGIONAL MENTAL HEALTH
MENTAL RETARDATION BOARD INC

Form 990, Schedule D, Part IX, - Other Assets

(a) Description	(b) Book value
RESERVE FOR REPLACEMENTS	176,255
DUE FROM GREEN RIVER INDEPENDENT LIVING II, INC	39,784
DUE FROM GREEN RIVER INDEPENDENT LIVING III, INC	51,062
DUE FROM HENDERSON GROUP HOME, INC	231,795
DUE FROM ACUMEN COUNSELING SERVICES, INC	715,188
TENANT SECURITY DEPOSITS	2,135
RESIDUAL RECEIPTS RESERVE	3,593
TAX AND INSURANCE ESCROW	1,074
DUE FROM BEHAVIORAL HEALTH SERVICES, INC	6,543,043
DUE FROM CIGAR FACTORY COMPLEX, INC	53,646

SCHEDULE H
(Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, question 20.**
▶ **Attach to Form 990. ▶ See separate instructions.**

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
GREEN RIVER REGIONAL MENTAL HEALTH
MENTAL RETARDATION BOARD INC

Employer identification number

61-0668290

Part I

Charity Care and Certain Other Community Benefits at Cost

		Yes	No
1a	Did the organization have a charity care policy? If "No," skip to question 6a	1a	No
b	If "Yes," is it a written policy?	1b	
2	If the organization had multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals ☐ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals		
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients during the tax year a Did the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing <i>free</i> care? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care ☐ 100% ☐ 150% ☐ 200% ☐ Other _____% b Did the organization use FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☐ Other _____% c If the organization did not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care 4 Did the organization's policy provide free or discounted care to the "medically indigent"?	3a	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	3b	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	4	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5a	
6a	Did the organization prepare a community benefit report during the tax year?	5b	
6b	If "Yes," did the organization make it available to the public?	5c	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H	6a	No
		6b	

7

Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheet 1)						
b Medicaid (from Worksheet 3, column a)			28,534,134	23,105,873	5,428,261	16 930 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Charity Care and Means-Tested Government Programs			28,534,134	23,105,873	5,428,261	16 930 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			179,039	0	179,039	0 560 %
f Health professions education (from Worksheet 5)			72,239	0	72,239	0 230 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			15,000	0	15,000	0 050 %
j Total Other Benefits			266,278		266,278	0 840 %
k Total. Add lines 7d and 7j			28,800,412	23,105,873	5,694,539	17 770 %

Part IICommunity Building Activities

Complete this table if the organization conducted any community building activities.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1Physical improvements and housing						
2Economic development						
3Community support						
4Environmental improvements						
5Leadership development and training for community members						
6Coalition building						
7Community health improvement advocacy						
8Workforce development						
9Other						
10Total						

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No
1Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No. 15?	1		No
2Enter the amount of the organization's bad debt expense	2	300,000	
3Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	3	0	
4Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit.			

Section B. Medicare

5Enter total revenue received from Medicare (including DSH and IME)	5	0	
6Enter Medicare allowable costs of care relating to payments on line 5	6	0	
7Subtract line 6 from line 5. This is the surplus or (shortfall).	7		
8Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: ☐ Cost accounting system ☐ Cost to charge ratio ☐ Other			

Section C. Collection Practices

9aDid the organization have a written debt collection policy during the tax year?	9a		No
bIf "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI.	9b		

Part IVManagement Companies and Joint Ventures (see instructions)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership%	(e) Physicians' profit % or stock ownership %
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

Section A. Hospital Facilities

How many hospital facilities did the organization operate during the tax year? 1

Name and address

[illegible]

Part V Facility Information (continued)

Section B. Facility Policies and Practices.

(Complete a separate Section B for each of the hospital facilities listed in Part V, Section A)

RIVERVALLEY BEHAVIORAL HEALTH HOSPITAL

Name of Hospital Facility:_____

Line Number of Hospital Facility (from Schedule H, Part V, Section A):_____1_____

	Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)		
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8 If "Yes," indicate what the Needs Assessment describes (check all that apply) a ☐ A definition of the community served by the hospital facility b ☐ Demographics of the community c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community d ☐ How data was obtained e ☐ The health needs of the community f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups g ☐ The process for identifying and prioritizing community health needs and services to meet those needs h ☐ The process for consulting with persons representing the community's interests i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs j ☐ Other (describe in Part VI)	1	No
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ____		
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	
5 Did the hospital facility make its Needs Assessment widely available to the public? If "Yes," indicate how the Needs Assessment was made widely available (check all that apply) a ☐ Hospital facility's website b ☐ Available upon request from the hospital facility c ☐ Other (describe in Part VI)	5	
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply) a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community b ☐ Execution of the implementation strategy c ☐ Development of a community-wide community benefit plan for the facility d ☐ Participation in community-wide community benefit plan e ☐ Inclusion of a community benefit section in operational plans f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA g ☐ Prioritization of health needs in the community h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community i ☐ Other (describe in Part VI)		
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7	
Financial Assistance Policy		
Did the hospital facility have in place during the tax year a written financial assistance policy that		
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	No
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care? If "Yes," indicate the FPG family income limit for eligibility for free care ____% If "No," explain in Part VI the criteria the hospital facility used	9	No

Part V

Facility Information (continued)

		Yes	No
10	Used FPG to determine eligibility for providing discounted care? If "Yes," indicate the FPG family income limit for eligibility for discounted care __% If "No," explain in Part VI the criteria the hospital facility used	10	No
11	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply) a ☐ Income level b ☐ Asset level c ☐ Medical indigency d ☐ Insurance status e ☐ Uninsured discount f ☐ Medicaid/Medicare g ☐ State regulation h ☐ Other (describe in Part VI)	11	No
12	Explained the method for applying for financial assistance?	12	No
13	Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply) a ☐ The policy was posted at all times on the hospital facility's web site b ☐ The policy was attached to all billing invoices c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms d ☐ The policy was posted in the hospital facility's admissions offices e ☐ The policy was provided, in writing, to patients upon admission to the hospital facility f ☐ The policy was available upon request g ☐ Other (describe in Part VI)	13	No

Billing and Collections

14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	14	Yes	
15	Check all of the following collection actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP a ☒ Reporting to credit agency b ☐ Lawsuits c ☐ Liens on residences d ☐ Body attachments or arrests e ☐ Other similar actions (describe in Part VI)			
16	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged a ☒ Reporting to credit agency b ☐ Lawsuits c ☐ Liens on residences d ☐ Body attachments e ☐ Other similar actions (describe in Part VI)	16	Yes	
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in question 16 (check all that apply) a ☒ Notified patients of the financial assistance policy upon admission b ☒ Notified patients of the financial assistance policy prior to discharge c ☒ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills d ☐ Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy e ☐ Other (describe in Part VI)			

Part V

Facility Information (continued)

Policy Relating to Emergency Medical Care

		Yes	No
18	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy? If "No," indicate why	Yes	
a	☐ The hospital facility did not provide care for any emergency medical conditions		
b	☐ The hospital facility's policy was not in writing		
c	☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d	☐ Other (describe in Part VI)		

Individuals Eligible for Financial Assistance

19	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care		
a	☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	☐ The hospital facility used the average of it's three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c	☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	☐ Other (describe in Part VI)		
20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Part VI	20	No
21	Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for services provided to that patient? If "Yes," explain in Part VI	21	No

Part V

Facility Information (continued)

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size from largest to smallest)

How many non-hospital facilities did the organization operate during the tax year? _____

Name and address		Type of Facility (Describe)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

Part VI

Supplemental Information

Complete this part to provide the following information

- 1
- Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21
- 2
- Community health needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any community health needs assessments reported in Part V, Section B
- 3
- Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
- 4
- Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5
- Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)
- 6
- Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served
- 7
- State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Identifier	ReturnReference	Explanation
		PART I, LINE 7, COLUMN (F) THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25, COLUMN (A), BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN IS \$ 300000

Identifier	ReturnReference	Explanation
		PART III, LINE 4 THE AGENCY DOES NOT DESCRIBE BAD DEBT EXPENSE IN THEIR FINANCIAL STATEMENTS THE COSTING METHODOLOGY USED TO REPORT THE AMOUNTS ON LINES 2 AND 3 WAS THE RATIO DETERMINED FROM WORKSHEET 2 NO BAD DEBT EXPENSES WERE INCLUDED IN THE AMOUNTS LISTED AS COMMUNITY BENEFIT

Identifier	ReturnReference	Explanation
RIVERVALLEY BEHAVIORAL HEALTH HOSPITAL		PART V, SECTION B, LINE 19D THE HOSPITAL USED THE MEDICAID RATE FOR INDIVIDUALS WHO DID NOT HAVE INSURANCE COVERING EMERGENCY OR OTHER MEDICALLY NECESSARY CARE

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2011

Open to Public Inspection

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

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization
GREEN RIVER REGIONAL MENTAL HEALTH
MENTAL RETARDATION BOARD INC

Employer identification number

61-0668290

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 ☐ Travel for companions ☐ Tax idemnification and gross-up payments ☐ Discretionary spending account ☐ Housing allowance or residence for personal use ☐ Payments for business use of personal residence ☐ Health or social club dues or initiation fees ☐ Personal services (e g , maid, chauffeur, chef)		
1b If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain		
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?		
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 ☐ Independent compensation consultant ☐ Form 990 of other organizations ☐ Written employment contract ☐ Compensation survey or study ☒ Approval by the board or compensation committee		
4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization		
4a Receive a severance payment or change-of-control payment?		No
4b Participate in, or receive payment from, a supplemental nonqualified retirement plan?		No
4c Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		No
Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
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		
5a The organization?		No
5b Any related organization? If "Yes," to line 5a or 5b, describe in Part III		No
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		
6a The organization?		No
6b Any related organization? If "Yes," to line 6a or 6b, describe in Part III		No
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		No
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		No
9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?		

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.

[illegible]

Part III **Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
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SCHEDULE O
(Form 990 or 990-EZ)Department of the Treasury
Internal Revenue Service**Supplemental Information to Form 990 or 990-EZ****Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.**
▶ **Attach to Form 990 or 990-EZ.**

OMB No 1545-0047

2011**Open to Public
Inspection**Name of the organization
GREEN RIVER REGIONAL MENTAL HEALTH
MENTAL RETARDATION BOARD INC**Employer identification number**

61-0668290

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 11	FORM 990 IS REVIEWED BY THE CEO AND CONTROLLER AND THEN BY THE BOARD OF DIRECTORS BEFORE IT IS FILED
	FORM 990, PART VI, SECTION B, LINE 12C	THE CONFLICT OF INTEREST POLICY IS MONITORED BY THE BOARD, CFO, PURCHASING MANAGER, AND HUMAN RESOURCES DEPARTMENT AND INCLUDES REVIEWS OF VENDOR CONTRACTS AND EMPLOYMENT APPLICATIONS
	FORM 990, PART VI, SECTION B, LINE 15	THE BOARD REVIEWS AND APPROVES THE CEO'S COMPENSATION THE HUMAN RESOURCES DEPARTMENT FORWARDS PROPOSED COMPENSATION ARRANGEMENTS FOR OTHER KEY PERSONNEL TO THE CEO FOR REVIEW AND APPROVAL
	FORM 990, PART VI, SECTION C, LINE 18	FORM 1023 AND FORM 990 ARE MADE AVAILABLE TO THE PUBLIC UPON REQUEST AND FORM 990 IS ALSO AVAILABLE ON PUBLIC WEBSITES SUCH AS GUIDESTAR.ORG
	FORM 990, PART VI, SECTION C, LINE 19	UPON REQUEST, THE ORGANIZATION'S GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS ARE MADE AVAILABLE TO THE PUBLIC
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	NET UNREALIZED LOSSES ON INVESTMENTS -3,958
	FORM 990, PART XI, LINE 2C	THE FINANCE COMMITTEE OF THE BOARD IS RESPONSIBLE FOR OVERSIGHT OF THE AUDIT AND SELECTION OF THE INDEPENDENT ACCOUNTANT

SCHEDULE R
(Form 990)

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2011

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization
GREEN RIVER REGIONAL MENTAL HEALTH
MENTAL RETARDATION BOARD INC

Employer identification number

61-0668290

Part I

Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II

Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
(1) ACUMEN COUNSELING SERVICES INC 1100 WALNUT STREET OWENSBORO, KY 42301 61-1248638	COUNSELING SERVICES TO CHARITABLE ACTIVITIES OF RELATED ORGANIZATIONS	KY	501(C)(3)	11C			No
(2) BEHAVIORAL HEALTHCARE SERVICES INC 1100 WALNUT STREET OWENSBORO, KY 42301 31-1563579	OFFERS RESIDENTIAL SERVICES TO MENTALLY RETARDED INDIVIDUALS	KY	501(C)(3)	9			No
(3) CIGAR FACTORY COMPLEX INCORPORATED 1100 WALNUT STREET OWENSBORO, KY 42301 61-1303939	OWNS AND MANAGES PROPERTY FOR OTHER CHARITABLE ORGANIZATIONS	KY	501(C)(2)				No
(4) GREEN RIVER INDEPENDENT LIVING - II INC 1100 WALNUT STREET OWENSBORO, KY 42301 61-1027454	PROVIDE HOUSING FOR ELDERLY AND/OR HANDICAPPED PERSONS	KY	501(C)(3)	9			No
(5) GREEN RIVER INDEPENDENT LIVING - III INC 1100 WALNUT STREET OWENSBORO, KY 42301 61-1153453	PROVIDE HOUSING FOR ELDERLY AND/OR HANDICAPPED PERSONS	KY	501(C)(3)	9			No
(6) HENDERSON GROUP HOME INC 1100 WALNUT STREET OWENSBORO, KY 42301 61-1171902	PROVIDE HOUSING & PERSONAL CARE FOR PHYSICALLY AND/OR MENTALLY HANDICAPPED	KY	501(C)(3)	9			No
(7) RIVERVALLEY CONSULTING SERVICES INC 1100 WALNUT STREET OWENSBORO, KY 42301 61-1354311	TO OFFER CONSULTING SERVICES TO RELATED NON-PROFIT ENTITIES	KY	501(C)(3)	11B			No

Part III

Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of- year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership

Part V

Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, 35A, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III or IV

1

During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a

Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity

b

Gift, grant, or capital contribution to related organization(s)

c

Gift, grant, or capital contribution from related organization(s)

d

Loans or loan guarantees to or for related organization(s)

e

Loans or loan guarantees by related organization(s)

f

Sale of assets to related organization(s)

g

Purchase of assets from related organization(s)

h

Exchange of assets with related organization(s)

i

Lease of facilities, equipment, or other assets to related organization(s)

j

Lease of facilities, equipment, or other assets from related organization(s)

k

Performance of services or membership or fundraising solicitations for related organization(s)

l

Performance of services or membership or fundraising solicitations by related organization(s)

m

Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

n

Sharing of paid employees with related organization(s)

o

Reimbursement paid to related organization(s) for expenses

p

Reimbursement paid by related organization(s) for expenses

q

Other transfer of cash or property to related organization(s)

r

Other transfer of cash or property from related organization(s)

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

No

No

No

No

No

No

No

No

No

Yes

No

Yes

No

No

No

No

No

No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) CIGAR FACTORY COMPLEX INCORPORATED	J	522,000	FMV - CASH TRANSACTIONS
(2) ACUMEN COUNSELING SERVICES INC	L	7,517,751	FMV - CASH TRANSACTIONS
(3) RIVERVALLEY CONSULTING SERVICES INC	L	1,363,790	FMV - CASH TRANSACTIONS
(4)			
(5)			
(6)			

Schedule R (Form 990) 2011

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Part VII

Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

Identifier	Return Reference	Explanation	
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Software ID:

Software Version:

EIN: 61-0668290

Name: GREEN RIVER REGIONAL MENTAL HEALTH
MENTAL RETARDATION BOARD INC

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary Activity	(c) Legal Domicile (State or Foreign Country)	(d) Exempt Code section	(e) Public charity status (if 501(c) (3))	(f) Direct Controlling Entity	(g) Section 512 (b)(13) controlled organization	
ACUMEN COUNSELING SERVICES INC 1100 WALNUT STREET OWENSBORO, KY 42301 61-1248638	COUNSELING SERVICES TO CHARITABLE ACTIVITIES OF RELATED ORGANIZATIONS	KY	501(C) (3)	11C			No
BEHAVIORAL HEALTHCARE SERVICES INC 1100 WALNUT STREET OWENSBORO, KY 42301 31-1563579	OFFERS RESIDENTIAL SERVICES TO MENTALLY RETARDED INDIVIDUALS	KY	501(C) (3)	9			No
CIGAR FACTORY COMPLEX INCORPORATED 1100 WALNUT STREET OWENSBORO, KY 42301 61-1303939	OWNS AND MANAGES PROPERTY FOR OTHER CHARITABLE ORGANIZATIONS	KY	501(C) (2)				No
GREEN RIVER INDEPENDENT LIVING - II INC 1100 WALNUT STREET OWENSBORO, KY 42301 61-1027454	PROVIDE HOUSING FOR ELDERLY AND/OR HANDICAPPED PERSONS	KY	501(C) (3)	9			No
GREEN RIVER INDEPENDENT LIVING - III INC 1100 WALNUT STREET OWENSBORO, KY 42301 61-1153453	PROVIDE HOUSING FOR ELDERLY AND/OR HANDICAPPED PERSONS	KY	501(C) (3)	9			No
HENDERSON GROUP HOME INC 1100 WALNUT STREET OWENSBORO, KY 42301 61-1171902	PROVIDE HOUSING & PERSONAL CARE FOR PHYSICALLY AND/OR MENTALLY HANDICAPPED	KY	501(C) (3)	9			No
RIVERVALLEY CONSULTING SERVICES INC 1100 WALNUT STREET OWENSBORO, KY 42301 61-1354311	TO OFFER CONSULTING SERVICES TO RELATED NON- PROFIT ENTITIES	KY	501(C) (3)	11B			No

Additional Data

Software ID:
Software Version:
EIN: 61-0668290
Name: GREEN RIVER REGIONAL MENTAL HEALTH
MENTAL RETARDATION BOARD INC

Form 990, Special Condition Description:

Special Condition Description

**Green River Regional Mental Health – Mental Retardation
Board, Inc. d/b/a River Valley Behavioral Health**

Independent Accountants' Report
and Consolidated Financial Statements

June 30, 2012 and 2011



Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health

June 30, 2012 and 2011

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Independent Accountants' Report on Consolidated Financial Statements and Supplementary Information

Board of Directors
Green River Regional Mental Health – Mental Retardation
Board, Inc. d/b/a River Valley Behavioral Health
Owensboro, Kentucky

We have audited the accompanying consolidated balance sheets of Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health (River Valley) as of June 30, 2012 and 2011, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended. These consolidated financial statements are the responsibility of River Valley's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We did not audit the financial statements of Independent Living III, Inc., which statements reflect total assets of \$1,114,317 and \$1,052,322 as of June 30, 2012 and 2011, respectively, and total revenues of \$274,946 and \$273,822, respectively, for the years then ended. Those statements were audited by other accountants whose reports have been furnished to us and our opinion, insofar as it relates to the amounts included in Independent Living III, Inc. is solely based on the reports of the other accountants.

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 consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated 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 and the reports of the other accountants provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of other accountants, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of River Valley as of June 30, 2012 and 2011, and the results of its operations, 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 November 21, 2012, on our consideration of River Valley's internal control over financial reporting and 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.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information, including the schedule of operations and changes in net assets information, and the schedule of expenditures of federal awards required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

BKD, LLP

November 21, 2012

Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health

Consolidated Balance Sheets

June 30, 2012 and 2011

Assets

	<u>2012</u>	<u>2011</u>
Current Assets		
Cash	\$ 17,289,752	\$ 13,878,021
Patient accounts receivable, less allowance for doubtful accounts, 2012 – \$630,000 and 2011 – \$636,000	4,396,319	4,082,374
Accounts receivable – other	623,597	637,764
Prepaid expenses and other current assets	<u>506,587</u>	<u>595,882</u>
Total current assets	22,816,255	19,194,041
Tenant Deposits	9,175	8,755
Assets Limited as to Use – Noncurrent Portion	548,253	441,648
Property and Equipment, Net	5,870,514	6,443,480
Other Assets		
Other	<u>29,267</u>	<u>163,523</u>
Total assets	<u><u>\$ 29,273,464</u></u>	<u><u>\$ 26,251,447</u></u>

Liabilities and Net Assets

Current Liabilities		
Current maturities of long-term debt	\$ 273,540	\$ 260,847
Accounts payable	791,636	1,025,026
Accrued expenses	4,592,227	3,921,963
Deferred revenues	233,527	763,644
Due to third-party payers	<u>762,500</u>	<u>527,276</u>
Total current liabilities	6,653,430	6,498,756
Long-Term Debt	<u>2,848,678</u>	<u>3,122,219</u>
Total liabilities	9,502,108	9,620,975
Net Assets		
Unrestricted	<u>19,771,356</u>	<u>16,630,472</u>
Total liabilities and net assets	<u><u>\$ 29,273,464</u></u>	<u><u>\$ 26,251,447</u></u>

Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health

Consolidated Statements of Operations and Changes in Net Assets

Years Ended June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Revenues		
Net patient service revenue	\$ 27,904,796	\$ 28,839,268
State and local grants	13,627,130	11,860,712
Other income	845,585	575,213
Rental income	364,567	383,231
Interest income	10,874	11,568
	<u>42,752,952</u>	<u>41,669,992</u>
Expenses		
Payroll and fringe benefits	27,865,827	27,556,467
Contracted program services	3,851,482	4,238,240
Facility and site expenses	2,510,147	2,227,436
Program supplies and expenses	1,352,526	1,629,457
Depreciation and amortization	605,783	646,324
Interest expense	203,359	237,798
Other administrative and general expenses	1,409,271	1,772,607
Professional services	674,029	539,611
Transportation and travel	583,690	618,834
Bad debt expense	300,000	39,631
Subcontracted program services	179,372	179,737
Repairs and maintenance	76,582	108,993
	<u>39,612,068</u>	<u>39,795,135</u>
Excess of Revenues Over Expenses and Change in Unrestricted Net Assets	3,140,884	1,874,857
Net Assets, Unrestricted, Beginning of Year	<u>16,630,472</u>	<u>14,755,615</u>
Net Assets, Unrestricted, End of Year	<u><u>\$ 19,771,356</u></u>	<u><u>\$ 16,630,472</u></u>

Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health

Consolidated Statements of Cash Flows

Years Ended June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Operating Activities		
Change in unrestricted net assets	\$ 3,140,884	\$ 1,874,857
Items not requiring net cash		
Depreciation and amortization	605,783	646,324
Bad debt expense	300,000	39,631
Equity method investment adjustment	157,500	-
Changes in		
Accounts receivable	(599,778)	243,572
Prepaid expenses and other assets	61,375	(146,297)
Accounts payable, accrued expenses, deferred revenues and due to third-party payers	<u>141,981</u>	<u>1,523,660</u>
Net cash provided by operating activities	<u>3,807,745</u>	<u>4,181,747</u>
Investing Activities		
Purchase of property and equipment	(28,561)	(85,010)
Change in assets limited as to use	<u>(106,605)</u>	<u>446,232</u>
Net cash provided by (used in) investing activities	<u>(135,166)</u>	<u>361,222</u>
Financing Activity – Principal payments on long-term debt	<u>(260,848)</u>	<u>(937,084)</u>
Increase in Cash	3,411,731	3,605,885
Cash, Beginning of Year	<u>13,878,021</u>	<u>10,272,136</u>
Cash, End of Year	<u><u>\$ 17,289,752</u></u>	<u><u>\$ 13,878,021</u></u>
Supplemental Cash Flows Information		
Interest paid	\$ 203,542	\$ 238,998
Capital lease obligations incurred for equipment	\$ -	\$ 75,106

Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health

Notes to Consolidated Financial Statements

June 30, 2012 and 2011

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health (River Valley), a nonprofit organization, provides planning, coordination and direct delivery of mental health, substance abuse and mental retardation services, primarily on an outpatient basis, at various locations throughout a seven-county area in western Kentucky. River Valley owns and operates the River Valley Behavioral Health Hospital (RVBHH), which is licensed as an 80-bed children's psychiatric hospital. River Valley also operates community mental health clinics and the Personal Care Attendant Program, which provides services for severely physically disabled adults who are at risk of institutional care. River Valley operates River Valley Consulting Services (RVCS), which serves as an umbrella company that is comprised of upper management who lease their services back to the other affiliated companies. River Valley operates Acumen Counseling Services, Inc. (Acumen), which was established to allow River Valley to offer employee assistance programs to both private and public companies. River Valley operates Cigar Factory Complex, Inc. (CFC), which was established to operate and maintain a real estate complex that houses River Valley and other nonaffiliated companies. River Valley operates Behavioral Healthcare Services, Inc. (BHS), which was established to provide residential services to the mentally retarded and developmentally delayed. BHS is the sole member of Effexas, Inc., which was established to design, develop, manufacture, market, sell and distribute industry specific software.

River Valley also provides behavioral health care services in Texas, New Mexico, North Carolina and Nevada. These services are provided through contracts with agencies associated with the Department for Medicaid Services.

In addition, River Valley operates four apartment complexes (48 total units) serving residents with independent living apartments located in Kentucky that are financed by four mortgages from the U.S. Department of Housing and Urban Development (HUD). One of these projects (Independent Living Apartments) is owned by River Valley, while the other three (Independent Living II, Inc., Independent Living III, Inc. and Henderson Group Home, Inc.) are separate corporations that are controlled by River Valley.

Use of Estimates

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

Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health

Notes to Consolidated Financial Statements

June 30, 2012 and 2011

Principles of Consolidation

The consolidated financial statements include the accounts of River Valley Behavioral Health, RVCS, CFC, Acumen, BHS, Independent Living I, Inc., Independent Living II, Inc., Independent Living III, Inc., Personal Care Attendant Program and Henderson Group Home, Inc. (collectively, River Valley)

All significant intercompany accounts and transactions have been eliminated in consolidation

Cash Equivalents

River Valley considers all liquid investments, other than those limited as to use, with original maturities of three months or less to be cash equivalents. At June 30, 2012 and 2011, cash equivalents consisted of certificates of deposit.

For River Valley's interest-bearing cash accounts, the Federal Deposit Insurance Corporation's (FDIC) insurance limits were permanently increased to \$250,000, effective July 21, 2010. At June 30, 2012, River Valley's interest-bearing cash accounts exceeded federally insured limits by approximately \$15,688,000. The interest-bearing deposits that exceed the \$250,000 FDIC limit are invested in repurchase agreements.

Repurchase agreements are transactions in which the bank in effect borrows money by selling securities and simultaneously agree to buy the securities back at a higher price at a later date. Repurchase agreements function in a way similar to a secured loan with the securities serving as collateral. The bank currently maintains significant amounts of agency mortgage securities (Fannie Mae and Freddie Mac) in both pass-through and collateralized mortgage obligation (CMO) form as collateral for repurchase agreements. Such securities, whose timely payments are guaranteed by Fannie Mae and Freddie Mac, while not completely free from credit risk, are low risk as they implicitly carry the government's rating.

Pursuant to legislation enacted in 2010, the FDIC fully insures all noninterest-bearing transaction accounts beginning December 31, 2010, through December 31, 2012, at all FDIC-insured institutions.

Assets Limited as to Use

Assets limited as to use include equity securities, which are stated at market value, cash and certificates of deposit that are stated at cost, plus accrued interest, which approximates fair value. Assets limited as to use include assets held in escrow for payment of property taxes and insurance and the reserves for replacements and residual receipts pursuant to the loan agreements with HUD. Also included with these assets are monies invested pursuant to a nonqualified deferred compensation plan.

Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health

Notes to Consolidated Financial Statements

June 30, 2012 and 2011

Patient Accounts Receivable

Patient accounts receivable are stated at amounts billed to patients and third parties and are reduced by an allowance for doubtful accounts and contractual allowances. In evaluating the collectibility of accounts receivable, River Valley analyzes its history and identifies trends for each of its major payer sources of revenue to estimate the appropriate allowance for doubtful accounts and contractual allowances. Management regularly reviews data about these major payer sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts.

For receivables associated with services provided to patients who have third-party coverage, River Valley analyzes contractually due amounts and provides a contractual allowance and an allowance for doubtful accounts and a provision for bad debts, if necessary (for expected uncollectible deductibles and copayments on accounts for which the third-party payer has not yet paid, or for payers who are known to be having financial difficulties that make the realization of amounts due unlikely).

For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), River Valley records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or the discounted rates if negotiated or provided by policy) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts.

Property and Equipment

Property and equipment are stated at cost and are depreciated on a straight-line basis over the estimated useful life of each asset. Leasehold improvements are depreciated over the shorter of the lease term or their respective estimated useful lives.

Long-Lived Asset Impairment

River Valley evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

No asset impairment was recognized during the years ended June 30, 2012 and 2011.

Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health

Notes to Consolidated Financial Statements

June 30, 2012 and 2011

Net Patient Service Revenue

River Valley has agreements with third-party payers that provide for payments to River Valley at amounts different from its established rates. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered and includes estimated retroactive revenue adjustments. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered and such estimated amounts are revised in future periods as adjustments become known.

Charity Care

River Valley provides charity care to patients who are unable to pay for services. The amount of charity care is included in net patient service revenue and is not separately classified from the provision for uncollectible accounts. The charity care provided by River Valley to patients was immaterial to the overall consolidated financial statements for the years ended June 30, 2012 and 2011.

Government Grants

Support funded by state grants (which include federal funds) is recognized as River Valley performs the contracted services under grant agreements. Grant revenue is recognized as earned based on eligible expenses incurred. Grant expenditures are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required. Grant income represented approximated 32 percent and 28 percent of total revenue for the years ended June 30, 2012 and 2011, respectively.

Income Tax Status

RVBHH, Acumen, RVCS, BHS and the HUD projects are exempt from federal income tax under Section 501(c)(3) of the U.S. Internal Revenue Code (IRC). CFC is exempt from federal income tax under Section 501(a) of the IRC. None of the consolidated entities are considered to be private foundations. River Valley does pay income tax on unrelated business income, however, the taxes are not material to the consolidated financial statements taken as a whole.

Effexas, Inc. is an entity that is taxable for federal and state income tax purposes.

River Valley files tax returns in the U.S. federal jurisdiction. With a few exceptions, River Valley is no longer subject to U.S. federal examinations by tax authorities for years before 2009.

Professional Liability Coverage

River Valley insures for medical malpractice losses through a claims-made policy with a multi-provider captive insurance company. Accounting principles generally accepted in the United States of America require a health care provider to accrue the expense of its share of malpractice.

Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health

Notes to Consolidated Financial Statements

June 30, 2012 and 2011

claims cost for any reported or unreported incidents of potential improper professional service occurring during the year by estimating the probable ultimate cost of the incidents

Self-Insurance

River Valley has elected to self-insure certain costs related to employee health and accident benefit programs. Costs resulting from noninsured losses are charged to income when incurred. River Valley has purchased stop-loss insurance that limits its exposure for individual claims to \$50,000 and its aggregate exposure to \$1,000,000.

Reclassifications

Certain reclassifications have been made to the 2011 consolidated financial statements to conform to the 2012 consolidated financial statement presentation. These reclassifications had no effect on the change in net assets.

Note 2: Net Patient Service Revenue

River Valley has agreements with third-party payers that provide for payments to River Valley at amounts different from its established rates. These payment arrangements include:

Medicaid – Services rendered to Medicaid program beneficiaries are paid primarily at prospectively determined rates under a cost reimbursement methodology. River Valley is reimbursed at a tentative rate, subject to Medicaid audits, for services provided at RVBHH. Rate adjustments resulting from these audits are reflected in income in the accounting period in which such adjustments become known. Other Medicaid services provided by River Valley are reimbursed at rates determined by the prior year's annual cost report and are not subject to rate adjustments.

Approximately 81 percent and 66 percent of net patient service revenue are from participation in the state-sponsored Medicaid program for the years ended June 30, 2012 and 2011, respectively. Laws and regulations governing the Medicaid program are complex and subject to interpretation and change. As a result, it is reasonably possible that recorded estimates will change materially in the near term.

River Valley participates in the Michelle P. Waiver program, which is a home and community based waiver program within the Kentucky Medicaid program developed as an alternative to institutional care for individuals with intellectual or developmental disabilities. This program is designed to allow individuals to remain in their homes with services and supports. This service is provided as an administrative function by River Valley through contracts with the State and, as such, all revenues are reported net of related pass-through costs.

Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health

Notes to Consolidated Financial Statements

June 30, 2012 and 2011

During the year ended June 30, 2012, River Valley received approximately \$3,966,000 from Medicaid as partial settlement of disputed reimbursements for services provided from 2000 through 2007. This reimbursement is reflected in the 2012 net patient service revenues in the consolidated statements of operations and changes in net assets. River Valley is continuing to pursue additional amounts that may be due with respect to these years, as well as increased rate levels for 2012 from Medicaid.

River Valley has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to River Valley under these agreements includes prospectively determined rates per discharge, discounts from established charges and prospectively determined daily rates.

Patient service revenue, net of contractual allowances and discounts (but before the provision for bad debts), recognized for the year ended June 30, 2012, was approximately

	2012
Medicare	\$ 324,568
Medicaid	22,581,962
Other third-party payers	4,416,384
Self-pay	581,882
	<u>\$ 27,904,796</u>

Note 3: Assets Limited as to Use

Assets limited as to use at June 30 included

	2012	2011
Cash and cash equivalents	\$ 382,160	\$ 347,981
Mutual funds	166,093	93,667
	<u>\$ 548,253</u>	<u>\$ 441,648</u>

Investment return is comprised of the following

	2012	2011
Interest and dividend income	\$ 10,874	\$ 11,568

Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health

Notes to Consolidated Financial Statements

June 30, 2012 and 2011

Note 4: Concentration of Credit Risk

River Valley grants credit without collateral to its patients, most of whom are area residents and are insured under third-party payer agreements

The mix of receivables from patients and third-party payers at June 30 was

	2012	2011
Medicare	3%	2%
Medicaid	89	80
Other third-party payers	6	16
Patients	2	2
	100%	100%

Note 5: Property and Equipment

Property and equipment consisted of the following at June 30

	2012	2011
Land	\$ 394,886	\$ 394,886
Buildings and improvements	14,234,196	14,227,768
Furniture, fixtures and equipment	3,966,013	3,961,093
Vehicles	489,221	499,221
Leasehold improvements	310,733	310,733
Construction in process	54,256	34,669
	19,449,305	19,428,370
Less accumulated depreciation	13,578,791	12,984,890
	\$ 5,870,514	\$ 6,443,480

Note 6: Line of Credit

River Valley has a \$1,000,000 revolving bank line of credit expiring in November 2012. At June 30, 2012 and 2011, there were no borrowings against this line. The line is collateralized by substantially all of River Valley's assets. Interest on any outstanding balance is payable monthly at the bank's prime rate (3.25 percent), less 0.25 percent (3.00 percent) on June 30, 2012.

Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health

Notes to Consolidated Financial Statements

June 30, 2012 and 2011

Note 7: Long-Term Debt

	2012	2011
Mortgages payable		
U S Department of Housing and Urban Development, 9 25%, payable monthly \$1,861, including interest through June 2023, collateralized by real estate	\$ 153,836	\$ 161,549
U S Department of Housing and Urban Development, 8 125%, payable monthly \$4,436, including interest through July 2031, collateralized by real estate	515,468	526,335
U S Department of Housing and Urban Development, 8 375%, payable monthly \$1,541, including interest through July 2031, collateralized by real estate	175,924	179,521
U S Department of Housing and Urban Development, 9 00%, payable monthly \$1,723, including interest through January 2032, collateralized by real estate	190,073	193,477
Fifth Third Bank, 6 08%, payable monthly \$22,901, including interest through April 2019, collateralized by real estate	1,533,500	1,709,234
Kentucky Housing Corporation notes, 1 00%, payable in monthly installments ranging from \$123 to \$322, including interest, maturity dates range from July 2025 through August 2027, collateralized by real estate	323,806	344,782
Kentucky Housing Corporation, 5 00%, payable monthly \$184, including interest through December 2027, collateralized by real estate	23,753	24,744
Fifth Third Bank notes, 6 75%, payable in monthly installments of \$434 through November 2011, collateralized by a vehicle	-	2,112
Old National Bank note, 4 86%, payable in monthly installments of \$2,324 through December 2013, collateralized by certificates of deposit	156,046	175,827
Other	49,812	65,485
	<u>3,122,218</u>	<u>3,383,066</u>
Less current maturities	<u>273,540</u>	<u>260,847</u>
	<u><u>\$ 2,848,678</u></u>	<u><u>\$ 3,122,219</u></u>

Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health

Notes to Consolidated Financial Statements

June 30, 2012 and 2011

Aggregate annual maturities of long-term debt at June 30, 2012, were

2013	\$ 273,540
2014	288,171
2015	305,990
2016	309,407
2017	325,868
Thereafter	<u>1,619,242</u>
	<u>\$ 3,122,218</u>

Note 8: Kentucky Employees' Retirement System

River Valley contributes to the Kentucky Employees' Retirement System (KERS), a cost-sharing, multiple-employer defined benefit pension plan administered by the board of trustees of Kentucky Retirement Systems (KRS). KERS provides for retirement, disability and death benefits to KERS members. The Commonwealth of Kentucky assigns the authority to establish and amend benefit provisions to the KRS board of trustees. The KRS issues a publicly available financial report that includes financial statements and required supplementary information for KERS.

KERS members are required to contribute 6.00 percent of their annual covered salary and River Valley is required to contribute at an actuarially determined rate. The current rate is approximately 20 percent and 17 percent of annual covered payroll for the years ended June 30, 2012 and 2011, respectively. The contribution requirements of KERS members are established by statute and may be changed only by the Kentucky General Assembly. River Valley's contributions to the KERS for the years ended June 30, 2012 and 2011, were \$925,445 and \$729,867, respectively, which approximated the required contributions for each of the years then ended.

All employees of the other corporations who work more than 24 hours per week can elect to participate in River Valley's 403(b) plan, for which River Valley accrued a contribution of \$87,766 and \$51,706 as of and for the years ended June 30, 2012 and 2011, respectively.

Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health

Notes to Consolidated Financial Statements

June 30, 2012 and 2011

Note 9: Expenses by Function

	2012	2011
Program expenses		
Mental health	\$ 9,286,346	\$ 8,545,696
Mental retardation	13,203,780	13,433,170
Substance abuse	813,678	686,525
Hospital	5,988,545	7,870,368
Residential	1,701,454	1,749,992
Administrative and general expenses	8,618,265	7,509,384
	<u>\$ 39,612,068</u>	<u>\$ 39,795,135</u>

Costs have been allocated among the programs and administrative and general based on actual expenses associated with each function and other methods

Note 10: Housing Assistance Payment Contracts

River Valley has four housing assistance payment contracts under Section 8 of the *US Housing Act of 1937* with HUD. The contracts contain various controls and regulations regarding rental operations, including tenant eligibility and rental rates and provide rent supplements based on specific eligibility requirements for all of the units of the HUD projects. The housing assistance payments cover the difference between the contract rent and that portion of the rent payable by the tenant as determined by HUD-established schedules and criteria.

Financial requirements of the contracts specify that project funds must be used for the benefit of the HUD projects, to make mortgage payments, pay operating expenses and make required deposits to the replacement reserve in accordance with the contracts. Withdrawals will be made only with the approval of HUD and for project purposes. Upon termination of the contracts, any excess funds must be remitted to HUD.

Note 11: Significant Estimates and Concentrations

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health

Notes to Consolidated Financial Statements

June 30, 2012 and 2011

Admitting Physicians

River Valley is served by two admitting physicians whose patients comprised approximately 18 percent and 20 percent of River Valley's net patient service revenue for the years ended June 30, 2012 and 2011, respectively.

Self-Insurance

Under River Valley's insurance programs, coverage is obtained for catastrophic exposures, as well as those risks required to be insured by law or contract. River Valley retains a significant portion of certain expected losses related primarily to employees' health. Provisions for losses expected under these programs are recorded based upon River Valley's estimates of the aggregate liability for claims incurred and totaled approximately \$147,000 and \$149,000 as of June 30, 2012 and 2011, respectively. The amount of actual losses incurred could differ materially from the estimates reflected in these consolidated financial statements.

Allowance for Net Patient Service Revenue Adjustments

Estimates of allowances for adjustments included in net patient service revenue are described in Notes 1 and 2.

Investments

Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the investment amounts reported in the consolidated balance sheets.

Current Economic Conditions

The current economic situation continues to present health care organizations with unprecedented circumstances and challenges that, in some cases, have resulted in large declines in the fair value of investments and other assets, large declines in contributions, constraints on liquidity and difficulty obtaining financing. The consolidated financial statements have been prepared using values and information currently available to River Valley.

Current economic conditions, including the high unemployment rate, have made it difficult for certain River Valley patients to pay for services rendered. As employers make adjustments to health insurance plans or more patients become unemployed, services provided to self-pay and other payers may significantly impact net patient service revenue, which could have an adverse impact on River Valley's future operating results. Further, the effect of economic conditions on the state may have an adverse effect on cash flows related to the Medicaid program.

Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health

Notes to Consolidated Financial Statements

June 30, 2012 and 2011

Given the volatility of current economic conditions, the values of assets and liabilities recorded in the consolidated financial statements could change rapidly, including the estimated allowances for accounts receivable that could negatively impact River Valley's ability to maintain sufficient liquidity.

Note 12: Contingencies

General Litigation

River Valley is subject to claims and lawsuits that arise primarily in the ordinary course of business. It is the opinion of management the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the consolidated financial position of River Valley.

Medicaid Self-Reporting Liability

During 2012, River Valley discovered that certain therapy services provided from August 2005 through September 2011 did not have required co-signatures for certain Medicaid services. Pursuant to Medicaid guidelines, this lack of documentation may result in a liability to River Valley for fees received for these services. River Valley has accrued a liability relating to this contingency of \$500,000 as of June 30, 2012.

Note 13: Subsequent Events

Subsequent events have been evaluated through the date of the Independent Accountant's Report, which is the date the consolidated financial statements were available to be issued.

Supplementary Information

**Green River Regional Mental Health – Mental Retardation
Board, Inc. d/b/a River Valley Behavioral Health**
Schedule of Operations and Changes in Net Assets Information
Year Ended June 30, 2012

	Community Mental Health Centers	Personal Care Attendant Program	River Valley Behavioral Health Hospital	Independent Living Apartments	Subtotal
Revenues					
Net patient service revenue	\$ 9,241,597	\$ -	\$ 8,631,683	\$ -	\$17,873,280
State and local grants	11,541,486	324,251	-	135,934	12,001,671
Other income	1,724,322	-	24,856	645	1,749,823
Rental income	-	-	-	25,697	25,697
Interest income	5,317	-	-	790	6,107
Total revenues	22,512,722	324,251	8,656,539	163,066	31,656,578
Expenses					
Pay roll and fringe benefits	15,716,685	37,812	3,613,541	7,056	19,375,094
Contracted program services	775,416	713	1,001,095	-	1,777,224
Facility and site expenses	1,052,947	-	330,582	30,729	1,414,258
Program supplies and expenses	718,728	-	475,519	-	1,194,247
Depreciation and amortization	179,414	-	163,155	6,045	348,614
Interest expense	9,353	-	-	14,562	23,915
Other administrative and general expenses	418,785	285,726	249,388	15,400	969,299
Professional services	436,926	-	131,245	22,484	590,655
Transportation and travel	387,042	-	8,606	-	395,648
Bad debt expense	200,000	-	100,000	-	300,000
Subcontracted program services	179,372	-	-	-	179,372
Repairs and maintenance	(29,174)	-	38,492	-	9,318
Allocation of overhead	(514,758)	-	514,758	-	-
Total expenses	19,530,736	324,251	6,626,381	96,276	26,577,644
Excess (Deficiency) of Revenues Over Change in Net Assets	2,981,986	-	2,030,158	66,790	5,078,934
Net Assets, Beginning of Year	20,442,535	-	(5,126,487)	267,507	15,583,555
Net Assets, End of Year	\$ 23,424,521	\$ -	\$ (3,096,329)	\$ 334,297	\$20,662,489

(A) Consists of Independent Living II, Inc., Independent Living III, Inc. and Henderson Group Home, Inc.

HUD Entities (A)	Cigar Factory Complex, Inc.	River Valley Consulting Services	Behavioral Health Care Services, Inc.	Acumen Counseling Services, Inc.	Subtotal Before Eliminations	Eliminations	Total
\$ -	\$ -	\$ -	\$ 10,027,887	\$ 7,696,655	\$ 35,597,822	\$ (7,693,026)	\$ 27,904,796
728,609	-	-	896,850	-	13,627,130	-	13,627,130
1,500	50	2,043,566	233,244	-	4,028,183	(3,182,598)	845,585
173,728	692,755	-	-	-	892,180	(527,613)	364,567
1,493	-	-	3,274	-	10,874	-	10,874
905,330	692,805	2,043,566	11,161,255	7,696,655	54,156,189	(11,403,237)	42,752,952
393,806	301,792	2,026,495	7,791,078	7,714,154	37,602,419	(9,736,592)	27,865,827
-	26,081	-	2,048,177	-	3,851,482	-	3,851,482
111,445	246,222	-	1,265,185	650	3,037,760	(527,613)	2,510,147
30,591	7,309	-	119,105	1,274	1,352,526	-	1,352,526
25,498	198,120	-	33,551	-	605,783	-	605,783
74,415	99,078	-	5,857	94	203,359	-	203,359
91,759	17,725	17,071	1,450,144	2,305	2,548,303	(1,139,032)	1,409,271
77,887	(1,000)	-	6,487	-	674,029	-	674,029
7,917	-	-	180,125	-	583,690	-	583,690
-	-	-	-	-	300,000	-	300,000
-	-	-	-	-	179,372	-	179,372
30	19,118	-	48,116	-	76,582	-	76,582
-	-	-	-	-	-	-	-
813,348	914,445	2,043,566	12,947,825	7,718,477	51,015,305	(11,403,237)	39,612,068
91,982	(221,640)	-	(1,786,570)	(21,822)	3,140,884	-	3,140,884
169,486	379,716	-	1,893,334	(1,395,619)	16,630,472	-	16,630,472
\$261,468	\$ 158,076	\$ -	\$ 106,764	\$ (1,417,441)	\$ 19,771,356	\$ -	\$19,771,356

Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2012

Federal Agency/ Pass-Through Entity/Program	Federal CFDA No.	Grant or Identifying Number	Amount
U.S. Department of Health and Human Services			
Pass-Through Programs			
Kentucky Cabinet for Health and Family Services, Department for Behavioral Health, Developmental and Intellectual Disabilities Block Grant for Community Mental Health Services	93 958	T300-TBAV-018300-10 T300-TAA6, TAA7	\$ 276.503
Substance Abuse Prevention and Treatment Block Grant	93 959	and TAA8-018200-11	789.607
Medical Assistance Program	93 778	T300-TBAN-030975-11	32.100
Substance Abuse and Mental Health Services	93 243	T300-TBAM-016000-11/12	22.900
Public Health and Social Services Emergency Fund	93 003	T300-TBBX-021500-09	4.000
			<u>1,125.110</u>
 The Southeastern Center For Mental Health, Developmental Disabilities & Substance Abuse Services			
Block Grant for Community Mental Health Services	93 958		106.107
Social Services Block Grant	93 667		968
			<u>107.075</u>
 Pacific Institute for Research and Evaluation Mental Health Research Grants	93 242		14.592
			<u>14.592</u>
 Total U S Department of Health and Human Services			<u>1,246.777</u>
U.S. Department of Housing and Urban Development			
Direct Programs			
Lower Income Housing Assistance Program	14 856		135.934
Supportive Housing for the Elderly (outstanding balance July 1, 2011)	14 157		161.549
			<u>161.549</u>
 Total U S Department of Housing and Urban Development			297.483
			<u>\$ 1,544.260</u>

Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2012

Notes to Schedule

- 1 This schedule includes the federal awards activity of River Valley (except as discussed in Note 3 below) and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic consolidated financial statements.
- 2 No awards were provided to subrecipients.
- 3 This schedule does not include the following federal awards activity of the three separate HUD corporations controlled by River Valley:

	CFDA No. 14.856 Lower Income Housing Assistance Program	CFDA No. 14.157 Supportive Housing for the Elderly Outstanding Balance as of July 1, 2011
Independent Living II, Inc	\$ 118,095	\$ 179,521
Independent Living III, Inc	181,737	526,335
Henderson Group Home, Inc	112,565	193,477
	<u>\$ 412,397</u>	<u>\$ 899,333</u>

A separate single audit has been performed by other accountants for Independent Living III, Inc. in accordance with the requirements of OMB Circular A-133 and HUD. Independent Living II, Inc. and Henderson Group Home, Inc. each expended less than \$500,000 in federal awards during the year and were, therefore, not required to have single audits pursuant to OMB Circular A-133.

**Independent Accountants' Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters Based on an Audit of the
Consolidated Financial Statements Performed in Accordance With
Government Auditing Standards**

Board of Directors
Green River Regional Mental Health – Mental Retardation
Board, Inc. d/b/a River Valley Behavioral Health
Owensboro, Kentucky

We have audited the consolidated financial statements of Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health (River Valley) as of and for the year ended June 30, 2012, and have issued our report thereon dated November 21, 2012, which contained a reference to the report of other accountants. 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. Other accountants audited the financial statements of Independent Living III, Inc. as described in our report on River Valley's consolidated financial statements. This report does not include the results of the other accountants' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those accountants.

Internal Control Over Financial Reporting

The management of River Valley is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered River Valley'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 River Valley's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of River Valley's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of River Valley's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of 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 internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above.

Praxis

Compliance and Other Matters

As part of obtaining reasonable assurance about whether River Valley'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*.

We noted certain matters that we reported to River Valley's management in a separate letter dated November 21, 2012.

This report is intended solely for the information and use of the board of directors, management and others within River Valley and is not intended to be and should not be used by anyone other than these specified parties.

BKD, LLP

November 21, 2012

**Independent Accountants' Report on Compliance With Requirements That
Could Have a Direct and Material Effect on Each Major Program and on
Internal Control Over Compliance
in Accordance With OMB Circular A-133**

Board of Directors
Green River Regional Mental Health – Mental Retardation
Board, Inc. d/b/a River Valley Behavioral Health
Owensboro, Kentucky

Compliance

We have audited the compliance of Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health (River Valley) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended June 30, 2012. River Valley's major federal program is 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 its major federal program is the responsibility of River Valley's management. Our responsibility is to express an opinion on the compliance of River Valley 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 Organization'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 on River Valley's compliance with those requirements.

In our opinion, River Valley complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2012.

Internal Control Over Compliance

The management of River Valley 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 River Valley'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 and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 River Valley's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

This report is intended solely for the information and use of the board of directors, management, others within River Valley, federal awarding agencies and pass-through entities and is not intended to be and should not be used by any one other than these specified parties.

BKD, LLP

November 21, 2012

Green River Regional Mental Health – Mental Retardation Board, Inc. d/b/a River Valley Behavioral Health

Schedule of Findings and Questioned Costs

Year Ended June 30, 2012

Summary of Auditor's Results

1 The opinion expressed in the independent accountants' report was

☒ Unqualified ☐ Qualified ☐ Adverse ☐ Disclaimed

2 The independent accountants' report on internal control over financial reporting described

Significant deficiency(ies)? ☐ Yes ☒ None Reported

Material weakness(es)? ☐ Yes ☒ No

3 Noncompliance considered material to the financial statements
was disclosed by the audit?

☐ Yes ☒ No

4 The independent accountants' report on internal control over compliance with requirements that
could have a direct and material effect on major federal awards programs disclosed

Significant deficiency(ies)? ☐ Yes ☒ None Reported

Material weakness(es)? ☐ Yes ☒ No

5 The opinion expressed in the independent accountants' report on compliance with requirements that
could have a direct and material effect on major federal awards was

☒ Unqualified ☐ Qualified ☐ Adverse ☐ Disclaimed

6 The audit disclosed findings required to be reported by OMB
Circular A-133?

☐ Yes ☒ No

7 River Valley's major program was

Cluster/Program	CFDA Number
Substance Abuse Prevention and Treatment Block Grant	93 959

**Green River Regional Mental Health – Mental Retardation
Board, Inc. d/b/a River Valley Behavioral Health
Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2012**

- 8 The threshold used to distinguish between Type A and Type B programs as those terms are defined in OMB Circular A-133 was \$300,000
- 9 River Valley qualified as a low-risk auditee as that term is defined in OMB Circular A-133? ☒ Yes ☐ No

Findings Required to be Reported by Government Auditing Standards

None

Findings Required to be Reported by OMB Circular A-133

None

**Green River Regional Mental Health – Mental Retardation
Board, Inc. d/b/a River Valley Behavioral Health**

**Summary Schedule of Prior Audit Findings
Year Ended June 30, 2012**

Findings Required to be Reported by OMB Circular A-133

Reference Number	Summary of Finding	Status
None		