



Transforming Lives

(A COMPONENT UNIT OF HARRIS COUNTY, TEXAS)

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
For Fiscal Years Ended
August 31, 2024 and 2023**

Wayne Young, MBA, LPC, FACHE
Chief Executive Officer

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

**For the Fiscal Years Ended
August 31, 2024 and August 31, 2023**

**Prepared by
Finance Department**

**Stanley Adams, MBA
Chief Financial Officer**

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

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INTRODUCTORY SECTION



Transforming Lives

January 28, 2025

To the Citizens of Harris County and the Members of The Harris Center for Mental Health and IDD Board of Trustees:

We hereby issue the annual comprehensive financial report for The Harris Center for Mental Health and IDD (Center), formerly known as the Mental Health and Mental Retardation Authority of Harris County, for the fiscal year ended August 31, 2024. The report is published to provide the Board, the people we serve, family members, elected officials, and other interested parties with detailed information concerning our financial condition and activities of the organization. It is also required by our major funding sources: the Texas Health and Human Services Commission, Harris County, as well as other federal, state, and local grantors.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of The Harris Center for Mental Health and IDD. We believe said data are accurate in all material respects; that they present fairly the financial position and results of operations of the Center as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain an understanding of the Center's financial activity have been included.

Financial Report

The annual comprehensive financial report consists of four sections: introductory, financial, statistical, and single audit. Particular attention is called to the section entitled Management Discussion and Analysis as it provides an objective and transparent analysis of the Center's financial activities based on currently known facts.

The Center is required to undergo a single audit annually in accordance with the provisions of the Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State of Texas *Grant Management Standards*. Information related to this single audit includes the Schedule of Federal and State Awards, Findings and Questioned Costs, and the auditors' reports on the internal control structure and compliance with applicable laws and regulations.

Fiscal Year

The Center's fiscal year starts on September 1 of each year and ends on August 31 of the following year, consistent with the fiscal year observed by the State of Texas government.

Accounting Systems and Budgetary Controls

The management of the Center is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Center are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal, state, and local financial assistance, the Center is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations. This internal control structure is subject to periodic evaluation by management.

In addition, the Center maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual budget approved by the Center 's governing body. Activities of the General Fund are included in the annual budget. The level of budgetary control or the level at which expenditures cannot legally exceed the appropriated amount is established at the fund level. Budgetary control is maintained by account at the cost center level through monthly budget-to-actual variance reports.

Independent Audit

The Harris Center for Mental Health and IDD's financial statements were audited by Whitley Penn LLP, a licensed certified public accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of The Harris Center for Mental Health and IDD for the fiscal year ended August 31, 2024 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified opinion that The Harris Center for Mental Health and IDD's financial statements for the fiscal year ended August 31, 2024 are fairly presented in conformity with generally accepted accounting principles (GAAP). The independent auditor's report is presented as the first component of the Financial Section of this report. The independent audit of the financial statements of The Harris Center for Mental Health and IDD was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on those requirements involving the administration of federal and state awards.

Business Profile

The Harris Center for Mental Health and IDD is an agency of the State of Texas government providing Mental Health (MH) and Intellectual and Developmental Disability (IDD) services for the residents of Harris County. These services are designed for those persons who can be effectively treated in their own community and do not require long-term institutional care. To fulfill this objective, The Harris Center for Mental Health and IDD seeks to provide a full range of effective services and support designed to provide care in the least restrictive manner, to the degree resources permit.

The Harris Center for Mental Health and IDD was established by Harris County Commissioners Court in response to the passage of the Texas Mental Health and Mental Retardation Act of 1965. This act provided for the creation of local boards of trustees to develop and implement community-based mental health and intellectual and developmental disability services. The Harris Center for Mental Health and IDD contracts with the Texas Department of State Health Services (DSHS) and the Texas Department of Aging and Disability Services (DADS), now consolidated with the Texas Health and Human Services Commission (HHSC), to provide certain mental health and intellectual and developmental disability services for those residents who meet the State's eligibility criteria. Other services and support is provided to eligible persons within the criteria established by a variety of Federal, State, and local payors.

The first Board of Trustees for The Harris Center for Mental Health and IDD was established by the Harris County Commissioners Court in 1965. As of August 31, 2024, the end of the fiscal year, the Board was composed of nine citizens who were appointed to serve two-year terms of office by the Commissioners Court. Members of The Harris Center for Mental Health and IDD's Board of Trustees receive no salary nor compensation for their work on the Board.

The Harris Center for Mental Health and IDD is a separate entity under state law from Harris County, and governed by an independent Board of Trustees, appointed by the Harris County Commissioners Court. There is oversight responsibility exercised by Harris County Commissioners Court, but the financial information of Harris County is not within the scope of the Center's Financial Statement. For financial reporting purposes, and in conformance with generally accepted accounting principles (GAAP), The Harris Center for Mental Health and IDD is included as a component unit under the general purpose financial statements of Harris County because the County's Commissioners Court appoints the members of the Center's Board of Trustees and a significant financial burden will be incurred by the County in case the Center will discontinue its operations.

Under The Harris Center for Mental Health and IDD's budgeting procedures, the Chief Executive Officer and the Chief Financial Officer prepare a proposed budget for the fiscal year after consultation with division and department leadership and according to instructions of Texas HHSC and other contract payors or grantors. The proposed budget, together with revenue estimates, is submitted to the Board of Trustees of the Center for consideration and approval.

During the 78th Legislative Session, House Bill 2292 restructured the Texas Department of Mental Health and Mental Retardation (TDMHMR), along with the other health and human service agencies, and created five new agencies for Texas. All mental health components were moved under the purview of the Department of State Health Services (DSHS). All intellectual and developmental disability components were moved under the oversight of the Department of Aging and Disability Services (DADS).

During the 84th Legislative Session, Senate Bill 200, otherwise known as the Health and Human Services Commission sunset bill, ordered the consolidation of these various agencies to the mother commission. This consolidation process was completed in FY 2018.

For Fiscal Year 2024, The Harris Center for Mental Health and IDD had a contract with each of these two state agencies, HHSC/DSHS, a state Agency created pursuant to Texas Health and Safety Code (THSC), Chapter 1001, and HHSC/DADS, a state Agency created pursuant to Texas Human Resource Code (THRC), Chapter 161.

The administrative offices of the Center are located at 9401 Southwest Freeway, 12 miles southwest of downtown Houston, Texas. The Center has over 80 service locations throughout Harris County and the surrounding area.

Economic and Political Milieu

The Harris Center for Mental Health and IDD was designated as the Mental Health Authority and the Intellectual and Developmental Disabilities Authority for Harris County. It serves an area that is significantly influenced economically by the city of Houston and its immediate environments. This geographic area has a diverse employment base heavily dominated by the petrochemical industry, the largest conglomeration of hospitals, medical schools, and research facilities in the country called the Texas Medical Center, and a host of universities and other institutions of learning. Recruitment of skilled individuals for professional and paraprofessional positions in the healthcare field continues to be a challenge as the Center strives to compete with the compensation packages offered by the medical centers, the universities, as well as local governments.

The Center receives the majority of its funding through contracts with agencies of the State of Texas, Harris County, grants, and various third-party payors. The Center does not routinely receive annual increases from funding sources to fund salary adjustments for staff or other operating expense increases, such as insurance and utilities. Additional funding is oftentimes intended to underwrite the costs of new programs which State agencies may want to pursue. As a result, over the past several years, The Harris Center for Mental Health and IDD continued to develop and refine its strategy and methodology to meet the mental health and intellectual and developmental disability contract requirements with existing funds.

The Center's use of the Patient Assistance Program/Drug Sample Program continues to be successful and has provided the Center's people served with "free" medications valued nearly \$11 million in Fiscal Year 2024. The Agency employs a dedicated team of staff who work with the people served to complete the paperwork required by the various pharmaceutical companies in order for them to obtain these free drugs. Without these programs, the Center would otherwise be forced to purchase these drugs.

Long-term Financial Planning

The Center has a number of projected major capital outlays in the foreseeable future. However, its funding agencies do not allocate funds for capital expenditures, and the Center has to utilize funds from operations or reserves to finance these much needed expenses. To this end therefore, each year, after the excess of revenues over expenditures is determined, it adopts a capital plan utilizing part of that excess to refurbish, repair, or replace, furniture, and equipment, as well as maintain existing structures, buildings, and land improvements.

Awards

The Harris Center for Mental Health and IDD was awarded the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended August 31, 2023. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

Acknowledgements

This report could not have been prepared without the exceptional dedication and professional competence of the Center's Financial Services Department. We express our appreciation to the staff for their invaluable contribution to this effort.

We also recognize our Vice Presidents and their management teams and the Medical Directors and their medical staff for their day-to-day commitment to the people we serve. Their dedicated service to the Center enables us to meet our mission of transforming the lives of people with behavioral health and IDD needs.

We are also deeply grateful to the members of the Center's Board of Trustees for their devoted interest and steadfast support in maintaining the highest standards of professionalism and competence in the governance of The Harris Center for Mental Health and IDD, as well as the quality and effectiveness of the services and assistance provided to and for the people we serve and their families. The Board of Trustees' deep commitment to this community is greatly appreciated.

Respectfully submitted,

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Wayne Young, MBA, LPC, FACHE
Chief Executive Officer

DocuSigned by:

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Stanley Adams, MBA
Chief Financial Officer

CERTIFICATE OF BOARD

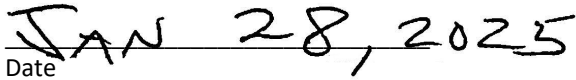
I, Robin E. Gearing, PH.D., Chairperson of the Board of Trustees of The Harris Center for Mental Health and IDD, do hereby certify that this accompanying audit report for the Fiscal Year 2024 from Whitley Penn, LLP, was reviewed and approved at a meeting of the Board of Trustees held on the 28th day of January, 2025.



Handwritten signature of Robin E. Gearing, PH.D., in black ink, written over a horizontal line.

Chairperson

The Harris Center for Mental Health and IDD Board of Trustees



Handwritten date "JAN 28, 2025" in black ink, written over a horizontal line.

Date



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**The Harris Center for Mental Health and IDD
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

August 31, 2023

Christopher P. Morill

Executive Director/CEO



Organizational Structure



Board of Trustees

Wayne Young
Chief Executive Officer

Kendra Thomas
General Counsel

Keena Pace
Chief Operating Officer

Mental Health Services

Crisis Services

Forensic Services

IDD Services

Access

Luming Li
Chief Medical Officer

Physician Services

Pharmacy Operations

Organizational Excellence

Quality and Performance Improvement

Kia Walker
Chief Nursing Officer

Nursing Services

Infection Control

Joe Garczyca
Interim Chief
Administrative Officer

Human Resources

Facility Services

Real Estate Planning

Project Management

Harris Center Foundation

Government Relations

Communications

Strategic Planning Priorities

Stanley Adams
Chief Financial Officer

Financial Accounting

Treasury

Budget

Purchasing

Revenue Management

Support Services

Mustafa Cochinwala
Chief Information Officer

Information Technology

Medical Records

Health Analytics

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
LISTING OF OFFICIALS

Board of Trustees

Robin E. Gearing, PhD	Chairperson
James Lykes	Vice Chairperson
Resha Thomas, Mppa	Member
Luis A. Fernandez, M.D.	Member
Katherine Bacon, Ph.D, Lpc-S, Ncc	Member
Gerald W. Womack	Member
Max A. Miller, Jr, MTh, D.D.	Member
Natali Hurtado	Member
Jeremy E. Lankford, M.D.	Member
Sheriff Ed Gonzalez	Ex-Officio Member

Executive Leadership

Wayne Young, MBA, LPC, FACHE	Chief Executive Officer
Keena Pace, LCSW	Chief Operating Officer
Luming Li, MD, MHS	Chief Medical Officer
Kia Walker, RN, MSN	Chief Nursing Officer
Stanley C. Adams, MBA	Chief Financial Officer
Mustafa Cochinwala	Chief Information Officer
Joseph Gorczyca, SPHR	Interim Chief Administrative Officer
Kendra Thomas, JD, LPC	Chief General Counsel

FINANCIAL SECTION



Transforming Lives

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
The Harris Center for Mental Health and IDD

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of The Harris Center for Mental Health and IDD (the "Center"), a component unit of Harris County, Texas, as of and for the years ended August 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Center's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the remaining fund information of the Center, as of August 31, 2024 and 2023, and the respective changes in financial position, and, where applicable, and the respective budgetary comparison for the General Fund for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Pasadena Cottages, Pecan Village Apartments, Villas at Bayou Park Apartments, Pear Grove Apartments, and Acres Homes Gardens Apartments, discretely presented component units of the Center, which represents 87%, 98%, and 70%, respectively, of the assets, liabilities, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it related to the amounts included for those discretely presented component units, were based solely on the report of the other auditors. The financial statements of the aggregate discretely presented component units were not audited in accordance with *Government Auditing Standards*.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Center, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Substantial Doubt about the Project's Ability to Continue as a Going Concern

As mentioned previously, the financial statements of Pecan Village Apartments, Pear Grove Apartments, Villas at Bayou Park Apartments, and Acres Homes Gardens Apartments were audited by other auditors. Their financial statements have been prepared assuming these component units will continue as a going concern. Lack of liquidity raises substantial doubt about their ability to continue as a going concern. Their management's evaluation of the events and conditions and management's plans regarding these matters are described in the note to their financial statements. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Center’s basic financial statements. The other supplementary information (as listed in the accompanying table of contents) and the Schedule of Expenditures of Federal and State Awards as required by the *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the Texas Grant Management Standards (TxGMS), are presented for additional analysis and are not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information (as listed in the accompanying table of contents) and the Schedule of Expenditures of Federal and State Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

To the Board of Trustees
The Harris Center for Mental Health and IDD

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2025 on our consideration of the Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Center's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Center's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, flowing style.

Houston, Texas
January 28, 2025

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD MANAGEMENT'S DISCUSSION AND ANALYSIS

We present the readers the financial statements of The Harris Center for Mental Health and IDD (Center), formerly known as the Mental Health and Mental Retardation Authority of Harris County, along with this narrative overview and analysis of the financial activities for the fiscal years ended August 31, 2024 and 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- The assets of the Center exceeded its liabilities at the close of FY 2024 by \$120,797,003 (net position). Of this amount, \$71,719,720 (unrestricted net position) may be used to meet the Center's ongoing obligations. The assets of the Center exceeded its liabilities at the close of fiscal year 2023 by \$122,708,483 (net position). Of this amount, \$79,303,202 (unrestricted net position) may be used to meet the Center's ongoing obligations.
- The Center's total net position (government-wide) decreased by \$1,911,480 during fiscal year 2024. In fiscal year 2023, the Center's total net position decreased by \$15,250,570.
- The Center's governmental funds decreased by \$7,151,803 resulting in an ending fund balance of \$80,421,185 in fiscal year 2024. The Center's governmental funds decreased by \$16,221,577 resulting in an ending fund balance of \$87,572,988 in fiscal year 2023.
- At the end of fiscal year 2024, unassigned fund balance for the General Fund was \$60,719,588 or of total General Fund expenditures. At the end of fiscal year 2023, unassigned fund balance for the General Fund was \$55,109,716 or 16% of total General Fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Center's basic financial statements. The Center's financial statements are composed of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Center's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Center's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial condition of the Center is improving or deteriorating.

The *statement of activities* presents information showing how the Center's net position changed during the fiscal year. This statement includes all of the revenue and expenses generated by the Center's operations. The accrual basis of accounting is used, which is similar to the method used by most private-sector companies. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The Statement of Net Position and the Statement of Activities include both the Center's basic services including programs for Adult Mental Health, Child and Adolescents Mental Health, Intellectual and Developmental Disabilities, Crisis Center, Community Hospital, Forensic Services, and General Administration. The Center does not have any business-type activities.

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources which have been segregated for specific activities or objectives. The Center uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Center can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using a method called *modified accrual accounting*, which measures cash and all other financial assets that can realistically be converted to cash.

The governmental fund statements provide a detailed short-term view of the Center's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the Center's programs. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Center maintains one separate governmental fund. Information is presented in the governmental fund balance sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund.

The Center adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The governmental fund financial statements are found on pages 20-23.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of consumers or employees. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Center's programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on page 31 of this report.

Discretely Presented Component Units. The accompanying financial statements present the Center and its component units, entities for which the Center is considered to be financially accountable. The Center's six discretely presented component units are reported in one combined column in the Center's Statement of Net Position on page 15 to emphasize that they are legally separate from the Center. Combining government-wide financial statements are presented for the Center's six discretely presented component units on pages 33-36 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 37 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information that is required by the Texas Health and Human Services Commission, OMB's Uniform Guidance and the Texas Grant Management Standards. This supplementary information can be found following the notes to the financial statements.

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Center's assets exceeded its liabilities by \$120,797,003 and \$122,708,483 at the close of the fiscal years 2024 and 2023, respectively.

The largest portion of the Center's net position in the amount of \$71,719,720 (59%) represents the unrestricted financial resources available for future operations. This compares to last fiscal year's unrestricted financial resources at \$79,303,202.

The remaining 41% reflects its investment in capital assets such as land, construction-in-progress, buildings and improvements, furniture and equipment, vehicles, and right-to-use lease assets less any related debt that are still outstanding. The Center uses these assets to provide services to the consumers that we serve. Consequently, these assets are not available for future spending. Although the Center's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. The following chart reflects a summary of net position as of August 31, 2024 with comparative figures for fiscal year 2023:

The Harris Center for Mental Health and IDD's Net Position

	Governmental Activities		
	2024	2023, Restated	2022
Current and other assets	\$ 108,288,557	\$ 108,231,024	\$ 127,363,010
Capital assets, net	52,763,920	45,231,857	46,097,747
Total Assets	161,052,477	153,462,881	173,460,757
Current Liabilities	27,903,961	20,664,032	20,730,159
Long-term liabilities outstanding	12,351,513	10,090,367	9,963,584
Total Liabilities	40,255,474	30,754,399	30,693,743
Net Position			
Net investment in capital assets	49,077,283	43,405,280	46,097,747
Unrestricted	71,719,720	79,303,202	96,669,267
Total Net Position	\$ 120,797,003	\$ 122,708,482	\$ 142,767,014

The decrease in net position year-over-year in fiscal year 2024, 2023, and 2022 was primarily due to an overall increase in expenses that exceeded revenues from operating federal and state grants and Harris County allocations. In addition, the revenue proceeds were used for the purchase of capital assets and operating expenses.

Governmental Activities

For fiscal year 2024, revenues for the Center's governmental activities were \$348.7 million while total expenses were \$350.6 million. The change in net position of governmental activities was a decrease of \$1.9 million. For fiscal year 2023, revenues for the Center's governmental activities were \$318.4 million while total expenses were \$333.6 million. The change in net position of governmental activities was a decrease of \$15.2 million. The revenues and expenses for fiscal year 2022 were \$301.1 million and \$306.6 million, respectively.

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Governmental Activities (continued)

The following table reflects a comparison of the governmental activities between fiscal years 2024, 2023, and 2022:

The Harris Center for Mental Health and IDD Changes in Net Position

	Governmental Activities		
	2024	2023	2022
Revenues			
Program revenues:			
Charges for services:			
Intellectual and Developmental Disabilities	\$ 13,726,031	\$ 14,386,787	\$ 16,448,695
Mental Health - Adult	21,049,155	8,816,405	14,791,584
Mental Health - Child and Adolescents	4,494,247	5,379,975	6,921,600
Crisis Center	3,843,985	2,853,560	8,157,231
Community Hospital (HCPC)	-	663,681	1,154,084
Forensic Services	20,545,692	-	-
Total Charges for Services	63,659,110	32,100,408	47,473,194
Operating Grants and Contributions:			
Intellectual and Developmental Disabilities	25,347,141	25,332,785	23,154,159
Mental Health - Adult	88,205,709	91,296,281	85,295,627
Mental Health - Child and Adolescents	19,648,430	19,539,846	13,220,832
Crisis Center	75,953,061	57,482,505	46,363,471
Community Hospital (HCPC)	35,005,359	28,093,016	26,066,426
Forensic Services	11,015,584	-	-
Total Operating Grants and Contributions	255,175,284	221,744,433	194,100,515
General Revenues:			
Harris County General Allocation	23,067,409	52,891,987	52,596,663
Investment earnings	3,662,619	2,941,559	274,036
Other income	3,098,650	8,241,721	6,445,529
Gain on disposal of capital assets	128,336	474,132	160,955
Total General Revenues	29,957,014	64,549,399	59,477,183
Total Revenues	348,791,408	318,394,240	301,050,892
Expenses			
General administration	38,535,557	47,908,147	36,949,558
Intellectual and Developmental Disabilities	42,169,447	41,923,189	40,553,807
Mental Health - Adult	99,633,921	109,842,041	106,793,188
Mental Health - Child and Adolescents	22,299,295	21,225,225	20,059,934
Crisis Center	82,862,621	83,129,224	72,748,657
Community Hospital (HCPC)	34,445,490	29,569,713	29,513,577
Forensic Services	30,641,861	-	-
Interest on long-term debt	114,696	47,271	27,562
Total Expenses	350,702,888	333,644,810	306,646,283
Changes in Net Position	(1,911,480)	(15,250,570)	(5,595,391)
Net Position Beginning, as restated	122,708,483	137,959,053	143,554,444
Net Position Ending	\$ 120,797,003	\$ 122,708,483	\$ 137,959,053

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Changes in Net Position

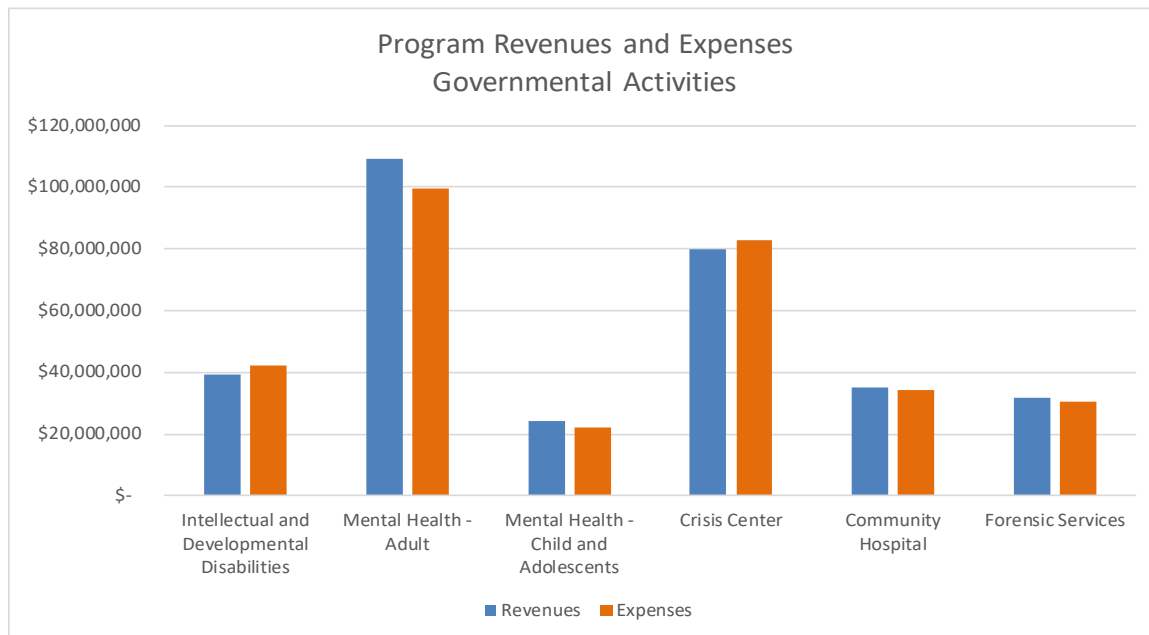
Total revenues increased year-over-year in fiscal years 2024 and 2023 primarily due to an overall increase in revenues from operating federal and state grants. Total expenses increased year-over-year in fiscal years 2024 and 2023 primarily due to an overall increase in expenses from operating federal and state grants.

Prior to fiscal year 2024, the Forensic Services revenue and expenses were included within the Mental Health - Adult and Mental Health - Child and Adolescents programs.

The table and chart below present the net revenue (cost) of each of the Center's programs: Adult Mental Health, Child and Adolescents, Intellectual and Development Disabilities, Crisis Center, Community Hospital, and Forensic Services and interest on long-term debt. Forensic Services function was created as a separate function from Mental Health in fiscal year 2024. The net revenue (cost) does not reflect the revenue generated through unrestricted grants and contributions and unrestricted investment earnings.

	2024 Net Cost of Services	2023 Net Cost of Services	2022 Net Cost of Services
Intellectual and Developmental Disabilities	\$ (8,209,999)	\$ (9,245,030)	\$ (6,496,965)
Mental Health - Adult	(2,546,828)	(28,178,009)	(21,293,316)
Mental Health - Child and Adolescents	(889,508)	123,102	(2,660,841)
Crisis Center	(13,549,646)	(36,653,225)	(28,244,091)
Community Hospital (HCPC)	(3,697,808)	(5,799,536)	(6,349,799)
Forensic Services	(2,860,009)	-	-
Interest on long-term debt	(114,696)	(47,271)	(27,562)
Total	\$ (31,868,494)	\$ (79,799,969)	\$ (65,072,574)

The following chart depicts the major sources of revenues and expenses by function for the fiscal year ended August 31, 2024:



THE HARRIS CENTER FOR MENTAL HEALTH AND IDD MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Financial Analysis of the Center's Funds

As noted earlier, the Center uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Center's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the Center's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Center's net resources available for spending at the end of the fiscal year.

The General Fund is the primary operating fund of the Center. As the Center completed fiscal year 2024, its General Fund (as presented in the balance sheet on page 20) reported a fund balance of 80,421,185. A large portion of this, \$60,719,588, or 76%, is considered to be unassigned fund balance. As a measure of the General Fund's liquidity, it may be useful to compare spendable (assigned and unassigned) fund balance to total fund expenditures. Assigned and unassigned fund balance totals \$76,153,974 and represents 21% of total General Fund expenditures or the equivalent of 77 days. In fiscal year 2023, the General Fund reported a fund balance of \$87,572,988. A large portion of this \$55,109,716, or 63%, is considered to be unassigned fund balance. Assigned and unassigned fund balance totals \$82,295,207 and represents 25% of total General Fund expenditures or the equivalent of 90 days.

An analysis of significant balances for both fiscal years 2024 and 2023 follows:

- Compared to the previous year, State grants and programs for fiscal year 2024 increased by \$25.9 million.
- Federal funds increased by \$4.5 million compared to the prior year primarily due to additional Medicaid Administrative Claiming Program revenues.
- The Harris County allocation and other contracts decreased by \$6.3 million and increased by \$0.04 million for fiscal years 2024 and 2023, respectively.
- In fiscal year 2024, local billings increased by \$7.3, while investment earnings increased by \$0.7 million. The Center only invested in local government investment pools in fiscal year 2024. In fiscal year 2023, local billings increased by \$2.6 million, while investment earnings increased by \$2.7 million. The Center only invested in local government investment pools in fiscal year 2023.

General Fund Budgetary Highlights

The Center's revenue budget was increased by \$23.1 million from the original adopted budget to the final budget. The most notable revenue budget increase was an increase of the State General Revenue by \$15.3 million. In addition, the federal grants budget increased by \$4.8 million with the addition of several new grants. The local revenue's budget increased by \$2.3 primarily due to an increase in Harris County contracts.

Actual total revenues exceeded budgeted amounts by \$6.6 million. The most notable drivers of this variance were due to the Center's local billings, where revenues from patient fees and private insurance were more than budget by \$9.7 million offset slightly by state program revenues ending underbudget by \$3.9 million, primarily due to general revenues being underbudget by \$2.6 million.

The original expenditure budget was amended and increased by \$39.7 million, with notable rises in capital outlay (\$22.0 million) and HCPC contracts (\$10.7 million). Despite the increase, actual expenditures was \$13.2 million below the budgeted amounts. The most significant positive variances were realized in capital outlay being \$9.8 million underbudget due to ongoing construction projects timing.

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Capital Asset and Debt Administration

Capital Assets. The Center's investment in capital assets as of August 31, 2024, amounts to \$52.8 (net of accumulated depreciation and amortization). This investment in capital assets includes land, construction in progress, buildings and improvements, furniture and equipment, vehicles, and right-to-use assets (leases and SBITAs).

The Harris Center for Mental Health and IDD Capital Assets (Net of Depreciation and Amortization)

Major changes in capital assets during the fiscal year included the following:

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
CAPITAL ASSETS (Net of Depreciation and Amortization)

	Fiscal Year 2024	Fiscal Year 2023, restated	Increase (Decrease)
Land	\$ 12,709,144	\$ 12,709,144	\$ -
Construction in progress	11,376,400	3,589,645	7,786,755
Land improvements	207,000	236,572	(29,572)
Buildings & improvements	23,388,856	25,181,051	(1,792,195)
Furniture & equipment	1,228,768	1,454,077	(225,309)
Vehicles	14,052	85,294	(71,242)
Right-to-use assets	3,839,700	1,976,074	1,863,626
Total Capital Assets	\$ 52,763,920	\$ 45,231,857	\$ 7,532,063

	Fiscal Year 2023, restated	Fiscal Year 2022, restated	Increase (Decrease)
Land	\$ 12,709,144	\$ 12,654,193	\$ 54,951
Construction in progress	3,589,645	1,702,087	1,887,558
Land improvements	236,572	266,143	(29,571)
Buildings & improvements	25,181,051	27,821,024	(2,639,973)
Furniture & equipment	1,454,077	1,725,381	(271,304)
Vehicles	85,294	85,356	(62)
Right-to-use assets	1,976,074	1,843,563	132,511
Total Capital Assets	\$ 45,231,857	\$ 46,097,747	\$ (865,890)

Additional information on the Center's capital assets can be found in Note 5 of the basic financial statements.

Long-term debt. At the end of the fiscal year, the Center had total outstanding long-term debt of \$12.4 million, an increase of \$2.3 million due to additions related to leases and SBITAs. A more extensive discussion about long-term debt is provided in the Notes to the Basic Financial Statements: Note 6 - Long-Term Liabilities.

Requests for Information

This financial report is designed to provide a general overview of the finances of The Harris Center for Mental Health and IDD and its accountability for the money received. Should you have any questions about this report or need additional financial information, please contact the Chief Financial Officer of The Harris Center for Mental Health and IDD at 9401 Southwest Fwy, Houston, Texas 77074.



Transforming Lives

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

STATEMENT OF NET POSITION

August 31, 2024 and 2023

	2024		2023 Restated	
	Governmental Activities	Component Units	Governmental Activities	Component Units
Assets				
Current Assets				
Cash and cash equivalents	\$ 13,294,001	\$ 787,697	\$ 10,459,650	\$ 735,482
Investments	55,497,114	-	64,953,498	-
Accounts receivable, net	35,230,231	103,782	27,540,095	5,803
Inventories	984,720	-	692,722	-
Deposits	2,912,381	-	4,310,758	-
Prepaid expenses	370,110	20,472	274,301	87,074
Other assets	-	7,876	-	13,603
Total Current Assets	108,288,557	919,827	108,231,024	841,962
Noncurrent Assets:				
Restricted cash and cash equivalents	-	458,357	-	432,464
Land	12,709,144	-	12,709,144	-
All other capital assets, net	40,054,776	4,293,593	32,522,713	4,471,447
Total Noncurrent Assets	52,763,920	4,751,950	45,231,857	4,903,911
Total Assets	161,052,477	5,671,777	153,462,881	5,745,873
Liabilities				
Current Liabilities				
Accounts payable	8,034,033	74,066	7,139,885	196,995
Accrued liabilities	11,740,003	522,642	10,747,429	466,652
Unearned revenue	8,129,925	14,410	2,776,718	15,170
Total Current Liabilities	27,903,961	611,118	20,664,032	678,817
Noncurrent Liabilities				
Current portion of long-term obligations	1,674,540	26,089	1,113,535	23,851
Noncurrent portion of long-term obligations	10,676,973	269,046	8,976,832	295,135
Total Noncurrent Liabilities	12,351,513	295,135	10,090,367	318,986
Total Liabilities	40,255,474	906,253	30,754,399	997,803
Net Position				
Net investment in capital assets	49,077,283	4,158,458	43,405,280	4,312,461
Unrestricted	71,719,720	607,066	79,303,202	435,609
Total Net Position	\$ 120,797,003	\$ 4,765,524	\$ 122,708,482	\$ 4,748,070

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
STATEMENT OF ACTIVITIES
For The Year Ended August 31, 2024

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenue	
			Charges for Services	Operating Grants and Contributions
Primary government:				
Governmental Activities				
General Administration	\$ 38,535,557	\$ (38,535,557)	\$ -	\$ -
Mental Health - Adult	99,633,921	12,167,771	21,049,155	88,205,709
Intellectual & Developmental Disabilities	42,169,447	5,113,724	13,726,031	25,347,141
Mental Health - Child and Adolescents	22,299,295	2,732,890	4,494,247	19,648,430
Crisis Center	82,862,621	10,484,071	3,843,985	75,953,061
Community Hospital (HCPC)	34,445,490	4,257,677	-	35,005,359
Forensic Services	30,641,861	3,779,424	20,545,692	11,015,584
Interest on long-term debt	114,696	-	-	-
Total Governmental Activities	\$ 350,702,888	\$ -	\$ 63,659,110	\$ 255,175,284
Component Units				
HUD Programs	\$ 765,094	\$ -	\$ 718,196	\$ -
Fund raising activities	256,204	-	289,580	-
Total Component Units	\$ 1,021,298	\$ -	\$ 1,007,776	\$ -

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
STATEMENT OF ACTIVITIES
For The Year Ended August 31, 2024

<u>Functions/Programs</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>	
	<u>Total Governmental Activities</u>	<u>Component Units</u>
Primary government:		
Governmental Activities		
General Administration	\$ -	\$ -
Mental Health - Adult	(2,546,828)	-
Intellectual & Developmental Disabilities	(8,209,999)	-
Mental Health - Child and Adolescents	(889,508)	-
Crisis Center	(13,549,646)	-
Community Hospital (HCPC)	(3,697,808)	-
Forensic Services	(2,860,009)	-
Interest on long-term debt	(114,696)	-
Total Governmental Activities	(31,868,494)	-
Component Units		
HUD Programs	-	(46,898)
Fund raising activities	-	33,376
Total Component Units	-	(13,522)
General Revenues		
Harris County Allocation	23,067,409	-
Investment earnings	3,662,619	30,976
Other income	3,098,650	-
Gain on disposal of capital assets	128,336	-
Total General Revenues	29,957,014	30,976
Change in net position	(1,911,480)	17,454
Net Position - Beginning, Restated	122,708,483	4,748,070
Net Position - Ending	\$ 120,797,003	\$ 4,765,524

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
STATEMENT OF ACTIVITIES
For The Year Ended August 31, 2023

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenue	
			Charges for Services	Operating Grants and Contributions
Primary government:				
Governmental Activities				
General Administration	\$ 47,908,147	\$ (47,908,147)	\$ -	\$ -
Adult Mental Health	109,842,041	18,448,654	8,816,405	91,296,281
Intellectual & Developmental Disabilities	41,923,189	7,041,413	14,386,787	25,332,785
Child and Adolescent	21,225,225	3,571,494	5,379,975	19,539,846
Crisis Center	83,129,224	13,860,066	2,853,560	57,482,505
Community Hospital (HCPC)	29,569,713	4,986,520	663,681	28,093,016
Interest on long-term debt	47,271	-	-	-
Total Governmental Activities	\$ 333,644,810	\$ -	\$ 32,100,408	\$ 221,744,433
Component Units				
HUD Programs	\$ 731,401	\$ -	\$ 489,443	\$ -
Fund raising activities	315,505	-	357,411	-
Total Component Units	\$ 1,046,906	\$ -	\$ 846,854	\$ -

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
STATEMENT OF ACTIVITIES
For The Year Ended August 31, 2023

Functions/Programs	Net (Expense) Revenue and Changes in Net Position	
	Total Governmental Activities	Component Units
Primary government:		
Governmental Activities		
General Administration	\$ -	\$ -
Adult Mental Health	(28,178,009)	-
Intellectual & Developmental Disabilities	(9,245,030)	-
Child and Adolescent	123,102	-
Crisis Center	(36,653,225)	-
Community Hospital (HCPC)	(5,799,536)	-
Interest on long-term debt	(47,271)	-
Total Governmental Activities	(79,799,969)	-
Component Units		
HUD Programs	-	(241,958)
Fund raising activities	-	41,906
Total Component Units	-	(200,052)
General Revenues		
Payment from Harris County	52,891,987	-
Investment earnings	2,941,559	14,489
Other	8,241,721	-
Gain on disposal of capital assets	474,132	-
Total General Revenues	64,549,399	14,489
Change in net position	(15,250,570)	(185,563)
Net Position - Beginning, restated	137,959,053	4,933,633
Net Position - Ending, restated	\$ 122,708,483	\$ 4,748,070

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
BALANCE SHEET
GOVERNMENTAL FUNDS
August 31, 2024 and 2023

	General Fund	
	2024	2023
Assets		
Cash and cash equivalents	\$ 13,294,001	\$ 10,459,650
Investments	55,497,114	64,953,498
Accounts Receivable (net of allowance for uncollectible)	1,448,055	2,590,604
Receivables from other governments	33,163,612	21,611,653
Other receivables	618,564	3,337,838
Inventories	984,720	692,722
Deposits	2,912,381	4,310,758
Prepaid items	370,110	274,301
Total Assets	\$ 108,288,557	\$ 108,231,024
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ 8,034,033	\$ 7,139,883
Accrued liabilities	11,703,414	10,741,435
Unearned revenues	8,129,925	2,776,718
Total Liabilities	27,867,372	20,658,036
Fund Balance:		
Nonspendable:		
Inventories	984,720	692,722
Deposits	2,912,381	4,310,758
Prepaid items	370,110	274,301
Assigned:		
Current capital projects	2,007,000	2,919,070
Future purchase of real property and IT infrastructure	1,365,842	1,365,842
ECI building use	361,664	361,664
COVID-19 eFMAP reserve	-	904,067
Insurance	2,000,000	2,000,000
Waiver 1115	-	14,780,494
Compensated absences	8,665,000	4,854,354
Security and safety	1,034,880	-
Unassigned	60,719,588	55,109,716
Total Fund Balances	80,421,185	87,572,988
Total Liabilities and Fund Balances	\$ 108,288,557	\$ 108,231,024

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
RECONCILIATION OF BALANCE SHEET FOR GOVERNMENTAL FUNDS
TO STATEMENT OF NET POSITION
August 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Total Fund Balance	\$ 80,421,185	\$ 87,572,988
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore not reported in the fund.	52,763,920	45,231,857
Accrued interest on lease and SBITA liabilities	(36,589)	(5,995)
Long-term liabilities, current and long-term, are not due and payable with current financial resources and therefore, are not reported in the fund financial statements. Compensated absences, leases, and SBITA liabilities make up the balance of these items as described in Note 7 to the financial statements.	<u>(12,351,513)</u>	<u>(10,090,367)</u>
Net Position Governmental Activities	<u>\$ 120,797,003</u>	<u>\$ 122,708,483</u>

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Years Ended August 31, 2024 and 2023

	General Fund	
	2024	2023
Revenues		
State grants & programs	\$ 151,910,634	\$ 124,573,917
Federal grants	107,101,684	103,993,065
Harris County allocation and other contracts	46,339,437	52,635,562
Local billings	36,383,805	29,083,609
Investment earnings	3,662,619	2,941,559
Miscellaneous	3,294,681	4,287,776
Total Revenues	348,692,860	317,515,488
Expenditures		
Current:		
Mental Health - Adult	101,380,285	114,070,167
Intellectual & developmental disabilities	40,966,652	40,271,669
Mental Health - Child and Adolescents	22,494,002	21,313,442
Crisis center	83,781,388	79,049,229
Community hospital (HCPC)	34,867,105	29,569,753
General administration	42,180,024	49,149,223
Forensic Services	32,048,907	-
Debt service:		
Principal	1,428,013	712,334
Interest and other charges	114,696	75,380
Total Expenditures	359,261,072	334,211,197
Excess (deficiency) of revenues over expenditures	(10,568,212)	(16,695,709)
Other Financing Sources		
Issuance of debt - leases	2,448,205	337,846
Issuance of debt - SBITAs	839,868	-
Sale of capital assets	128,336	136,286
Total Other Financing Sources	3,416,409	474,132
Net changes in fund balance	(7,151,803)	(16,221,577)
Fund Balances - Beginning, restated	87,572,988	103,794,565
Fund Balances - Ending	\$ 80,421,185	\$ 87,572,988

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT
OF ACTIVITIES
For the Years Ended August 31, 2024 and 2023

	2024	2023
Net Change in Fund Balances - Total Governmental Funds	\$ (7,151,803)	\$ (16,221,577)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation and amortization expense. This is the amount by which capital outlays exceeded depreciation and amortization in the current period.	7,560,602	1,542,948
In the statement of activities, net book value of equipment and vehicles written off is recorded as expenses, whereas this is not reported in the governmental fund. Thus, the change in net position differs from the change in fund balance by the net book value of the equipment, vehicles, and right-to-use assets written off.	(28,539)	(204,319)
Issuance of new leases and SBITAs	(3,288,073)	(986,888)
Repayment of leases is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the statement of net position.	730,186	518,330
Repayment of SBITAs is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the statement of net position.	697,827	429,358
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount is the net change in accrued compensated absences and interest expense in the government-wide financial statements during the current fiscal year.	(431,680)	(328,422)
Change in Net Position of Governmental Activities	\$ (1,911,480)	\$ (15,250,570)

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
BUDGETARY COMPARISON STATEMENT
GENERAL FUND
For the Year Ended August 31, 2024

	Budget		Actual (Budgetary Basis)	Variance Positive/ (Negative)
	Original	Final		
State Program Revenues				
General Revenues	\$ 115,662,665	\$ 131,005,682	128,367,540	\$ (2,638,142)
Early Childhood Intervention - State	2,712,088	2,791,930	3,639,509	847,579
Texas Council on Offenders with Mental Impairments	4,095,456	4,095,456	3,180,962	(914,494)
Texas Department of Criminal Justice- Parole and Substance Abuse	446,000	446,000	483,167	37,167
Harris County - State Programs	7,115,000	7,164,196	6,731,478	(432,718)
Other State ILA Tablet Program	-	-	65,947	65,947
Other State TCMHCC	255,000	-	327,947	327,947
Other State Programs		777,777	224,823	(552,954)
Other State COVID-16	17,250	-	-	-
Texas Department of Health and Human Services - House Bill 13	340,032	340,032	309,120	(30,912)
Texas Department of Health and Human Services - IDD Nursing Facility Specialized Care	3,681	3,681	4,284	603
Texas Department of Health and Human Services - Healthy Community Collaborative	5,020,007	5,020,007	5,913,138	893,131
Texas Department of Health and Human Services - MH First Aid	210,050	210,050	125,246	(84,804)
Texas Department of Health and Human Services - MH Psych Residential	350,000	350,000	325,564	(24,436)
Texas Department of Health and Human Services - HCBS Pre-Engagement	-	-	3,275	3,275
Texas Department of Health and Human Services - Jail Based Comp	1,863,517	1,863,517	1,908,634	45,117
Texas Department of Health and Human Services - MH Outpatient Services for IDD	300,000	300,000	300,000	-
Total State Program Revenues	138,390,746	154,368,328	151,910,634	(2,457,694)

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
BUDGETARY COMPARISON STATEMENT
GENERAL FUND
For the Year Ended August 31, 2024

	Budget		Actual (Budgetary Basis)	Variance Positive/ (Negative)
	Original	Final		
Federal Program Revenues				
Texas Department of State Health Services -				
HHSC-Assisted Outpatient Treatment	\$ 716,591	\$ 716,591	\$ 596,221	\$ (120,370)
FEMA Relief	-	542,203	254,290	(287,913)
Mental Health Block Grant	3,081,806	3,081,806	3,081,806	-
Mental Health Block Grant (CSC)	1,480,626	1,480,626	1,086,426	(394,200)
Mental Health Block Grant Supplemental Housing	381,328	381,328	381,328	-
Social Services Block Grant (Title XX)	580,417	580,417	580,417	-
TANF Transfer to Title XX Block Grant	1,386,984	1,386,984	1,386,984	-
Opioid Response Program	99,571	99,571	99,571	-
MH Block Homeless Grant	1,138,726	1,138,726	1,087,917	(50,809)
Substance Abuse Prevention & Treatment Block Grant	967,664	967,891	954,455	(13,436)
Enhanced Community Coordination	550,484	550,484	527,585	(22,899)
Mental Health - First Aid	-	-	82,800	82,800
SAPT SUBS ABUSE Community Health Workers	928,000	928,000	949,603	21,603
Mental Health Suicide Care Pilot ZEST	479,843	479,843	354,554	(125,289)
Charity Care Pool	40,084,203	40,084,203	41,643,774	1,559,571
Medicaid Admin Claiming Program	8,000,000	7,917,462	13,490,644	5,573,182
Harris County-Community Wide COVID Housing Program	642,851	642,851	427,031	(215,820)
Community Development Grant - CV	223,492	223,492	-	(223,492)
SAMHSA CHR-P	389,986	389,986	224,760	(165,226)
TPWD Youth and Family	3,671,777	3,671,777	2,197,407	(1,474,370)
ARPA County Rise	-	328,168	282,895	(45,273)
ARPA County Inspire	-	8,580	5,172	(3,408)
Federal ARPA COH - Center	-	500,000	387,181	(112,819)
Federal ARPA ECI Rise	-	81,277	21,831	(59,446)
Federal SAMHSA LIFE	-	399,432	165,951	(233,481)
Baylor NIH Grant	7,540	7,540	14,084	6,544
Federal ARPA NBHP CAP	-	-	108,725	108,725
Federal SAMHSA	-	2,017,512	-	(2,017,512)
ARPA IDD	374,702	374,702	197,064	(177,638)
ARPA County YDC	3,012,897	3,012,897	2,745,386	(267,511)
ARPA JBCR Expansion	645,608	645,608	360,841	(284,767)
ARPA IDD Vocational Apprentice	222,065	307,337	230,504	(76,833)
Be Well Be Connected Program	-	4,500	22,500	18,000
Medication Opioid Use Disorder(MOUD)	331,420	332,570	189,731	(142,839)
MH Block Grant-H2H Exp	701,932	701,932	840,745	138,813
MH Block Grant - Detox	1,235,792	1,235,792	1,100,758	(135,034)
MH Block Grant - Nav Ctr	558,464	558,464	531,661	(26,803)
MH Block Grant - Hou Comf	595,062	595,062	663,573	68,511
SAMHSA Stepdown	1,240,409	1,240,409	1,823,862	583,453
CDBG Covid 19 Supplemental	1,649,978	1,828,549	1,351,108	(477,441)
Outpatient Cap Exp	3,946,739	3,946,739	3,946,739	-
ARPA Harris County	2,960,590	2,960,590	1,673,530	(1,287,060)
ARPA City of Houston MCOT Rapid Response	4,874,659	4,874,659	3,903,743	(970,916)
ARPA City of Houston CORE HPD	847,876	847,876	811,179	(36,697)
ARPA City of Houston CIRT Exp	833,055	833,055	405,824	(427,231)
ARPA City of Houston CCD Exp	272,140	272,140	232,678	(39,462)
ECI	41,569	41,569	2,262,872	2,221,303
Helpline Contracts	5,163,218	5,924,653	5,825,245	(99,408)
Directed Payment Program - Behavioral Health	8,715,000	8,715,000	5,581,015	(3,133,985)
Substance Use Disorder Treatment	-	-	138,870	138,870
MCOT	-	-	276,591	276,591
Community Psychiatric Residency	-	-	247,676	247,676
HR133 Mental Health Services	-	-	117,253	117,253
AWARE	-	-	96,489	96,489
Promoting Integration of Primary and Behavioral Health Care	-	-	367,015	367,015
CCBHC Expansion	-	-	763,820	763,820
Total Federal Program Revenues	103,035,064	107,860,853	107,101,684	(759,169)

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
BUDGETARY COMPARISON STATEMENT
GENERAL FUND
For the Year Ended August 31, 2024

	Budget		Actual (Budgetary Basis)	Variance Positive/ (Negative)
	Original	Final		
Local Revenues				
Harris County allocation and other contracts	\$ 49,797,409	\$ 51,743,702	\$ 46,339,437	\$ (5,404,265)
Local Billings				
Patient fees and private insurance	4,331,260	4,310,116	13,937,365	9,627,249
Medicare	880,372	880,372	1,125,950	245,578
Medicaid	21,845,463	21,651,526	17,044,308	(4,607,218)
ICF/MR, HCS and THL waiver	6,209,945	5,979,730	4,276,182	(1,703,548)
Total Local Billings	<u>33,267,040</u>	<u>32,821,744</u>	<u>36,383,805</u>	<u>3,562,061</u>
Investment Earnings	2,700,800	2,775,800	3,662,619	886,819
Miscellaneous	6,313,051	7,066,924	3,294,681	(3,772,243)
Total Revenues before Patient Assistance Program	<u>333,504,110</u>	<u>356,637,351</u>	<u>348,692,860</u>	<u>(7,944,491)</u>
Patient Assistance Program	10,002,937	10,002,937	10,773,136	770,199
Total Revenues	<u>\$ 343,507,047</u>	<u>\$ 366,640,288</u>	<u>\$ 359,465,996</u>	<u>\$ (7,174,292)</u>
Expenditures				
Current:				
Personnel costs	\$ 239,118,011	\$ 243,152,470	\$ 244,322,491	\$ (1,170,021)
Contracts with service agencies and professional fees	53,715,497	64,892,796	58,016,729	6,876,067
Drug cost and other supplies	7,467,668	7,804,718	14,400,034	(6,595,316)
Rental	1,666,496	1,698,199	341,386	1,356,813
Repairs and maintenance	12,854,346	13,740,808	9,029,458	4,711,350
Travel	3,079,653	3,082,505	2,623,436	459,069
Security services	1,243,417	1,275,417	1,337,704	(62,287)
Utilities	3,815,406	3,955,351	3,469,028	486,323
Other	9,543,616	10,530,091	12,582,611	(2,052,520)
Principal	1,000,000	1,000,000	1,428,013	(428,013)
Interest and other charges	-	-	114,696	(114,696)
Capital outlay	-	22,072,137	11,595,486	10,476,651
Total Expenditures before Patient Assistance Program	<u>333,504,110</u>	<u>373,204,492</u>	<u>359,261,072</u>	<u>13,943,420</u>
Patient Assistance Program	10,002,937	10,002,937	10,773,136	(770,199)
Total Expenditures	<u>343,507,047</u>	<u>383,207,429</u>	<u>370,034,208</u>	<u>13,173,221</u>
Excess of revenues over expenditures	-	(16,567,141)	(10,568,212)	5,998,929
Other Financing Sources				
Issuance of debt - leases	-	-	2,448,205	2,448,205
Issuance of debt - SBITAs	-	-	839,868	839,868
Sale of capital assets	-	-	128,336	128,336
Total Other Financing Sources	-	-	<u>3,416,409</u>	<u>3,416,409</u>
Excess of Revenues and Other Financing Sources Over Expenditures	<u>\$ -</u>	<u>\$ (16,567,141)</u>	<u>\$ (7,151,803)</u>	<u>\$ 9,415,338</u>

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
BUDGETARY COMPARISON STATEMENT
GENERAL FUND
For the Year Ended August 31, 2023

	Budget		Actual (Budgetary Basis)	Variance Positive/ (Negative)
	Original	Final		
State Program Revenues				
General Revenues	\$ 114,084,392	\$ 114,084,392	\$ 114,789,532	\$ 705,140
Early Childhood Intervention - State	-	2,004,560	1,708,701	(295,859)
Texas Council on Offenders with Mental Impairments	3,081,688	3,153,758	2,459,142	(694,616)
Texas Department of Criminal Justice- Parole and Substance Abuse	446,000	446,000	408,837	(37,163)
Other State Incubator Program	-	871,303	852,401	(18,902)
Other State IDD	-	374,702	177,638	(197,064)
Other State ILA Tablet Program	-	252,318	41,424	(210,894)
Other State ARP Intermediate Care Facility	-	-	17,250	17,250
Other State TCMHCC	-	173,875	173,875	-
ARPA IDD Vocational Apprentice	-	222,065	93,939	(128,126)
Texas Department of Health and Human Services - House Bill 13	340,032	340,032	340,032	-
Texas Department of Health and Human Services - IDD Nursing Facility Specialized Care	1,605	1,605	4,206	2,601
Texas Department of Health and Human Services - Healthy Community Collaborative	4,636,928	4,636,928	1,634,821	(3,002,107)
Texas Department of Health and Human Services - MH First Aid	288,050	288,050	145,149	(142,901)
Texas Department of Health and Human Services - MH Psych Residential	354,000	300,000	284,497	(15,503)
Texas Department of Health and Human Services - HCBS Pre-Engagement	-	-	1,695	1,695
Texas Department of Health and Human Services - Jail Based Comp	784,350	1,400,726	1,140,778	(259,948)
Texas Department of Health and Human Services - MH Outpatient Services for IDD	300,000	300,000	300,000	-
Total State Program Revenues	124,317,045	128,850,314	124,573,917	(4,276,397)

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
BUDGETARY COMPARISON STATEMENT
GENERAL FUND
For the Year Ended August 31, 2023

	Budget		Actual (Budgetary Basis)	Variance Positive/ (Negative)
	Original	Final		
Federal Program Revenues				
Texas Department of State Health Services -				
HHSC-Assisted Outpatient Treatment	\$ 633,187	\$ 633,187	\$ 696,576	\$ 63,389
HHSC-CCBHC Expansion	988,278	988,278	1,159,961	171,683
Mental Health Block Grant	3,463,134	3,081,806	3,105,510	23,704
Mental Health Block Grant (CSC)	1,074,320	1,400,258	1,468,615	68,357
Mental Health Block Grant Supplemental Housing	-	381,328	343,195	(38,133)
Mental Health Block Grant Homeless	-	38,692	37,917	(775)
Social Services Block Grant (Title XX)	580,417	580,417	580,417	-
TANF Transfer to Title XX Block Grant	1,386,984	1,386,984	1,386,984	-
Opioid Response Program	99,571	99,571	82,977	(16,594)
MH Block Homeless Grant	1,130,299	1,130,299	1,130,299	-
Substance Abuse Prevention & Treatment Block Grant	964,960	964,960	815,262	(149,698)
Enhanced Community Coordination	550,484	550,484	478,873	(71,611)
System Of Care	120,566	120,566	9,944	(110,622)
SAPT SUBS ABUSE Community Health Workers	835,199	835,199	729,331	(105,868)
Mental Health Suicide Care Pilot ZEST	479,834	479,834	364,727	(115,107)
Charity Care Pool	40,396,584	40,396,582	45,148,861	4,752,279
Medicaid Admin Claiming Program	7,832,233	7,941,116	8,022,642	81,526
Harris County-Community Wide COVID Housing Program	1,901,877	1,514,955	1,114,602	(400,353)
Community Development Grant - CV	-	49,999	34,394	(15,605)
SAMHSA CHR-P	-	263,490	115,128	(148,362)
TPWD Youth and Family	-	2,104,956	1,370,717	(734,239)
ARPA YES Waiver	-	24,463	24463	-
Early Childhood Intervention - Federal	1,989,320	2,391,877	2152351	(239,526)
ARPA County YDC	-	3,012,897	1,214,637	(1,798,260)
ARPA JBCR Expansion	-	645,609	284,768	(360,841)
Be Well Be Connected Program	-	-	54,000	54,000
Medication Opioid Use Disorder(MOUD)	231,420	481,420	343,256	(138,164)
H Block Grant-H2H Exp	734,979	764,532	687,825	(76,707)
MH Block Grant - Detox	1,673,166	1,701,044	1,371,488	(329,556)
MH Block Grant - Nav Ctr	804,029	789,117	467,468	(321,649)
MH Block Grant - Hou Comf	605,321	385,713	583,077	197,364
OSAR Services	508,865	-	-	-
SAMHSA Stepdown	1,325,734	1,325,734	1,230,928	(94,806)
CDBG Covid 19 Supplemental	201,142	1,210,000	684,431	(525,569)
CHH Navigation Services	1,800,000	-	-	-
Outpatient Cap Exp	2,089,286	4,484,502	5,257,724	773,222
ARPA Harris County	2,960,590	5,399,372	1,433,768	(3,965,604)
ARPA City of Houston MCOT Rapid Response	4,699,343	4,699,343	3,770,612	(928,731)
ARPA City of Houston CORE HPD	847,876	847,876	786,833	(61,043)
ARPA City of Houston CIRT Exp	728,177	796,035	234,793	(561,242)
ARPA City of Houston CCD Exp	-	272,140	264,921	(7,219)
Helpline Contracts	4,257,445	5,953,018	5,134,711	(818,307)
Directed Payment Program - Behavioral Health	9,814,081	9,814,078	9,814,079	1
Total Federal Program Revenues	97,708,701	109,941,731	103,993,065	(5,948,666)

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
BUDGETARY COMPARISON STATEMENT
GENERAL FUND
For the Year Ended August 31, 2023

	Budget		Actual (Budgetary Basis)	Variance Positive/ (Negative)
	Original	Final		
Local Revenues				
Harris County allocation and other contracts	\$ 54,141,417	\$ 54,149,202	\$ 52,635,562	\$ (1,513,640)
Local Billings				
Patient fees and private insurance	2,026,483	2,056,130	2,601,185	545,055
Medicare	1,217,567	1,217,567	830,097	(387,470)
Medicaid	20,536,745	20,726,128	20,014,133	(711,995)
ICF/MR, HCS and THL waiver	6,065,726	6,326,206	5,638,194	(688,012)
Total Local Billings	<u>29,846,521</u>	<u>30,326,031</u>	<u>29,083,609</u>	<u>(1,242,422)</u>
Investment Earnings	1,559,285	1,559,285	2,941,559	1,382,274
Miscellaneous	7,742,043	12,483,919	4,287,776	(8,196,143)
Total Revenues before Patient Assistance Program	315,315,012	337,310,482	317,515,488	(19,794,994)
Patient Assistance Program	6,000,000	9,060,000	9,945,944	885,944
Total Revenues	<u>\$ 321,315,012</u>	<u>\$ 346,370,482</u>	<u>\$ 327,461,432</u>	<u>\$ (18,909,050)</u>
Expenditures				
Current:				
Personnel costs	\$ 229,276,648	\$ 239,168,443	\$ 241,097,659	\$ (1,929,216)
Contracts with service agencies and professional fees	52,245,452	55,807,026	52,345,450	3,461,576
Drug cost and other supplies	13,043,202	15,572,657	6,981,215	8,591,442
Rental	1,245,461	1,259,140	153,996	1,105,144
Repairs and maintenance	12,099,471	13,117,973	9,846,514	3,271,459
Travel	1,851,369	1,857,500	2,301,606	(444,106)
Security services	1,217,570	1,396,736	1,200,729	196,007
Utilities	3,445,355	3,492,350	4,023,894	(531,544)
Other	9,209,853	10,966,520	9,536,627	1,429,893
Principal	-	-	712,334	(712,334)
Interest and other charges	-	-	75,380	(75,380)
Capital outlay	-	32,026,700	5,935,793	26,090,907
Total Expenditures before Patient Assistance Program	<u>323,634,381</u>	<u>374,665,045</u>	<u>334,211,197</u>	<u>40,453,848</u>
Patient Assistance Program	6,000,000	9,060,000	9,945,944	(885,944)
Total Expenditures	<u>329,634,381</u>	<u>383,725,045</u>	<u>344,157,141</u>	<u>39,567,904</u>
Excess of revenues over expenditures	(8,319,369)	(37,354,563)	(16,695,709)	20,658,854
Other Financing Sources				
Issuance of debt - leases	-	-	337,846	337,846
Sale of capital assets	-	-	136,286	136,286
Total Other Financing Sources	-	-	474,132	474,132
Excess of Revenues and Other Financing Sources Over Expenditures	<u>\$ (8,319,369)</u>	<u>\$ (37,354,563)</u>	<u>\$ (16,221,577)</u>	<u>\$ 21,132,986</u>

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
BUDGETARY COMPARISON STATEMENT
BUDGET-TO-GAAP RECONCILIATION – GENERAL FUND
For the Years Ended August 31, 2024 and 2023

	<u>Fiscal Year 2024</u>	<u>Fiscal Year 2023</u>
<i>Sources / Inflows of Resources</i>		
Total Revenue as Per Budgetary Comparison Schedule	\$ 359,465,996	\$ 327,461,432
Differences - budget to GAAP:		
Value of drugs received by patients from Patient Assistance Program (PAP) are budgetary resources, but are not reported as revenues under GAAP.	<u>(10,773,136)</u>	<u>(9,945,944)</u>
Total Revenue as Per Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 348,692,860</u>	<u>\$ 317,515,488</u>
<i>Uses / Outflows of Resources</i>		
Total Expenditures as Per Budgetary Comparison Schedule	\$ 370,034,208	\$ 344,157,141
Differences - budget-to-GAAP:		
Value of drugs provided under Patient Assistance Program (PAP) are outflows of budgetary resources, but are not recorded as expenditure under GAAP.	<u>(10,773,136)</u>	<u>(9,945,944)</u>
Total Expenditures as Per Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 359,261,072</u>	<u>\$ 334,211,197</u>

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUND
August 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Assets		
Cash and cash equivalents	\$ 17,267	\$ 23,673
Total Assets	<u>17,267</u>	<u>23,673</u>
Liabilities		
Accounts Payable	17,267	23,673
Total Liabilities	<u>17,267</u>	<u>23,673</u>
Net Position		
Restricted for Clients	<u>\$ 17,267</u>	<u>\$ 23,673</u>

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUND
For the Years Ended August 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Additions		
SSI Client related receipts	\$ 83,258	\$ 80,817
Total Additions	<u>83,258</u>	<u>80,817</u>
Deductions		
SSI Client deductions	<u>89,664</u>	<u>82,142</u>
Total Deductions	<u>89,664</u>	<u>82,142</u>
Changes in Net Position	(6,406)	(1,325)
Beginning Net Position	23,673	24,998
Ending Net Position	<u>\$ 17,267</u>	<u>\$ 23,673</u>

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
COMBINING STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
August 31, 2024

	Pasadena Cottages, Inc. May 31, 2024	Pecan Village, Inc. August 31, 2024	Villas at Bayou Park, Inc August 31, 2024	Pear Grove, Inc. August 31, 2024	Acres Homes Garden, Inc. August 31, 2024	Friends of MHMRA August 31, 2024	Total
Assets							
Current assets:							
Cash and cash equivalents	\$ 28,890	\$ 18,869	\$ -	\$ 1,927	\$ 250	\$ 737,761	\$ 787,697
Accounts receivable	14,382	13,023	48,412	8,026	15,179	4,760	103,782
Prepaid expenses	20,472	-	-	-	-	-	20,472
Other assets	-	5,560	1,715	601	-	-	7,876
Total Current Assets	63,744	37,452	50,127	10,554	15,429	742,521	919,827
Noncurrent Assets:							
Restricted cash and cash equivalents	47,606	126,480	109,201	111,035	64,035	-	458,357
Capital assets, net	115,806	543,854	1,261,427	1,031,823	1,340,683	-	4,293,593
Total Noncurrent Assets	163,412	670,334	1,370,628	1,142,858	1,404,718	-	4,751,950
Total Assets	227,156	707,786	1,420,755	1,153,412	1,420,147	742,521	5,671,777
Liabilities							
Current Liabilities:							
Accounts payable	27,547	4,168	10,343	2,528	16,830	12,650	74,066
Accrued management fee payable	2,827	870	1,061	710	737	-	6,205
Accrued interest payable	1,014	-	-	-	-	-	1,014
Unearned revenue	-	4,692	-	4,689	1,429	3,600	14,410
Other current liabilities	-	4,401	141,924	83,166	270,436	-	499,927
Deposits payable	175	4,697	3,512	3,974	3,138	-	15,496
Current portion of long-term obligations	26,089	-	-	-	-	-	26,089
Total Current Liabilities	57,652	18,828	156,840	95,067	292,570	16,250	637,207
Noncurrent Liabilities:							
Noncurrent portion of long-term obligations	109,046	-	90,000	70,000	-	-	269,046
Total Liabilities	166,698	18,828	246,840	165,067	292,570	16,250	906,253
Net Position (Deficit)							
Net investment in capital assets	(19,329)	543,854	1,261,427	1,031,823	1,340,683	-	4,158,458
Unrestricted net position	79,787	145,104	(87,512)	(43,478)	(213,106)	726,271	607,066
Total Net Position (Deficit)	\$ 60,458	\$ 688,958	\$ 1,173,915	\$ 988,345	\$ 1,127,577	\$ 726,271	\$ 4,765,524

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
COMBINING STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
August 31, 2023

	Pasadena Cottages, Inc. May 31, 2023	Pecan Village, Inc. August 31, 2023	Villas at Bayou Park, Inc August 31, 2023	Pear Grove, Inc. August 31, 2023	Acres Homes Garden, Inc. August 31, 2023	Friends of MHMRA August 31, 2023	Total
Assets							
Current assets:							
Cash and cash equivalents	\$ 43,504	\$ 5,725	\$ 2,932	\$ 218	\$ 93	\$ 683,010	\$ 735,482
Accounts receivable	-	680	1,470	234	869	2,550	5,803
Prepaid expenses	20,876	22,485	18,296	12,480	12,437	500	87,074
Other assets	-	5,483	3,322	4,798	-	-	13,603
Total current assets	64,380	34,373	26,020	17,730	13,399	686,060	841,962
Noncurrent assets:							
Restricted cash and cash equivalents	42,867	120,772	99,638	101,391	67,796	-	432,464
Capital assets, net	127,821	573,736	1,305,872	1,076,103	1,387,915	-	4,471,447
Total noncurrent assets	170,688	694,508	1,405,510	1,177,494	1,455,711	-	4,903,911
Total Assets	235,068	728,881	1,431,530	1,195,224	1,469,110	686,060	5,745,873
Liabilities							
Current liabilities:							
Accounts payable	136,977	1,734	13,898	8,531	19,654	16,201	196,995
Accrued management fee payable	3,067	868	940	710	709	-	6,294
Accrued interest payable	1,192	-	-	-	-	-	1,192
Unearned revenue	-	1,422	-	606	665	3,600	6,293
Other current liabilities	-	4,401	127,481	77,040	243,951	-	452,873
Deposits payable	125	4,369	3,268	3,990	3,418	-	15,170
Current portion of long-term obligations	23,851	-	-	-	-	-	23,851
Total current liabilities	165,212	12,794	145,587	90,877	268,397	19,801	702,668
Noncurrent liabilities:							
Noncurrent portion of long-term obligations	135,135	-	90,000	70,000	-	-	295,135
Total Liabilities	300,347	12,794	235,587	160,877	268,397	19,801	997,803
Net Position (Deficit)							
Net investment in capital assets	(31,165)	573,736	1,305,872	1,076,103	1,387,915	-	4,312,461
Unrestricted net position	(34,114)	142,351	(109,929)	(41,756)	(187,202)	666,259	435,609
Total Net Position (Deficit)	\$ (65,279)	\$ 716,087	\$ 1,195,943	\$ 1,034,347	\$ 1,200,713	\$ 666,259	\$ 4,748,070

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended August 31, 2024

	Program Revenues			Net (Expense) Revenue and Changes in Net Position						Totals
	Expenses	Charges for Service	Operating Grants and Contributions	Pasadena Cottages, Inc.	Pecan Village, Inc.	Villas at Bayou Park, Inc.	Pear Grove, Inc.	Acres Homes Garden, Inc.	Friends of MHMRA	
Pasadena Cottages, Inc.										
HUD Section 811 program	\$ 152,350	\$ 150,419	\$ 124,217	\$ 122,286	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 122,286
Pecan Village, Inc.										
HUD Section 811 program	161,140	133,834	-	-	(27,306)	-	-	-	-	(27,306)
Villas at Bayou Park, Inc.										
HUD Section 811 program	145,648	123,563	-	-	-	(22,085)	-	-	-	(22,085)
Pear Grove, Inc.										
HUD Section 811 program	145,676	99,105	-	-	-	-	(46,571)	-	-	(46,571)
Acres Homes Garden, Inc.										
HUD Section 811 program	160,280	87,058	-	-	-	-	-	(73,222)	-	(73,222)
Friends of MHMRA										
Fund raising activities	256,204	289,580	-	-	-	-	-	-	33,376	33,376
Total Component Units	<u>\$ 1,021,298</u>	<u>\$ 883,559</u>	<u>\$ 124,217</u>	-	-	-	-	-	-	<u>(13,522)</u>
General Revenues:										
Investment earnings				3,451	177	57	569	86	26,636	30,976
Total General Revenues				<u>3,451</u>	<u>177</u>	<u>57</u>	<u>569</u>	<u>86</u>	<u>26,636</u>	<u>30,976</u>
Change in net position				125,737	(27,129)	(22,028)	(46,002)	(73,136)	60,012	17,454
Net Assets (Deficit) - Beginning				<u>(65,279)</u>	<u>716,087</u>	<u>1,195,943</u>	<u>1,034,347</u>	<u>1,200,713</u>	<u>666,259</u>	<u>4,748,070</u>
Net Assets (Deficit) - Ending				<u>\$ 60,458</u>	<u>\$ 688,958</u>	<u>\$ 1,173,915</u>	<u>\$ 988,345</u>	<u>\$ 1,127,577</u>	<u>\$ 726,271</u>	<u>\$ 4,765,524</u>

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended August 31, 2023

	Program Revenues			Net (Expense) Revenue and Changes in Net Position						
	Expenses	Charges for Service	Operating Grants and Contributions	Pasadena Cottages, Inc.	Pecan Village, Inc.	Villas at Bayou Park, Inc.	Pear Grove, Inc.	Acres Homes Garden, Inc.	Friends of MHMRA	Totals
Pasadena Cottages, Inc.										
HUD Section 811 program	\$ 165,586	\$ 138,361	\$ -	\$ (27,225)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (27,225)
Pecan Village, Inc.										
HUD Section 811 program	124,809	108,538	-	-	(16,271)	-	-	-	-	(16,271)
Villas at Bayou Park, Inc.										
HUD Section 811 program	155,688	83,638	-	-	-	(72,050)	-	-	-	(72,050)
Pear Grove, Inc.										
HUD Section 811 program	148,015	87,366	-	-	-	-	(60,649)	-	-	(60,649)
Acres Homes Garden, Inc.										
HUD Section 811 program	137,303	71,540	-	-	-	-	-	(65,763)	-	(65,763)
Friends of MHMRA										
Fund raising activities	315,505	357,411	-	-	-	-	-	-	41,906	41,906
Total Component Units	<u>\$ 1,046,906</u>	<u>\$ 846,854</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(200,052)</u>
General Revenues:										
Investment earnings				1,261	219	514	-	13	12,482	14,489
Total General Revenues				<u>1,261</u>	<u>219</u>	<u>514</u>	<u>-</u>	<u>13</u>	<u>12,482</u>	<u>14,489</u>
Change in net position				(25,964)	(16,052)	(71,536)	(60,649)	(65,750)	54,388	(185,563)
Net Assets (Deficit) - Beginning				<u>(39,315)</u>	<u>732,139</u>	<u>1,267,479</u>	<u>1,094,996</u>	<u>1,266,463</u>	<u>611,871</u>	<u>4,933,633</u>
Net Assets (Deficit) - Ending				<u>\$ (65,279)</u>	<u>\$ 716,087</u>	<u>\$ 1,195,943</u>	<u>\$ 1,034,347</u>	<u>\$ 1,200,713</u>	<u>\$ 666,259</u>	<u>\$ 4,748,070</u>

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

NOTES TO FINANCIAL STATEMENTS

Note 1 - Reporting Entity - Basis of Presentation

Primary Government

The Harris Center for Mental Health and IDD (the "Center") was the name adopted by the Board of Trustees of the organization which was formerly known as the Mental Health and Mental Retardation Authority of Harris County when it renamed the entity during its meeting on February 24, 2015. The Center is a public agency that was established as a result of the Texas Mental Health and Mental Retardation Act of 1965. This Act provided for the creation of local boards of trustees to develop and implement community-based mental health and mental retardation services. The Center is governed by a Board of Trustees appointed by the Commissioners Court of Harris County (the "County"). The County has the ability to appoint and remove the members of the governing Board of Trustees of the Center. For financial reporting purposes, the Center is considered a component unit of the County.

The accompanying financial statements present the Center's primary government and component units, entities for which the Center is considered to be financially accountable.

Component Units

Pasadena Cottages, Inc., a Texas non-profit corporation ("Pasadena") was organized in 1992 to purchase and maintain property for residential programs for individuals with intellectual and developmental disabilities (IDD). The Center's Board of Trustees appoints the Board of Trustees of Pasadena and has the ability to remove Trustees; thus, the Center is financially accountable for Pasadena. Accordingly, Pasadena has been included in the Center's basic financial statements as a discretely presented component unit. The fiscal year end for Pasadena Cottages is May 31, 2024.

Pecan Village, Inc., a Texas non-profit corporation ("Pecan Village") was organized in 2000 to provide homes for persons with mental illness by acquiring and managing residential property under the Department of Housing and Urban Development (HUD) Section 811 grant. The Center's Board of Trustees appoints the Board of Trustees of Pecan Village and has the ability to remove Trustees; thus, the Center is financially accountable for Pecan Village. Accordingly, Pecan Village has been included in the Center's basic financial statements as a discretely presented component unit.

Villas at Bayou Park, Inc., a Texas non-profit corporation ("Villas at Bayou") was organized in 2001 to provide homes for persons with mental illness by acquiring and managing residential property under the Department of Housing and Urban Development (HUD) Section 811 grant. The Center's Board of Trustees appoints the Board of Directors of Villas at Bayou and has the ability to remove Directors; thus, the Center is financially accountable for Villas at Bayou. Accordingly, Villas at Bayou has been included in the Center's basic financial statements as a discretely presented component unit.

Pear Grove, Inc., a Texas non-profit corporation ("Pear Grove") was organized in 2004 to provide homes for persons with mental illness by acquiring and managing residential property under the Department of Housing and Urban Development (HUD) Section 811 grant. The Center's Board of Trustees appoints the Board of Trustees of Pear Grove and has the ability to remove Trustees; thus, the Center is financially accountable for Pear Grove. Accordingly, Pear Grove has been included in the Center's basic financial statements as a discretely presented component unit.

Acres Homes Garden, Inc., a Texas non-profit corporation ("Acres Homes") was organized in 2008 to provide homes for persons with mental illness by acquiring and managing residential property under the Department of Housing and Urban Development (HUD) Section 811 grant. The Center's Board of Trustees appoints the Board of Trustees of Acres Homes and has the ability to remove Trustees; thus, the Center is financially accountable for Acres Homes. Accordingly, Acres Homes has been included in the Center's basic financial statements as a discretely presented component unit.

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

NOTES TO FINANCIAL STATEMENTS (continued)

Note 1 - Reporting Entity - Basis of Presentation (continued)

Component Units (continued)

Friends of MHMRA of Harris County (“Friends of MHMRA”) was organized during 2005 to provide charitable services and increase awareness in the community. The Center’s Board of Trustees has the ability to appoint and remove directors and officers of Friends of MHMRA and is financially accountable and the corporation operates exclusively for the benefit of the Center and its clients. In keeping with MHMRA of Harris County changing its name to The Harris Center for Mental Health and IDD, the Board of Trustees of the Friends of MHMRA of Harris County adopted at a special meeting on July 21, 2015 to approve the doing business as (“dba”) name of the Harris Center Foundation for Mental Health and IDD. Accordingly, Friends of MHMRA has been included in the Center’s basic financial statements as a component unit.

Financial statements of these component units may be obtained from the Chief Financial, The Harris Center for Mental Health and IDD, 9401 Southwest Freeway, Houston, Texas 77074.

Government-wide and Fund Financial Statements

The financial statements of the Center have been prepared in conformity with generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted primary standard-setting body for establishing governmental accounting and financial reporting principles. The Center's significant accounting policies are described below.

Revenue and expenditure classifications in the fund financial statements conform to requirements codified in *Guidelines for Annual Financial and Compliance Audits of Community Mental Health and Mental Retardation Centers (21st Revision)* published by the Texas Health and Human Services Commission (HHSC).

Measurement Focus and Basis of Accounting

Government-wide Financial Statements

The statements of net position and statement of activities display information about the Center as a whole. The statements of net position and statements of activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenditures, gains, losses, assets, and liabilities are recognized when the underlying transactions take place. Certain eliminations have been made as prescribed by GASB Statement No. 34 related to interfund activities, payables and receivables. However, there are no interfund services that are included in the consolidation process. All internal balances in the Statement of Net Position have been eliminated. In the Statement of Activities, internal service fund transactions have been eliminated. Government-wide financial statements do not include fiduciary funds or component units that are fiduciary in nature. Program revenues are derived from state and federal grants and third-party billings for services rendered. General revenues are primarily derived from the County budget allocation for the Center. Indirect expenses are allocated to individual functions based on the percentage of actual direct costs in accordance with HHSC reporting guidelines.

However, debt service principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, and claims and judgments, postemployment benefits and environmental obligations are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the Center the right-to-use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

NOTES TO FINANCIAL STATEMENTS (continued)

Note 1 - Reporting Entity - Basis of Presentation (continued)

Measurement Focus and Basis of Accounting (continued)

Fund Financial Statements

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund financial statements are presented using current financial resources measurement focus and modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Fiduciary fund financial statements are presented using the economic resources measurement focus and accrual basis of accounting.

Under the modified accrual basis of accounting, revenues are recognized when they become susceptible to accrual; that is, when they become both measurable and available to finance expenditures of the fiscal period. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Center considers revenue to be available when it is collected within 120 days of the end of the current fiscal period. Significant revenues susceptible to accrual under this method are principally billings on reimbursable type grants and awards where revenue is recognized when services are rendered or when reimbursable expenditures are incurred. Client fees are recorded at the net realizable amounts. Medicaid and Medicare revenue is recognized when the services are provided. Unearned revenue arises when resources are received before there is a legal claim to them, such as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods when there is a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease and subscription-based technology arrangements (SBITA) liabilities, as well as expenditures related to compensated absences are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the Center the right-to-use lease and SBITA assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases and SBITAs are reported as other financing sources.

Description of Funds

The Center's accounts are organized on the basis of funds, each of which is considered a separate accounting entity with a self-balancing set of accounts. All transactions are accounted for in funds, as follows:

Governmental Fund

General Fund – The General Fund is the general operating fund of the Center. There are no legal requirements to account for financial resources in any governmental fund type other than the General Fund.

Fiduciary Funds

Custodial Fund – Used to account for assets held as a custodian for individuals and other governmental entities. These funds are custodial in nature and use the economic resources measurement focus. This fund is used to account for the receipts and distribution of the supplemental security income of eligible clients. As invoices are submitted for items such as clients' rent, utilities, and food, clients are reimbursed using the funds available for their account.

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

NOTES TO FINANCIAL STATEMENTS (continued)

Note 1 - Reporting Entity - Basis of Presentation (continued)

Budgetary Information

The Center's annual budget for the General Fund is prepared based on estimated expenditures provided on a unit basis summarized by program category. The budget is submitted to the Board of Trustees. The budget must have the Board of Trustees' approval. All annual appropriations lapse at fiscal year-end. Contract and budget terms are determined by the Texas Health and Human Services Commission ("HHSC") at which time contract performance measures and funding amounts are negotiated. The contract and/or budget are revised to incorporate any modifications agreed upon and resubmitted to HHSC. The final budget is approved by HHSC, generally before the beginning of the new fiscal year.

The level of budgetary control or the level at which expenditures cannot legally exceed the appropriated amount is established at the fund level. Budgetary control is maintained by account at the cost center level through monthly budget-to-actual variance reports. The Center's management is authorized to transfer budgeted amounts within and among programs.

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation.

Note 2 - Summary of Significant Accounting

Cash and Cash Equivalents

The Center's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

It is the Center's policy to secure deposits with banks by collateral provided by the institutions, for amounts in excess of the Federal Deposit Insurance Corporation insurance. The collateral is held in the Federal Reserve account of an independent third-party agent.

The Board of Trustees of the Center authorizes management to invest with certain stipulations in obligations of the United States or its agencies and instrumentalities; direct obligations of the State of Texas or its agencies and instrumentalities; collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States; other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of the State of Texas or the United States or their respective agencies and instrumentalities; Prime Domestic Bankers Acceptances; obligations of states, agencies, counties, cities and other political subdivisions of any state rated as to investment quality by a nationally recognized investment firm not less than A or its equivalent; fully collateralized direct repurchase agreements; certificates of deposit issued by a state bank, national bank or savings and loan association domiciled in this state; commercial paper; and SEC-registered, no-load money market mutual funds.

During the years ended August 31, 2024 and 2023, the Center did not own any types of securities other than those permitted by statute. Investments for the Center are reported at fair value, except for the position in investment pools that measure for financial reporting purposes all of their investments at amortized cost. The Center's investment pools are reported at net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method.

Accounts Receivable

Accounts receivable from patients and insurance carriers (including Medicare and Medicaid) for services rendered are reduced by the amount of such billings deemed by management to be ultimately uncollectible. The Center provides for an amount of uncollectible patient fees using the reserve method based on past collection history.

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

NOTES TO FINANCIAL STATEMENTS (continued)

Note 2 - Summary of Significant Accounting (continued)

Inventory

Inventory consists of expendable supplies and drugs held for consumption and are valued at cost (first-in, first-out). Under the system of accounting for inventory, supplies and drugs are charged to budgetary expenditures when consumed.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Capital assets with useful lives of more than one year are stated at historical cost (except for right-to-use lease equipment and SBITA assets). Donated capital assets are recorded at acquisition cost, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date. The Center capitalizes assets with an initial, individual cost of \$5,000 or more. The Center has established a lease and SBITA recognition threshold of \$5,000. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets. No depreciation is calculated on land. Depreciation and amortization expenses on assets specifically identified with a function/program is included in its direct expenses, and the depreciation and amortization on shared capital assets are included ratably. The following lives are used:

Buildings	45 years
Building Improvements	20 years
Furniture, Machinery, Vehicles and Other Equipment	5-20 years
Telecommunications and Peripheral Equipment	10 years
Right-to-use lease assets	Shorter of lease term or 7 years
Right-to-use SBITA assets	Subscription term

Leases

Lessee: The Center is a lessee for a noncancellable lease of equipment. The Center recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The Center recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the Center initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Center determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Center uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Center generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Center is reasonably certain to exercise.

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

NOTES TO FINANCIAL STATEMENTS (continued)

Note 2 - Summary of Significant Accounting (continued)

Leases (continued)

The Center monitors changes in circumstances that would require a measurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Subscription-Based Information Technology Arrangements

The Center is under contracts for SBITA for enterprise and network support software. The agreements/contracts are noncancellable and the Center recognizes a SBITA liability and an intangible right-to-use SBITA asset in the government-wide financial statements. The Center recognizes SBITA liabilities with an initial, individual value of \$5,000 or more.

At the commencement of the SBITA, the Center initially measures the SBITA liability at the present value of payments expected to be made during the SBITA term. Subsequently, the SBITA liability is reduced by the principal portion of SBITA payments made. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for payments made at or before the SBITA commencement date, plus certain initial direct costs. Subsequently, the SBITA asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to SBITA include how the Center determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) SBITA term, and (3) SBITA payments.

- The Center uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the Center generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The SBITA term includes the noncancellable period of the SBITA and payments included in the measurement of the SBITA liability are composed of fixed payments and purchase option price that the Center is reasonably certain to exercise.

The Center monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the SBITA liability.

SBITA assets are reported with other capital assets and SBITA liabilities are reported with long-term debt on the statement of net position.

Unearned Revenues

Unearned revenue arises when resources are received before there is a legal claim to them, such as when grant monies are received prior to the incurrence of qualifying expenditures/expenses. In subsequent periods when there is a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

Compensated Absences

The Center provides paid time off (PTO) benefits to its employees. Employees are permitted to accumulate accrued PTO, subject to maximum limits based on length of service, and may redeem unused PTO hours for cash upon voluntary termination of employment. Involuntary terminations result in no PTO payout. Payment for unused PTO hours is subject to limits ranging from 0 to 234 hours based on length of service. Any accrued PTO hours in excess of the maximum allowed to be accrued are lost, if not currently used. The liability for such leave is recorded as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements.

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

NOTES TO FINANCIAL STATEMENTS (continued)

Note 2 - Summary of Significant Accounting (continued)

Risk Management

The Center is exposed to various risks of loss related to tort; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; doctors' malpractice; and natural disasters. The Center was covered by insurance for most of these various risks at a cost considered to be economically justifiable. During fiscal year 2003, due to a lack of availability of insurance coverage and the costs of available coverage, the Center stopped purchasing excess insurance coverage for physicians' professional liabilities. The Center has purchased commercial insurance for claims for \$1,000,000 per incident and \$3,000,000 per annum and has increased the umbrella coverage to \$2,000,000 per incident. The Center retains all risk over and above these amounts. As of August 31, 2024, the Center is not aware of any incident or claim that would exceed the limit of liability covered by its insurance in each of the past three fiscal years.

During fiscal year 2005, the Center established a Self-Insurance Risk Fund "SIRF" (an internal service fund) to account for and finance this uninsured risk (third level of professional liability coverage). Amounts payable to the SIRF and loss reserves were determined by management in consultation with an independent actuary based on historical claim information to pay prior and current- year claims and to establish a reserve for future catastrophic losses. In 2019, the SIRF was closed and assets transferred to the General Fund.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable.

Use of Estimates

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

Fund Balance

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The categories are as follows:

- *Nonspendable fund balance* – amounts that are not in a spendable form (such as inventory or prepaid items)
- *Restricted fund balance* – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation
- *Committed fund balance* – amounts that can be used only for the specific purposes determined by a formal action of the Center's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the Center that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.
- *Assigned fund balance* – amounts the Center intends to use for a specific purpose; intent can be expressed by the Board of Trustees, board committees or by the Chief Executive Officer.
- *Unassigned fund balance* – amounts that are available for any purpose; these amounts are reported only in the General Fund.

It is the goal of the Center to achieve and maintain an unassigned fund balance in the General Fund equal to a minimum of 300% of monthly expenditures or the equivalent of 90 days operating expenditures. The Center considers a balance of less than 100% of monthly expenditures or the equivalent of 30 days of operating expenditures to be cause for concern, barring unusual or deliberate circumstance.

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

NOTES TO FINANCIAL STATEMENTS (continued)

Note 2 - Summary of Significant Accounting (continued)

Fund Balance (continued)

When multiple categories of fund balance are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the Board, and unassigned fund balance), the Center will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

Explanation of Certain Differences between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes the “Reconciliation of the Fund Balance of Governmental Funds to the Statement of Net Positions - Governmental Activities”. One element of that reconciliation explains, “Long-term liabilities are not due and payable with current financial resources and therefore, are not reported in the fund.” The details of this difference for both fiscal years 2024 and 2023 are shown below:

	<u>2024</u>	<u>2023, Restated</u>
Leases liability	\$ 2,902,231	\$ 1,184,212
SBITAs liability	784,406	642,365
Compensated absences	<u>8,664,875</u>	<u>8,263,790</u>
Net Adjustments	<u>\$ 12,351,512</u>	<u>\$ 10,090,367</u>

Explanation of Certain Differences between the Governmental Fund Statement of Revenue, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund “Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Fund” includes the “Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Fund to the Statement of Activities.” An element of that reconciliation explains, “Governmental funds report capital outlays as expenditures. However, in the state of activities, the costs of those assets are allocated over their useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.” The details of differences for both fiscal years 2024 and 2023 are shown below:

	<u>2024</u>	<u>2023</u>
Capital outlay	\$ 11,595,487	\$ 5,618,004
Depreciation and amortization expense	<u>(4,034,885)</u>	<u>(4,075,056)</u>
Net Adjustments	<u>\$ 7,560,602</u>	<u>\$ 1,542,948</u>

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

NOTES TO FINANCIAL STATEMENTS (continued)

Note 2 - Summary of Significant Accounting (continued)

Implementation of New Standards

GASB issued Statement No. 99, Omnibus 2022, in April 2022. This Statement was issued to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees. The requirements of this statement had various effective dates and specific provisions were implemented prior to fiscal year 2024. The remaining requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The remaining requirements of this statement were implemented in fiscal year 2024 and did not have a material impact on the financial statements.

GASB issued Statement No. 100, Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62, in June 2022. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The requirements of this statement were implemented in fiscal year 2024.

GASB issued Implementation Guide 2021-1, Implementation Guidance Update – 2021, in May 2021. The primary objective of this Implementation Guide is to provide guidance that clarifies, explains, or elaborates on GASB Statements. The requirements of this Implementation Guide had various effective dates and specific provisions were implemented prior to fiscal year 2024. The remaining requirement, an amendment to Question 7.9.8 in Implementation Guide 2015-1 effective for reporting periods beginning after June 15, 2023, requires governments to capitalize assets whose individual acquisition costs are less than the threshold for an individual asset if those assets in the aggregate are significant. The requirements of this statement were implemented in fiscal year 2024 and did not have a material impact on the financial statements.

GASB issued Implementation Guide 2023-1, Implementation Guidance Update – 2023, in June 2023. The primary objective of this Implementation Guide is to provide guidance that clarifies, explains, or elaborates on GASB Statements. This Implementation Guide amends Implementation Guide No. 2019-3, Leases, Question 4.16, and Implementation Guide No. 2021-1, Implementation Guidance Update—2021, Question 4.13. The requirements of this Implementation Guide are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The requirements of this Implementation Guide were implemented in fiscal year 2024 and did not have a material impact on the financial statements.

Note 3 - Deposits and Investments

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Deposits are exposed to custodial credit risk if they are not insured or collateralized. As of August 31, 2024 and 2023, the balances per various financial institutions were \$14.3 million and \$11.9 million, respectively. The Center's deposits are not exposed to custodial credit risk since all deposits are fully collateralized as of yearend.

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

NOTES TO FINANCIAL STATEMENTS (continued)

Note 3 - Deposits and Investments

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. Deposits are exposed to custodial credit risk if they are not insured or collateralized. As of August 31, 2024 and 2023, the balances per various financial institutions were \$14.3 million and \$11.9 million , respectively. The Center’s deposits are not exposed to custodial credit risk since all deposits are fully collateralized as of yearend.

Custodial Credit Risk - Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Center will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Center securities are fully guaranteed by the government of the United States.

As of August 31, 2024 the Center had the following investments:

Security	Weighted Average Maturity	Rating	Fair Value as of 8/31/2024
Local Government Investment Funds			
TexPool Investment Fund	36	AAAm	\$ 22,124,368
Texas CLASS	35	AAAm	33,372,746
Total Local Government Investment Funds			<u><u>\$ 55,497,114</u></u>

The Center categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. In accordance with GASB No. 79, TexPool and Texas CLASS are reported at amortized cost.

In fiscal year 2023, the Center’s investments were solely made up of Local Government Investment Funds, custodial credit risk was a not factor since the investments are reported at amortized cost which approximates fair value. The Center’s 2023 investments are shown below:

Security	Weighted Average Maturity	Rating	Fair Value as of 8/31/2023
Local Government Investment Funds			
TexPool Investment Fund	23	AAAm	\$ 20,363,002
Texas CLASS	40	AAAm	44,590,495
Total Local Government Investment Funds			<u><u>\$ 64,953,497</u></u>

Interest Rate Risk

The Center’s formal investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Financial assets are invested only in investments whose maturities do not exceed five years at the time of purchase. In addition, the average maturity of the overall portfolio shall not exceed five years.

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

NOTES TO FINANCIAL STATEMENTS (continued)

Note 3 - Deposits and Investments (continued)

Credit Risk

State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The Center's investment policy further limits its investment choices by excluding (1) reverse repurchase agreements, (2) options or future contracts, (3) obligations whose payments represent the coupon payments on the outstanding principle balance for the underlying mortgage backed security collateral and pays no principle, (4) obligations whose payment represents the principle stream of cash flow from the underlying mortgage backed security and bears no interest, (5) collateralized mortgage obligations the interest rate of which is determined by an index that adjust opposite to the changes in the market index and (6) obligations whose interest payment is derived from changes in a market index.

The investments in TexPool and Texas CLASS do not have any limitation and restrictions on withdrawals such as notice periods or maximum transaction amounts. The pools do not impose any liquidity fees or redemption gates.

The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management and accountability for fiscal matters. Additionally, the State Comptroller of Public Accounts has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The Advisory Board members review the investment policy and management fee structure. TexPool is rated AAAM by Standard & Poor's. As a requirement to maintain the rating, weekly portfolio information is submitted to both Standard & Poor's and the Office of the State Comptroller of Public Accounts for review. Additional information on TexPool can be obtained by contacting Administrative Offices, TexPool Participant Service, c/o Federated Investors, Inc., 1001 Travis Avenue, Suite 1400, Houston, Texas 77002.

The Texas Cooperative Liquid Assets Securities System Trust (Texas CLASS) was created as a local government investment pool (LGIP) pursuant to Section 2256.016 of the Public Funds Investment Act, Texas Government Code (PFIA). Per state code, entities may pool any of their funds, or funds under their control, to preserve principal, maintain the liquidity of the funds, and maximize yield. The Texas CLASS Trust Agreement is an agreement of indefinite term regarding the investment, reinvestment, and withdrawal of local government funds. The parties to the Trust Agreement are Texas local government entities that choose to participate in the Trust (the Participants), Public Trust Advisors, LLC (Public Trust) as Program Administrator, and Wells Fargo Bank Texas, N.A. as Custodian.

Note 4 - Accounts Receivable

Accounts receivable are comprised of the following balances at August 31, 2024 and 2023 for the primary government:

	<u>2024</u>	<u>2023</u>
Due from Other Governments		
Harris County	\$ 7,969,279	\$ 11,590,830
State and Federal	25,194,333	12,767,053
3rd Party billings (net of allowance for uncollectible amounts of \$3,288,040 and \$3,591,227).	1,448,055	2,085,509
Other receivables	618,564	1,096,703
Total Receivables	<u>\$ 35,230,231</u>	<u>\$ 27,540,095</u>

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

NOTES TO FINANCIAL STATEMENTS (continued)

Note 5 - Capital Assets

A summary of changes in general capital asset balances for the year ended August 31, 2024, is as follows:

	Primary Government			Balance as of August 31, 2024
	Balance as of September 1, 2023 as Restated	Additions	Transfers/ Retirements	
Governmental Activities				
Capital Assets, Not Being Depreciated/Amortized:				
Land	\$ 12,709,144	\$ -	\$ -	\$ 12,709,144
Construction in progress	3,589,645	7,860,610	(73,855)	11,376,400
Total Capital Assets, Not Being Depreciated/Amortized	16,298,789	7,860,610	(73,855)	24,085,544
Capital Assets Being Depreciated/Amortized:				
Land improvements	295,715	-	-	295,715
Buildings and improvements	52,615,143	338,206	73,855	53,027,204
Furniture and Equipment	7,665,868	103,650	-	7,769,518
Vehicles	1,099,040	-	(457,653)	641,387
Right-to-use lease equipment and vehicles	1,942,975	2,453,154	(63,871)	4,332,258
Right-to-use SBITA assets	1,140,341	839,867	-	1,980,208
Total Capital Assets Being Depreciated/Amortized	64,759,082	3,734,877	(447,669)	68,046,290
Total Capital Assets at Historical Cost	81,057,871	11,595,487	(521,524)	92,131,834
Less accumulated depreciation/ amortization for:				
Land improvements	59,143	29,572	-	88,715
Buildings and improvements	27,434,092	2,204,256	-	29,638,348
Furniture and Equipment	6,211,791	328,959	-	6,540,750
Vehicles	1,013,746	71,242	(457,653)	627,335
Right-to-use lease equipment and vehicles	770,930	780,614	(35,332)	1,516,212
Right-to-use SBITA assets	336,312	620,242	-	956,554
Total Accumulated Depreciation/Amortization	35,826,014	4,034,885	(492,985)	39,367,914
Governmental Activities Capital Assets, Net	\$ 45,231,857	\$ 7,560,602	\$ (28,539)	\$ 52,763,920

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

NOTES TO FINANCIAL STATEMENTS (continued)

Note 5 - Capital Assets (continued)

A summary of changes in general capital asset balances for the year ended August 31, 2023, is as follows:

	Primary Government			Balance as of August 31, 2023
	Balance as of September 1, 2022 as Restated	Additions	Retirements	
Governmental Activities				
Capital Assets, Not Being Depreciated/Amortized:				
Land	\$ 12,654,193	\$ 54,951	\$ -	\$ 12,709,144
Construction in progress	1,702,087	4,092,077	(2,204,519)	3,589,645
Total Capital Assets, Not Being Depreciated/Amortized	14,356,280	4,147,028	(2,204,519)	16,298,789
Capital Assets Being Depreciated/Amortized:				
Land improvements	295,715	-	-	295,715
Buildings and improvements	52,584,596	30,547	-	52,615,143
Furniture and Equipment	7,583,092	154,941	(72,165)	7,665,868
Vehicles	1,050,140	253,219	(204,319)	1,099,040
Right-to-use lease equipment and vehicles	1,933,770	389,018	(379,813)	1,942,975
Right-to-use SBITA assets	497,090	643,251	-	1,140,341
Total Capital Assets Being Depreciated/Amortized	63,944,403	1,470,976	(656,297)	64,759,082
Total Capital Assets at Historical Cost	78,300,683	5,618,004	(2,860,816)	81,057,871
Less accumulated depreciation/ amortization for:				
Buildings and improvements	24,763,572	2,670,520	-	27,434,092
Land improvements	29,572	29,571	-	59,143
Furniture and Equipment	5,857,711	426,245	(72,165)	6,211,791
Vehicles	964,784	48,962	-	1,013,746
Right-to-use lease equipment and vehicles	587,297	563,446	(379,813)	770,930
Right-to-use SBITA assets	-	336,312	-	336,312
Total Accumulated Depreciation/Amortized	32,202,936	4,075,056	(451,978)	35,826,014
Governmental Activities Capital Assets, Net	\$ 46,097,747	\$ 1,542,948	\$ (204,319)	\$ 45,231,857

Depreciation and amortization expenses for the years ended August 31, 2024 and 2023 were \$4,034,885, and \$4,075,056, respectively.

Note 6 - Long-Term Liabilities

Long-term liability activity for the year ended August 31, 2024 was as follows:

	Balance as of September 1, 2023 as Restated	Additions	Retirements	Balance as of August 31, 2024	Amounts due within One Year
Governmental Activities					
Lease liability	\$ 1,184,212	\$ 2,448,205	\$ 730,186	\$ 2,902,231	\$ 916,026
SBITAs liability	642,365	839,868	697,827	784,406	508,514
Compensated absences	8,263,790	16,995,628	16,594,543	8,664,875	250,000
Governmental Activities Long-term Liabilities	\$ 10,090,367	\$ 20,283,701	\$ 18,022,556	\$ 12,351,512	\$ 1,674,540

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

NOTES TO FINANCIAL STATEMENTS (continued)

Note 6 - Long-Term Liabilities (continued)

Long-term liability activity for the year ended August 31, 2023 was as follows:

	Balance as of September 1, 2022 as Restated	Additions	Retirements	Balance as of August 31, 2023	Amounts due within One Year
Governmental activities					
Lease liability	\$ 1,364,696	\$ 337,846	\$ 518,330	\$ 1,184,212	\$ 461,490
SBITA liability	422,651	649,042	429,328	642,365	402,045
Compensated absences	8,176,239	87,551	-	8,263,790	250,000
Governmental Activities Long-term Liabilities	\$ 9,963,586	\$ 1,074,439	\$ 947,658	\$ 10,090,367	\$ 1,113,535

Note 7 - Leases

The Center leases certain administrative, residential and outpatient facilities under lease agreements. The Center conducted significant research to determine its incremental borrowing rate to determine the present value of the lease liabilities. The incremental borrowing rate based on the type of lease ranges from 1.55% and 8.168%.

As of fiscal year 2024 the beginning lease liability was \$1,184,212. The ending lease liability as of August 31, 2024 was \$2,902,231. As of fiscal year 2024, the Center entered additional lease agreements and recognized debt service payments, which resulted in a net increase of \$1,718,019.

Future principal and interest payments are as follows:

Fiscal Year Ending August 31,	Principal	Interest
2025	\$ 916,026	\$ 155,149
2026	740,779	99,054
2027	580,258	57,348
2028	514,482	24,250
2029	150,686	1,930
	\$ 2,902,231	\$ 337,731

Note 8 - Subscription-Based Information Technology Arrangements (SBITAs)

The Center is under contract for noncancellable SBITAs that convey control of the right to use software. The Center conducted significant research to determine its incremental borrowing rate to determine the present value of the SBITA liabilities. The implementation of the SBITAs was in effect as of September 1, 2022. The incremental borrowing rate is 3%.

As of fiscal year 2024, the beginning SBITA liability was \$642,365. The ending lease liability as of August 31, 2024 was \$784,406. As of fiscal year 2024, the Center recognized additional SBITA agreements and recognized debt service payments, which resulted in an increase of \$142,041.

Future principal and interest payments are as follows:

Fiscal Year Ending August 31,	Principal	Interest
2025	\$ 508,514	\$ 13,730
2026	275,892	2,759
	\$ 784,406	\$ 16,489

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

NOTES TO FINANCIAL STATEMENTS (continued)

Note 9 - Related Party Transactions

The Center, a component unit of the County, obtains certain community services from the County under contractual agreements. Expenses under such contracts amounted to \$117,635 and \$285,761 for the years ended August 31, 2024 and 2023, respectively. The Center recorded revenue of \$46,339,437 in financial support from the County in fiscal year 2024 and \$52,635,562 in fiscal year 2023.

Note 10 - Defined Contribution Retirement Plan

The defined contribution retirement plan (the "Plan") was established by the Center for substantially all of its employees, effective January 1, 1989. The plan document was updated and amended effective January 1, 2020.

In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate on the first pay date of employment. The plan requires that the Center contribute an amount equal to 5% of the eligible employee's annual base salary. If a participant in the plan terminates employment, the non-vested account balance is forfeited. Effective plan year 2008, the Center instituted an employee matching program. Eligible employees may open and participate in a 403(b) plan. The match is dollar for dollar up to 5% of the employee's annual base salary, with a minimum of 1%.

The plan allows forfeitures to be applied to reduce sponsor contributions for the plan year in which the forfeitures occurred. Forfeitures for the plan years 2024 and 2023 amounted to \$671,838 and \$583,086, respectively. In years prior to CY2020, the Center provided and funded the Contribution and Match portions of the retirement plan on an annual basis. Beginning January 2020, the Center began providing and funding the Contribution and Match portions of the retirement plan each pay period. Since 2005, the Center provides a Supplemental Contribution of any forfeited, non-vested funds in the Plan, as available and as determined under the Plan rules.

Employees who retire, die or become permanently disabled during the year are entitled to the full contribution for the year. Center contributions made on account of the 2004 plan year or any subsequent plan year, as adjusted by earning and losses thereon, will vest 100% after 3 service credits. 1 service credit per year can be earned, with no vesting prior to 3 service credits. A favorable determination letter of the defined contribution plan was received on October 10, 2000 from the Internal Revenue Service. Employer contributions for the fiscal years ended August 31, 2024 and 2023 amounted to \$15,550,824 and \$14,328,187, respectively.

Note 11 - Voluntary Employee Contribution Tax Deferred Investment Plans

The Center offers its employees a defined contribution tax deferred investment plan under Internal Revenue Code (IRC) Section 403(b). This plan was established by the Center for all of its employees effective May 1, 1996.

Additionally, the Center offers its employees a defined contribution tax deferred investment plan under Internal Revenue Code (IRC) Section 457. This plan was established by the Center effective July 1, 2006. Under both plans, benefits depend solely on amounts contributed to the plan plus investment earnings. An employee shall become a member of a plan commencing as soon as practicable after the employee completes plan enrollment forms provided by the Center and the custodians. Participation in the plans is completely voluntary and all funding of the plans is by employee salary deferral. Each member may elect to defer a fixed percentage or a fixed amount of compensation not to exceed the maximum specified by the IRC, and for the 403 (b) plan, have the employer contribute such deferred amounts to the custodian(s) selected by the member in accordance with the provisions of the plan, and for the 457 plan, have the employer contribute such deferred amounts to the custodian, Institutional Securities Corporation, located in Dallas, Texas.

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

NOTES TO FINANCIAL STATEMENTS (continued)

Note 12 - Restatement of Net Position

It came to management’s attention that amounts previously reported for capital assets and SBITAs required an adjustment resulting in a restatement of beginning net position as follows:

	<u>Statement of Activities</u>
Beginning Net Position, as Originally Presented	\$ 124,674,899
Adjustments to construction-in-progress and other capital assets	(2,062,337)
Recognition of software subscription contract under GASB 96 SBITAs - assets, net of amortization	509,638
Recognition of software subscription contract under GASB 96 SBITAs - liabilities	(413,717)
Beginning Net Position, as Restated	<u>\$ 122,708,483</u>

In prior year, beginning balance fund balance was reinstated to \$103,794,565 due to removal of debit balances that should have been expense in the prior years.

Note 13 - Contingencies

The Center is named defendant in several lawsuits. The Center believes these lawsuits to have meritorious defense and is defending them vigorously. The amount of liability, if any, from the claims cannot be determined with certainty; however, management is of the opinion that the outcome of the claims will not have a material adverse impact on the financial position. The financial statements do not include any adjustments for potential losses that may result from these matters.

The Center receives significant amounts of grants from state and federal agencies and participates in Medicare and Medicaid programs. These programs are subject to audit by the agents for granting agencies for compliance with grant provisions. The Center’s management believes that any liability for reimbursement which may arise as the result of these audits will not be material to the financial position of the Center.

Note 14 - Sample Drugs and Patient Assistance Programs

The Center assists its consumers in participating in a Patient Assistance Program (PAP) and Sample Drug Program where the Center, on behalf of its consumers, receives pharmaceuticals for free and dispenses these drugs to the consumers according to policy.

The amounts of free drugs dispensed by the Center for its consumers for the years ended August 31, 2024 and 2023 were \$10,773,136 and \$9,945,944, respectively. The PAP and sample drugs received and provided to the consumers reduce the total drug expense that the Center would normally incur without the PAP.

The Center is deemed as the payor of last resort for the medications. The Center recognizes the benefits of the PAP program to its consumers and has dedicated staff to assist the consumers in applying for the PAP programs through the various pharmaceutical companies. Through internal policy, Center physicians are required to participate in the PAP program.

The pharmaceutical companies’ PAP and Sample Drug Programs are intended to directly benefit the consumers. Therefore, the amounts listed above are not reflected in the Center’s Statement of Revenue, Expenditures and Changes in Fund Balances or the Government-wide Statement of Activities.

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

NOTES TO FINANCIAL STATEMENTS (continued)

Note 15 - Directed Payment Program for Behavioral Health Services (DPP-BHS) and Public Health Providers – Charity Care Program (PHPCCP)

The Directed Payment Program for Behavioral Health Services (DPP-BHS) is a directed payment program (DPP) designed as part of the DSRIP Transition Plan and was approved on November 15, 2021, for state fiscal 2022. DPP-BHS is a DPP for community mental health centers to promote and improve access to behavioral health services, care coordination, and successful care transitions for individuals enrolled in the STAR, STAR+PLUS, and STAR Kids Medicaid managed care programs. It also incentivizes continuation of care for these individuals using the Certified Community Behavioral Health Clinic (CCBHC) model of care. The Center recognized approximately \$5,500,000 and \$9,800,000 of revenue from DPP-BHS during the years ended August 31, 2024 and 2023, respectively, which is included in federal grants in the accompanying statements of revenues, expenditures and changes in fund balance.

On December 22, 2021, CMS approved the Public Health Providers – Charity Care Program (PHPCCP), which is designed to allow qualified providers to receive reimbursement for the cost of delivering healthcare services, including behavioral health services, when those costs are not reimbursed by another source. The initial approval for the PHP-CCP caps statewide funding availability at \$500,000,000 per year for all eligible providers. The group of eligible providers includes only governmental Community Mental Health Centers, Local Mental, and Behavioral Health Authorities and County Health Departments. Settlements under this program are estimated and recorded in the period the related services are rendered and are adjusted in future periods as adjustments become known or as the service years are no longer subject to audit. As of August 31, 2024 and 2023, management recognized approximately \$41,600,000 and \$45,100,000, respectively of revenue related to the PHP-CCP program, which is included in federal grants in the accompanying statements of revenues, expenditures and changes in fund balance.

The DPP, PHP-CCP and DSRIP programs are subject to review and scrutiny by both the Texas Legislature and the CMS, as a result it is reasonably possible that recorded estimates potentially could change materially in the near term.

Note 16 - City of Houston Loan

On November 10, 2023, the Center closed on a \$4.5 million forgivable loan from the City of Houston to partially provide for the acquisition and/or construction of a residential housing complex for consumers served by the Center. There was no outstanding balance due to the City as of August 31, 2024.

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

NOTES TO FINANCIAL STATEMENTS (continued)

Note 17 - Subsequent Events

New Component Unit

The Harris Center for Integrated Care (HCIC) was established in September 2024 by the Harris Center for Mental Health and IDD (HC) Board of Trustees. The HCIC will consist of 2 of the 4 clinics of the HC initially. The baseline of the organization is an FQHC (Federally Qualified Health Center). The application was submitted on September 30, 2024 and a decision will be made by July 2025 as to its approval.

Real Estate Purchase

The Harris Center for Mental Health and IDD and the Men's Center, Incorporated d/b/a recenter Houston, a Texas nonprofit corporation, entered into a Real Estate Acquisition Agreement dated November 6, 2024, for the purchase of 4 real estate properties and other assets located in Harris County, Texas. The total amount due by the Harris Center at the time of purchase was \$1.95M which included a requirement for the Harris Center to place \$323,229 in escrow to fund certain obligations of recenter.

Debt Issuance

On November 7, 2024, the Harris Center issued \$24,745,000 Tax-Exempt Revenue Bonds Series 2024:

- 1) to finance and/or reimburse costs (i) for design/construction of a 40,736 square foot building for a mental health clinic with outpatient mental health, children's mental health, primary medical care, intellectual and developmental disability and autism, pharmacy, and substance use disorder services on unimproved land consisting of approximately 11.36 acres; (ii) for renovations totaling 17,717 square feet in 37,800 square feet of leased space at the NeuroPsychiatric Center, which provides psychiatric emergency, psychiatric stabilization, pharmacy and substance use disorder services; (iii) for renovation of a 2,500 square foot coffeehouse clinic to provide day habilitation and social skills training for individuals with Autism Spectrum Disorder or intellectual or developmental disabilities in space expected to be leased; and (iv) for foundation repair and manufacturing of updated signage for a 225,472 square foot building which serves as the Center's administration building and Southwest Community Services Clinic.
- 2) to Fund a Reserve Fund under the Indenture, and
- 3) to pay the costs related to the issuance of the Bonds.

Per the Bond indenture, the Harris Center is required to make quarterly payments to the Trustee, which will be used to pay principal and interest on the Bonds when due. The bond was sold at a discount of \$10,653. The interest accrues semiannually, and the bonds mature in November 2055.

OTHER SUPPLEMENTARY INFORMATION



THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY SOURCE
August 31, 2024

	<u>Total</u>
Governmental Funds Capital Assets	
Land	\$ 12,709,144
Construction in Progress	11,376,400
Land improvements	295,715
Buildings and improvements	53,027,204
Furniture and Equipment	7,769,518
Vehicles	641,387
Right-to-use lease equipment and vehicles	4,332,258
Right-to-use SBITA assets	1,980,208
Total Governmental Fund Capital Assets	<u>\$ 92,131,834</u>
Investment in Governmental Funds Capital Assets by Source	
General Fund	<u>\$ 92,131,834</u>
Total Investment in Governmental Funds Capital Assets	<u>\$ 92,131,834</u>

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION
August 31, 2024

Function	Land	Construction in Progress	Buildings & Improvements	Furniture and Equipment
Mental Health	\$ 8,154,679	\$ -	\$ 10,812,975	\$ 1,830,975
Intellectual and Developmental Disabilities	916,080	-	5,144,343	509,022
Child and Adolescent	174,011	-	2,708,356	551,288
Crisis Center	588,825	-	12,445,351	530,587
Administration	2,875,549	11,376,400	22,211,894	4,347,646
Total Governmental Fund Capital Assets	\$ 12,709,144	\$ 11,376,400	\$ 53,322,919	\$ 7,769,518

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION
August 31, 2024

Function	Vehicles	Right-to-use Assets	Total
Mental Health	\$ 352,142	\$ 104,542	\$ 21,255,313
Intellectual and Developmental Disabilities	49,860	202,658	6,821,963
Child and Adolescent	-	-	3,433,655
Crisis Center	107,500	2,999,120	16,671,383
Administration	131,885	3,006,146	43,949,520
Total Governmental Fund Capital Assets	\$ 641,387	\$ 6,312,466	\$ 92,131,834

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION
For the Year Ended August 31, 2024

	Governmental Fund Capital Assets August 31, 2023, restated	Additions	Retirements	Governmental Fund Capital Assets August 31, 2024
Mental Health	\$ 21,244,881	\$ 33,175	\$ (22,743)	\$ 21,255,313
Intellectual and Developmental Disabilities	6,795,908	46,593	(20,538)	6,821,963
Child and Adolescent	3,433,655	-	-	3,433,655
Crisis Center	15,019,389	1,670,839	(18,845)	16,671,383
Administration	34,564,038	9,844,880	(459,398)	43,949,520
Total Governmental Fund Capital Assets	\$ 81,057,871	\$ 11,595,487	\$ (521,524)	\$ 92,131,834

**STATISTICAL SECTION
(UNAUDITED)**



Transforming Lives

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
STATISTICAL TABLE OF CONTENTS

This part of the Government’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’s overall financial health.

	<u>Tables</u>
Financial Trends <i>These schedules contain trend information to help the reader understand how the government’s financial performance and wellbeing have changed over time.</i>	1-4
Revenue Capacity <i>These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax.</i>	5
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.</i>	7
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the government’s current level of outstanding debt and the government’s ability to issue additional debt in the future.</i>	8
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs.</i>	15-21

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

NET POSITION BY COMPONENT

Last Ten Fiscal Years (Accrual Basis of Accounting)

Table 1

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	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Governmental Activities:					
Net investment in capital assets	\$ 49,077,283	\$ 43,405,281	\$ 46,097,747	\$ 49,253,423	\$ 28,093,961
Unrestricted	71,719,720	79,303,202	96,669,267	112,933,700	112,760,517
Total Governmental Activities Net Position	<u>\$ 120,797,003</u>	<u>\$ 122,708,483</u>	<u>\$ 142,767,014</u>	<u>\$ 162,187,123</u>	<u>\$ 140,854,478</u>

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD**NET POSITION BY COMPONENT***Last Ten Fiscal Years (Accrual Basis of Accounting)**Table 1**Page 2 of 2*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Governmental Activities:					
Net investment in capital assets	\$ 25,480,970	\$ 27,473,237	\$ 29,457,337	\$ 36,369,915	\$ 34,224,927
Unrestricted	90,318,395	72,502,908	49,448,324	44,756,241	44,503,224
Total Governmental Activities Net					
Position	<u>\$ 115,799,365</u>	<u>\$ 99,976,145</u>	<u>\$ 78,905,661</u>	<u>\$ 81,126,156</u>	<u>\$ 78,728,151</u>

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
CHANGES IN NET POSITION
Last Ten Fiscal Years (Accrual Basis of Accounting)

Table 2
Page 1 of 2

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Expenses					
Governmental activities:					
Mental Health - Adult	\$ 111,801,692	\$ 128,290,695	\$ 121,380,527	\$ 110,069,455	\$ 102,912,380
Mental Health - Child and Adolescents	25,032,185	24,796,719	22,803,273	23,333,822	23,544,097
Intellectual & Developmental					
Disabilities	47,283,171	48,964,602	46,099,819	42,617,692	43,018,877
Crisis Center	93,346,692	96,989,290	82,764,793	60,513,418	57,998,372
Community Hospital	38,703,167	34,556,233	33,570,309	34,381,489	33,846,528
Forensic Services	34,421,285	-	-	-	-
Interest on long-term debt	114,696	47,271	27,562	6,709	33,547
Total Governmental Activities Expenses	<u>350,702,888</u>	<u>333,644,810</u>	<u>306,646,283</u>	<u>270,922,585</u>	<u>261,353,801</u>
Program Revenues					
Governmental activities:					
Mental Health - Adult	109,254,864	100,112,686	100,087,211	128,516,819	139,798,674
Mental Health - Child and Adolescents	24,142,677	24,919,821	20,142,432	19,130,532	19,696,195
Intellectual & Developmental					
Disabilities	39,073,172	39,719,572	39,602,854	35,164,447	37,847,522
Crisis Center	79,797,046	60,336,065	54,520,702	55,585,179	41,259,860
Community Hospital	35,005,359	28,756,697	27,220,510	26,005,371	24,662,929
Forensic Services	31,561,276	-	-	-	-
Total Governmental Activities					
Program Revenues	<u>318,834,394</u>	<u>253,844,841</u>	<u>241,573,709</u>	<u>264,402,348</u>	<u>263,265,180</u>
Net (Expense) Revenue					
Governmental activities	(31,868,494)	(79,799,969)	(65,072,574)	(6,520,237)	1,911,379
General Revenues and Other					
Changes in Net Position					
Governmental activities:					
Grants and contributions not					
restricted to specific programs	23,067,409	52,891,987	52,596,663	25,836,665	21,175,605
Unrestricted investment earnings	3,662,619	2,941,559	274,036	119,813	1,093,385
Other income	3,098,650	8,241,721	6,445,529	1,823,779	849,027
Gain on sale of capital assets	128,336	474,132	160,955	72,625	25,717
Special items -					
Impairment of intangible asset	-	-	-	-	-
Total	<u>29,957,014</u>	<u>64,549,399</u>	<u>59,477,183</u>	<u>27,852,882</u>	<u>23,143,734</u>
Change in Net Position					
Governmental activities	<u>\$ (1,911,480)</u>	<u>\$ (15,250,570)</u>	<u>\$ (5,595,391)</u>	<u>\$ 21,332,645</u>	<u>\$ 25,055,113</u>

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
CHANGES IN NET POSITION
Last Ten Fiscal Years (Accrual Basis of Accounting)

Table 2
Page 2 of 2

	2019	2018	2017	2016	2015
Expenses					
Governmental activities:					
Mental Health - Adult	\$ 93,469,443	\$ 96,890,848	\$ 94,427,167	\$ 91,091,630	\$ 83,226,544
Mental Health - Child and Adolescents	25,693,480	24,622,171	23,608,324	21,301,580	21,764,369
Intellectual & Developmental					
Disabilities	40,503,803	38,292,658	38,175,764	38,577,809	42,673,928
Crisis Center	53,423,641	43,022,415	45,643,089	41,615,210	39,378,723
Community Hospital	34,546,935	34,215,576	34,900,020	34,458,349	32,526,192
Forensic Services	-	-	-	-	-
Interest on long-term debt	60,238	78,698	93,605	119,925	186,749
Total Governmental Activities Expenses	247,697,540	237,122,366	236,847,969	227,164,503	219,756,505
Program Revenues					
Governmental activities:					
Mental Health - Adult	97,116,386	98,673,597	94,709,224	88,451,372	81,106,844
Mental Health - Child and Adolescents	24,036,880	20,383,462	22,047,046	21,461,922	22,847,722
Intellectual & Developmental					
Disabilities	40,352,429	42,652,236	39,072,798	36,024,333	37,907,793
Crisis Center	41,780,163	41,989,680	35,709,458	33,418,720	27,720,845
Community Hospital	30,800,495	30,800,496	30,800,496	30,800,496	29,693,696
Forensic Services	-	-	-	-	-
Total Governmental Activities	234,086,353	234,499,471	222,339,022	210,156,843	199,276,900
Program Revenues	234,086,353	234,499,471	222,339,022	210,156,843	199,276,900
Net (Expense) Revenue					
Governmental activities	(13,611,187)	(2,622,895)	(14,508,947)	(17,007,660)	(20,479,605)
General Revenues and Other					
Changes in Net Position					
Governmental activities:					
Grants and contributions not					
restricted to specific programs	20,500,000	18,874,878	17,660,928	18,456,922	19,359,773
Unrestricted investment earnings	2,084,663	936,214	446,138	295,372	222,109
Other income	154,083	277,879	334,602	602,361	655,615
Gain on sale of capital assets	10,751,207	3,604,408	44,862	51,010	6,560
Special items -					
Impairment of intangible asset	-	-	(6,198,078)	-	-
Total	33,489,953	23,693,379	12,288,452	19,405,665	20,244,057
Change in Net Position					
Governmental activities	<u>\$ 19,878,766</u>	<u>\$ 21,070,484</u>	<u>\$ (2,220,495)</u>	<u>\$ 2,398,005</u>	<u>\$ (235,548)</u>

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years (Modified Basis of Accounting)

Table 3
Page 1 of 2

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
General fund					
Nonspendable:					
Inventories	\$ 984,720	\$ 692,722	\$ 398,223	\$ 293,235	\$ 246,618
Prepays & Deposits	3,282,491	4,585,059	5,511,578	3,477,674	594,750
Assigned:					
Delivery System Reform Incentive Projects	-	-	-	-	4,253,997
Infrastructure development	-	-	-	-	-
Insurance	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Current capital projects	2,007,000	2,919,070	9,409,790	23,620,608	7,786,806
Future purchase of real property and IT infrastructure	1,365,842	1,365,842	1,365,842	1,365,842	22,927,102
ECI building use	361,664	361,664	361,664	361,664	352,067
COVID-19 eFMAP reserve	-	904,067	904,067	1,469,158	5,524,745
Debt repayment	-	14,780,494	-	-	545,715
Compensated absences	8,665,000	4,854,354	4,854,354	4,854,354	4,854,354
Other purposes	1,034,880	-	-	-	-
Unassigned:	60,719,588	55,109,716	81,833,297	83,632,618	71,548,268
Total General Fund	<u>\$ 80,421,185</u>	<u>\$ 87,572,988</u>	<u>\$ 106,638,815</u>	<u>\$ 121,075,153</u>	<u>\$ 120,634,422</u>

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years (Modified Basis of Accounting)

Table 3
Page 2 of 2

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General fund					
Nonspendable:					
Inventories	\$ 257,786	\$ 235,526	\$ 233,710	\$ 244,856	\$ 230,342
Prepays & Deposits	597,680	652,300	832,283	785,019	585,604
Assigned:					
Delivery System Reform Incentive Projects	27,420,497	14,226,265	3,895,406	3,895,406	10,231,836
Infrastructure development	121,846	121,846	204,866	799,774	2,994,473
Insurance	2,263,196	2,000,000	2,000,000	2,000,000	2,000,000
Current capital projects	-	-	-	-	-
Future purchase of real property and IT infrastructure	-	-	-	-	-
ECI building use	-	-	-	-	-
COVID-19 eFMAP reserve	-	-	-	-	-
Debt repayment	1,637,140	2,728,571	3,820,000	4,911,428	6,330,951
Compensated absences	5,686,582	5,719,850	6,692,142	6,573,523	6,264,742
Other purposes	335,621	374,890	426,944	410,498	394,052
Unassigned:	57,684,629	49,951,732	35,855,265	29,542,446	19,574,866
Total General Fund	<u>\$ 96,004,977</u>	<u>\$ 76,010,980</u>	<u>\$ 53,960,616</u>	<u>\$ 49,162,950</u>	<u>\$ 48,606,866</u>

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years (Accrual Basis of Accounting)

Table 4
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	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Revenues					
Local	\$ 89,680,542	\$ 88,948,506	\$ 84,345,109	\$ 87,842,686	\$ 81,067,038
State	151,910,634	124,573,917	123,996,905	127,906,818	123,312,937
Federal	107,101,684	103,993,065	92,588,905	76,758,103	82,488,389
Total Revenues	<u>348,692,860</u>	<u>317,515,488</u>	<u>300,930,919</u>	<u>292,507,607</u>	<u>286,868,364</u>
Expenditures					
Salaries	188,681,564	191,393,097	178,908,514	155,272,877	145,458,140
Employee benefits	55,640,927	49,704,562	45,709,326	42,665,021	41,588,459
Professional and consultant services	58,016,729	52,345,450	48,234,690	47,637,413	49,374,854
Travel and training	2,623,436	2,301,606	1,591,040	675,980	1,791,377
Debt service:					
Principal	1,428,013	712,334	430,704	545,714	1,091,429
Interest	114,696	75,380	31,384	6,709	33,547
Capital outlay	11,595,486	5,935,793	11,336,852	10,869,497	3,258,276
Non-capitalized equipment	9,029,458	9,846,514	7,911,778	17,045,389	7,703,176
Pharmaceutical	14,400,034	6,981,215	4,853,250	4,111,680	3,580,896
Other operating expenditures	17,730,729	14,915,246	17,256,830	13,309,221	8,384,482
Total Expenditures	<u>359,261,072</u>	<u>334,211,197</u>	<u>316,264,368</u>	<u>292,139,501</u>	<u>262,264,636</u>
Excess of Revenues Over (Under) Expenditures	(10,568,212)	(16,695,709)	(15,333,449)	368,106	24,603,728
Other Financing Sources (Uses)					
Issuance of debt - leases	2,448,205	337,846	736,156	-	-
Issuance of debt - SBITAs	839,868	-	-	-	-
Transfers in	-	-	-	-	-
Sale of capital assets	128,336	136,286	160,955	72,625	25,717
Total Other Financing Sources (Uses)	<u>3,416,409</u>	<u>474,132</u>	<u>897,111</u>	<u>72,625</u>	<u>25,717</u>
Net Change In Fund Balances	<u>\$ (7,151,803)</u>	<u>\$ (16,221,577)</u>	<u>\$ (14,436,338)</u>	<u>\$ 440,731</u>	<u>\$ 24,629,445</u>
Ratio of total debt service expenditures to total noncapital expenditures	0.44%	0.24%	0.15%	0.20%	0.47%

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years (Accrual Basis of Accounting)

Table 4
Page 2 of 2

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Revenues					
Local	\$ 77,333,059	\$ 75,672,011	\$ 75,768,153	\$ 69,599,303	\$ 70,714,740
State	113,228,586	109,389,867	105,272,006	110,851,190	102,911,444
Federal	66,212,036	69,494,638	59,727,494	49,055,292	45,887,191
Total Revenues	<u>256,773,681</u>	<u>254,556,516</u>	<u>240,767,653</u>	<u>229,505,785</u>	<u>219,513,375</u>
Expenditures					
Salaries	135,732,939	131,243,432	127,899,575	124,691,712	118,697,865
Employee benefits	37,961,468	33,557,908	33,125,125	28,011,451	29,254,007
Professional and consultant services	12,222,560	10,673,437	11,043,922	10,575,182	10,240,517
Travel and training	2,916,317	3,056,125	3,175,896	3,337,267	3,278,161
Debt service:					
Principal	1,091,429	1,091,429	1,091,429	1,419,522	2,038,866
Interest	60,238	78,698	93,605	119,925	186,749
Capital outlay	917,868	2,100,879	1,525,735	4,168,307	12,002,583
Non-capitalized equipment	1,827,915	1,552,041	2,890,221	2,128,168	3,589,925
Pharmaceutical	2,030,053	1,855,120	1,887,370	1,886,395	1,377,772
Other operating expenditures	52,003,976	53,059,028	53,281,971	52,662,782	50,657,189
Total Expenditures	<u>246,764,763</u>	<u>238,268,097</u>	<u>236,014,849</u>	<u>229,000,711</u>	<u>231,323,634</u>
Excess of Revenues Over (Under) Expenditures	10,008,918	16,288,419	4,752,804	505,074	(11,810,259)
Other Financing Sources (Uses)					
Issuance of debt - leases	-	-	-	-	-
Issuance of debt - SBITAs	-	-	-	-	-
Transfers in	2,263,196	-	-	-	-
Sale of capital assets	11,777,429	5,761,945	44,862	51,010	6,560
Total Other Financing Sources (Uses)	<u>14,040,625</u>	<u>5,761,945</u>	<u>44,862</u>	<u>51,010</u>	<u>6,560</u>
Net Change In Fund Balances	<u>\$ 24,049,543</u>	<u>\$ 22,050,364</u>	<u>\$ 4,797,666</u>	<u>\$ 556,084</u>	<u>\$ (11,803,699)</u>
Ratio of total debt service expenditures to total noncapital expenditures	0.47%	0.50%	0.51%	0.68%	0.68%

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
PRINCIPAL SOURCES OF REVENUES
Last Ten Fiscal Years (Accrual Basis of Accounting)

Table 5
Page 1 of 2

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Local					
Harris County allocation and other contracts	\$ 46,339,437	\$ 52,635,562	\$ 52,596,663	\$ 51,260,112	\$ 44,093,032
Medicaid/Medicare/Third party billing	36,383,805	29,083,609	26,474,154	30,405,246	29,969,735
Other	6,957,300	7,229,335	5,274,292	6,177,328	7,004,271
Total Local Revenue	<u>89,680,542</u>	<u>88,948,506</u>	<u>84,345,109</u>	<u>87,842,686</u>	<u>81,067,038</u>
State					
Texas Department of Health and Human Services					
Texas Department of State Health Services:					
General Revenue	128,367,540	114,789,532	104,594,567	104,594,567	105,056,405
Texas Department of Health and Human Services:					
General Revenue	8,889,261	3,851,178	10,434,969	10,434,969	10,393,281
Early Childhood Intervention	3,639,509	1,708,701	4,552,424	4,552,424	4,552,424
Texas Council on Offenders with					
Mental Impairments	3,180,962	2,459,142	2,850,627	2,850,627	2,850,627
Other state agencies	7,833,362	1,765,364	1,564,318	5,474,231	460,200
Total State Revenues	<u>151,910,634</u>	<u>124,573,917</u>	<u>123,996,905</u>	<u>127,906,818</u>	<u>123,312,937</u>
Federal					
Mental Health Block Grant	8,774,214	4,955,237	4,230,720	4,194,346	3,812,190
Early Childhood Intervention	2,262,872	2,152,351	2,170,758	-	-
*Charity Care Pool	41,643,774	45,148,861	40,766,250	48,842,439	72,278,623
Other federal revenues	54,420,824	51,736,616	45,421,177	23,721,318	6,397,576
Total Federal Revenues	<u>107,101,684</u>	<u>103,993,065</u>	<u>92,588,905</u>	<u>76,758,103</u>	<u>82,488,389</u>
Total	<u>\$ 348,692,860</u>	<u>\$ 317,515,488</u>	<u>\$ 300,930,919</u>	<u>\$ 292,507,607</u>	<u>\$ 286,868,364</u>

*Formerly, Delivery System Reform Incentive

Source: Agency Financial Statements and Notes to the Basic Financial Statements

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
PRINCIPAL SOURCES OF REVENUES
Last Ten Fiscal Years (Accrual Basis of Accounting)

Table 5
Page 2 of 2

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Local					
Harris County allocation and other contracts	\$ 40,065,808	\$ 36,375,537	\$ 34,924,970	\$ 34,692,528	\$ 35,157,223
Medicaid/Medicare/Third party billing	25,541,194	26,893,423	31,322,850	26,193,236	25,428,729
Other	<u>11,726,057</u>	<u>12,403,051</u>	<u>9,520,333</u>	<u>8,713,539</u>	<u>10,128,788</u>
Total Local Revenue	<u>77,333,059</u>	<u>75,672,011</u>	<u>75,768,153</u>	<u>69,599,303</u>	<u>70,714,740</u>
State					
Texas Department of Health and Human Services					
Texas Department of State Health Services:					
General Revenue	99,985,355	94,201,283	90,760,137	94,957,960	87,856,785
Texas Department of Health and Human Services:					
General Revenue	9,479,061	10,220,288	9,306,535	8,917,182	9,382,704
Early Childhood Intervention	408,084	888,044	1,097,691	2,994,853	1,494,851
Texas Council on Offenders with					
Mental Impairments	2,910,086	3,193,586	3,303,917	3,116,905	3,077,654
Other state agencies	446,000	886,666	803,726	864,290	1,099,450
Total State Revenues	<u>113,228,586</u>	<u>109,389,867</u>	<u>105,272,006</u>	<u>110,851,190</u>	<u>102,911,444</u>
Federal					
Mental Health Block Grant	3,181,377	3,081,806	3,081,806	3,081,806	3,081,806
Early Childhood Intervention	2,962,647	3,407,557	3,131,375	1,264,006	3,075,730
*Charity Care Pool	47,857,397	41,080,250	41,080,250	32,782,283	31,166,380
Other federal revenues	<u>12,210,615</u>	<u>21,925,025</u>	<u>12,434,063</u>	<u>11,927,197</u>	<u>8,563,275</u>
Total Federal Revenues	<u>66,212,036</u>	<u>69,494,638</u>	<u>59,727,494</u>	<u>49,055,292</u>	<u>45,887,191</u>
Total	<u>\$ 256,773,681</u>	<u>\$ 254,556,516</u>	<u>\$ 240,767,653</u>	<u>\$ 229,505,785</u>	<u>\$ 219,513,375</u>

Source: Agency Financial Statements and Notes to the Basic Financial Statements

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

Table 6

SCHEDULE OF INDIRECT COSTS

For The Year Ended August 31, 2024

	<u>Total Costs</u>	<u>Non-Allowable Costs</u>	<u>Depreciation/ Amortization</u>	<u>Total Adjusted Costs</u>	<u>Indirect Costs</u>	<u>Direct Costs</u>
Salaries	\$ 188,681,564	\$ -	\$ -	\$ 188,681,564	\$ 25,292,837	\$ 163,388,727
Employee benefits	55,640,927	-	-	55,640,927	8,600,749	47,040,178
Professional and consultant services	58,016,729	-	-	58,016,729	1,989,874	56,026,855
Debt service	1,542,709	(1,542,709)	-	-	-	-
Capital outlay	11,595,486	(11,595,486)	-	-	-	-
Pharmaceutical	14,400,034	-	-	14,400,034	223	14,399,811
Depreciation/Amortization	-	-	4,034,885	4,034,885	1,796,358	2,238,527
Other operating expenditures	29,383,623	-	-	29,383,623	9,446,384	19,937,239
Total	<u>\$ 359,261,072</u>	<u>\$ (13,138,195)</u>	<u>\$ 4,034,885</u>	<u>\$ 350,157,762</u>	<u>\$ 47,126,425</u>	<u>\$ 303,031,337</u>
Indirect Costs						\$ 47,126,425
Direct Costs						\$ 303,031,337
Indirect Cost Rate						15.55%

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
DEMOGRAPHIC STATISTICS OF LOCAL SERVICE AREA
Last Ten Calendar Years

Table 7

Calendar Year	Population (A)	Unemployment Rate (B)	Total Personal Income (A)	Per Capita Personal Income (C)
2023	4,826,539	4.40%	\$ 330,617,356,000	\$ 68,500
2022	4,780,913	4.50%	313,193,267,000	65,509
2021	4,728,030	6.50%	311,430,719,000	65,869
2020	4,746,600	8.00%	285,664,628,000	60,183
2019	4,713,325	3.80%	282,809,166,000	60,002
2018	4,698,619	4.40%	265,351,328,000	56,474
2017	4,652,980	5.00%	247,482,118,000	53,188
2016	4,589,928	5.30%	240,752,454,000	52,452
2015	4,538,028	4.60%	249,989,494,000	55,088
2014	4,441,370	4.00%	252,694,912,000	56,896

(A) Source: U.S. Bureau of Economic Analysis/World Population Review

(B) Source: Texas Workforce Commission

(C) Source: U.S. Bureau of Labor Statistics

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

Table 8

RATIO OF OUTSTANDING DEBT

Last Ten Calendar Years

Fiscal Year	Notes Payable	Lease Liability	SBITA Liability	Total Debt (A)	Personal Income	Percentage of Personal Income	Debt per Capita
2024	\$ -	\$ 2,902,231	\$ 784,406	\$ 3,686,637	(B)	(B)	(B)
2023	-	1,184,212	642,365	1,826,577	330,617,356,000	0.0004%	0.29
2022	-	1,364,696	422,651	1,787,347	330,619,257,000	0.0005%	0.37
2021	-	1,059,244	-	1,059,244	311,430,719,000	0.0003%	0.22
2020	545,714	-	-	545,714	291,723,832,000	0.0002%	0.12
2019	1,637,142	-	-	1,637,142	284,905,380,000	0.0006%	0.35
2018	2,728,571	-	-	2,728,571	274,514,924,000	0.0010%	0.58
2017	3,820,000	-	-	3,820,000	255,361,808,000	0.0015%	0.82
2016	4,911,429	-	-	4,911,429	236,747,445,000	0.0021%	1.06
2015	6,330,951	-	-	6,330,951	248,528,847,000	0.0025%	1.39

Notes:

- (A) Details regarding the Center's outstanding debt can be found in the notes to the financial statements. See Demographic Statistics schedule for personal income and population data. These ratios are calculated using the personal income and population for the prior year calendar year.
- (B) Unavailable

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
PRINCIPAL CORPORATE EMPLOYERS IN THE CATCHMENT AREA
Current Year and Nine Years Ago*
(Listed Alphabetically)

Table 9

2023	2014
Amazon	ARAMARK Corporation
CHI St. Luke's Health	B.P. America Inc.
ExxonMobil	Baylor College of Medicine
HCA Houston Healthcare	Chevron
H-E-B	ExxonMobil
Houston Methodist	Houston Methodist
Kroger	Kroger
Memorial Hermann Health System	Memorial Hermann Health System
Schlumberger	National Oilwell Varco
SLB	Schlumberger
Texas Children's Hospital	Shell Oil Company
University of Houston	United Airlines
UT Health Science Center	
UT Medical Branch Health System	
Walmart	
Wood Group	

* Based on most recently completed calendar year.

Source: Harris County, Texas Annual Comprehensive Financial Report - For The Fiscal
Year Ended September 30, 2023
Greater Houston Partnership Research
U.S. Bureau of Labor Statistics

Note: Total county employment for 2023 was an estimated 3,473,000 and
for 2014 was 2,972,910

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Table 10
Page 1 of 2

Function/Program	2024	2023	2022	2021	2020
Adult Mental Health	662	686	693	585	604
Intellectual & Developmental Disabilities	321	321	359	356	326
Child and Adolescent Mental Health	300	296	308	304	331
Crisis Center/Access Line	114	113	113	82	69
Administration	268	266	290	247	256
Crisis Center/Comprehensive Psychiatric Emergency Program (CPEP)	520	560	680	420	396
Forensic Services*	254	261	260	212	195
Total	2,439	2,503	2,703	2,206	2,177

*Prior to fiscal year 2020 the Forensic Services FTE count was included with Adult Mental Health and Child and Adolescent Mental Health

**FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years**

Function/Program	2019	2018	2017	2016	2015
Adult Mental Health	764	825	915	889	884
Intellectual & Developmental Disabilities	433	419	419	421	476
Child and Adolescent Mental Health	249	253	253	245	246
Crisis Center/Access Line	-	-	-	-	-
Administration	340	281	205	190	182
Crisis Center/Comprehensive Psychiatric Emergency Program (CPEP)	437	386	371	372	344
Forensic Services*	-	-	-	-	-
Total	2,223	2,164	2,164	2,117	2,132

*Prior to fiscal year 2020 the Forensic Services FTE count was included with Adult Mental Health and Child and Adolescent Mental Health

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Table 11
Page 1 of 2

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021*</u>	<u>2020</u>
Admissions:					
Mental Health	27,942	29,883	31,733	44,723	20,635
Intellectual Development Disability (IDD)	6,715	11,234	8,641	14,937	11,558
Total Admissions	<u>34,657</u>	<u>41,117</u>	<u>40,374</u>	<u>59,660</u>	<u>32,193</u>
Total Clients Served (Unduplicated):					
Mental Health	55,133	57,416	56,114	70,010	41,633
Intellectual Development Disability (IDD)	17,350	21,304	15,397	23,315	20,882
Total Clients Served	<u>72,483</u>	<u>78,720</u>	<u>71,511</u>	<u>93,325</u>	<u>62,515</u>

*During FY 2021, the Center transitioned to EPIC from Anasazi. The increase in the number of clients served is due to the impact of the COVID 19 Pandemic.

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Table 11
Page 2 of 2

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Admissions:					
Mental Health	21,233	18,586	17,400	16,915	16,170
Intellectual Development Disability (IDD)	12,066	11,256	11,275	9,052	9,618
Total Admissions	<u>33,299</u>	<u>29,842</u>	<u>28,675</u>	<u>25,967</u>	<u>25,788</u>
Total Clients Served (Unduplicated):					
Mental Health	40,739	37,421	35,266	33,716	32,355
Intellectual Development Disability (IDD)	21,240	21,437	19,954	18,680	17,998
Total Clients Served	<u>61,979</u>	<u>58,858</u>	<u>55,220</u>	<u>52,396</u>	<u>50,353</u>

*During FY 2021, the Center transitioned to EPIC from Anasazi. The increase in the number of clients served is due to the impact of the COVID 19 Pandemic.

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD*Table 12***GENERAL FUND REVENUE BY SOURCE OF FUNDS***Last Ten Fiscal Years*

Fiscal Year	Local Funds	State Funds	Federal Funds	Total
2024	\$ 89,680,542	\$ 151,910,634	\$ 107,101,684	\$ 348,692,860
2023	88,948,506	124,573,917	103,993,065	317,515,488
2022	84,345,109	123,996,905	92,588,905	300,930,919
2021	87,842,686	127,906,818	76,758,103	292,507,607
2020	81,067,038	123,312,937	82,488,389	286,868,364
2019	77,333,059	113,228,586	66,212,036	256,773,681
2018	75,672,011	109,389,867	69,494,638	254,556,516
2017	75,768,153	105,272,006	59,727,494	240,767,653
2016	69,599,303	110,851,190	49,055,292	229,505,785
2015	70,714,740	102,911,444	45,887,191	219,513,375

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

Table 13

GENERAL FUND EXPENDITURES BY CATEGORY

Last Ten Fiscal Years

Fiscal Year	Mental Health*	Intellectual & Developmental Disabilities	Administration	Total
2024	\$ 274,571,687	\$ 40,966,652	\$ 43,722,733	\$ 359,261,072
2023	244,002,591	40,271,669	49,936,937	334,211,197
2022	230,394,035	40,348,403	45,521,930	316,264,368
2021	200,648,487	36,918,943	54,572,071	292,139,501
2020	191,365,084	37,987,166	32,912,386	262,264,636
2019	186,604,624	35,685,945	24,474,194	246,764,763
2018	179,460,209	33,710,989	25,096,899	238,268,097
2017	180,229,346	33,728,843	22,056,660	236,014,849
2016	177,790,941	35,208,003	16,001,767	229,000,711
2015	160,659,800	37,534,988	33,128,846	231,323,634

*Includes: Adult MH, Child & Adolescents MH, Community Hospital, Crisis Center and Forensic Services

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
CAPITAL ASSETS BY GOVERNMENTAL ACTIVITY
Last Ten Fiscal Years

Table 14
Page 1 of 2

	2024	2023	2022	2021	2020
Adult Mental Health					
Land	\$ 8,154,679	\$ 8,154,679	\$ 8,114,592	\$ 1,895,148	\$ 1,895,148
Buildings and improvements	10,812,975	10,812,975	10,812,975	11,197,275	11,078,437
Furniture and equipment	1,830,975	1,830,975	1,830,975	1,824,518	2,381,744
Vehicles	352,142	811,163	477,700	477,700	477,700
Right-to-use assets	104,542	71,366	161,498	107,649	-
Total Capital Assets for Adult Mental Health	21,255,313	21,681,158	21,397,740	15,502,290	15,833,029
Intellectual & Developmental Disabilities					
Land	916,080	916,080	916,080	916,080	916,080
Buildings and improvements	5,144,343	5,144,343	5,144,343	5,122,368	4,980,370
Furniture and equipment	509,022	509,022	509,022	509,022	1,111,807
Vehicles	49,860	105,095	105,095	177,939	177,939
Right-to-use assets	202,658	156,065	269,959	242,810	-
Total Capital Assets for Intellectual & Developmental Disabilities	6,821,963	6,830,605	6,944,499	6,968,219	7,186,196
Child and Adolescent					
Land	174,011	174,011	174,011	174,011	174,011
Buildings and improvements	2,708,356	2,708,356	2,708,356	2,708,356	2,650,328
Furniture and equipment	551,288	551,288	551,288	551,288	534,677
Right-to-use assets	-	-	25,910	102,916	-
Total Capital Assets for Child and Adolescent	3,433,655	3,433,655	3,459,565	3,536,571	3,359,016
Crisis Center					
Land	588,825	588,825	588,825	588,825	588,825
Buildings and improvements	12,445,351	12,445,351	12,445,355	12,445,351	5,380,809
Furniture and equipment	530,587	530,587	530,587	514,797	447,012
Vehicles	107,500	521,816	539,473	862,303	862,303
Right-to-use assets	2,999,120	1,328,281	1,180,138	809,194	-
Total Capital Assets for Crisis Center	16,671,383	15,414,860	15,284,378	15,220,470	7,278,949
Administration					
Land	2,875,549	2,875,549	2,860,685	2,857,972	1,454,050
Buildings and improvements	22,211,894	21,799,833	15,453,684	15,922,439	15,296,306
Furniture and equipment	4,347,646	4,243,996	3,487,810	4,174,938	5,402,954
Vehicles	131,885	(339,034)	(72,128)	51,826	87,289
Right-to-use assets	3,006,146	1,527,604	296,264	200,143	-
Construction in progress	11,376,400	3,589,645	9,188,186	6,028,473	3,163,960
Total Capital Assets for Administration	43,949,520	33,697,593	31,214,501	29,235,791	25,404,559
Total Capital Assets	\$ 92,131,834	\$ 81,057,871	\$ 78,300,683	\$ 70,463,341	\$ 59,061,749

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
CAPITAL ASSETS BY GOVERNMENTAL ACTIVITY
Last Ten Fiscal Years

Table 14
Page 2 of 2

	2019	2018	2017	2016	2015
Adult Mental Health					
Land	\$ 1,895,148	\$ 1,895,149	\$ 1,895,148	\$ 1,895,148	\$ 1,895,148
Buildings and improvements	11,065,800	11,065,800	11,065,800	11,065,800	11,065,800
Furniture and equipment	2,365,744	2,365,744	2,365,744	2,059,264	1,855,258
Vehicles	470,669	470,669	433,779	245,114	220,527
Right-to-use assets	-	-	-	-	-
Total Capital Assets for Adult Mental Health	15,797,361	15,797,362	15,760,471	15,265,326	15,036,733
Intellectual & Developmental Disabilities					
Land	916,080	916,080	916,080	916,080	916,080
Buildings and improvements	4,980,370	4,980,370	4,980,370	4,980,370	4,980,370
Furniture and equipment	1,111,807	1,111,807	1,111,807	1,111,807	1,111,807
Vehicles	177,939	177,939	177,939	211,828	447,510
Right-to-use assets	-	-	-	-	-
Total Capital Assets for Intellectual & Developmental Disabilities	7,186,196	7,186,196	7,186,196	7,220,085	7,455,767
Child and Adolescent					
Land	174,011	174,011	174,011	174,011	174,011
Buildings and improvements	2,650,328	2,650,328	2,650,328	2,650,328	2,650,328
Furniture and equipment	534,677	534,677	534,677	534,677	534,677
Right-to-use assets	-	-	-	-	-
Total Capital Assets for Child and Adolescent	3,359,016	3,359,016	3,359,016	3,359,016	3,359,016
Crisis Center					
Land	588,825	588,825	588,825	588,825	588,825
Buildings and improvements	5,380,809	5,380,809	5,380,809	5,380,809	3,048,836
Furniture and equipment	427,882	422,172	422,172	422,172	422,172
Vehicles	775,207	756,762	756,762	857,077	850,104
Right-to-use assets	-	-	-	-	-
Total Capital Assets for Crisis Center	7,172,723	7,148,568	7,148,568	7,248,883	4,909,937
Administration					
Land	1,454,050	1,655,596	2,449,346	2,449,346	2,449,346
Buildings and improvements	15,199,654	16,492,213	22,812,238	22,696,643	21,505,723
Furniture and equipment	5,110,699	4,543,552	4,421,756	4,024,171	3,762,611
Vehicles	87,289	180,368	180,368	214,016	214,016
Right-to-use assets	-	-	-	6,198,078	6,184,197
Construction in progress	-	-	-	-	-
Total Capital Assets for Administration	21,851,692	22,871,729	29,863,708	35,582,254	34,115,893
Total Capital Assets	\$ 55,366,988	\$ 56,362,871	\$ 63,317,959	\$ 68,675,564	\$ 64,877,346

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
SUMMARY SCHEDULE OF MENTAL HEALTH ADULT, MENTAL HEALTH CHILDREN,
AND INTELLECTUAL AND DEVELOPMENTAL DISABILITIES EXPENDITURES BY
SERVICE CATEGORY AND SOURCE OF FUNDS
For The Year Ended August 31, 2024

Table 15

Service Categories (by Funding Source)	Mental Health Adult	Mental Health Child	Intellectual & Developmental Disabilities	Total	Approved Expenditure Budget	Variance
General Revenue - Mental Health	\$ 42,984,480	\$ 8,958,806	\$ -	\$ 51,943,286	\$ 51,943,286	\$ -
General Revenue - Intellectual & Developmental Disabilities	-	-	10,487,197	10,487,197	10,487,197	-
General Revenue - Permanency Planning	-	-	132,715	132,715	132,715	-
General Revenue - Supportive Housing	696,360	-	-	696,360	696,360	-
Community Hospitals	36,969,959	-	-	36,969,959	36,969,959	-
Mental Health Veteran Services	99,286	-	-	99,286	99,286	-
Mental Health Crisis Services	14,024,384	-	-	14,024,384	14,024,384	-
Psychiatric Emergency Svc Ctr	930,168	-	-	930,168	930,168	-
Peer Support Re-Entry	264,310	-	-	264,310	264,310	-
Behavioral Health Services Education	115,000	-	-	115,000	115,000	-
MH Block Homeless PATH Grant	1,138,726	-	-	1,138,726	1,138,726	-
Mental Health Block Grant Supplemental Housing	381,328	-	-	381,328	381,328	-
Title XX Social Services Block Grant	580,417	-	-	580,417	580,417	-
Mental Health Block Grant	3,081,806	-	-	3,081,806	3,081,806	-
Mental Health Block Grant - CSC	1,480,626	-	-	1,480,626	1,480,626	-
Mental Health Suicide Care Pilot Project	479,843	-	-	479,843	479,843	-
TANF to Title XX Block Grant	1,386,984	-	-	1,386,984	1,386,984	-
Substance Abuse Prevention & Treatment Block Grant	4,058,914	-	-	4,058,914	4,058,914	-
SG Jail Based Comp Restoration Pilot	1,863,517	-	-	1,863,517	1,863,517	-
Federal Opioid	99,571	-	-	99,571	99,571	-
Other Federal	1,518,297	3,420,440	550,484	5,489,221	5,489,221	-
Other State Agencies	5,696,538	-	320,931	6,017,469	6,017,469	-
Medicaid Administrative Claiming	5,426,672	857,185	1,716,143	8,000,000	8,000,000	-
Medicaid	6,607,076	3,756,619	11,481,770	21,845,465	21,845,465	-
Medicare	810,435	51,981	17,954	880,370	880,370	-
ICF-MR, HCS and THL Waiver	-	-	6,209,947	6,209,947	6,209,947	-
Patient fees and private Insurance	3,819,942	83,662	427,656	4,331,260	4,331,260	-
Charity Care Pool	35,390,747	2,635,183	2,058,273	40,084,203	40,084,203	-
Outpatient Capacity Expansion	3,946,739	-	-	3,946,739	3,946,739	-
Early Childhood Intervention	-	-	6,067,978	6,067,978	6,067,978	-
Directed Payment Program - Behavioral Health	7,574,762	640,200	500,038	8,715,000	8,715,000	-
Federal ARPA funding	13,488,394	-	596,767	14,085,161	14,085,161	-
Federal SAMHSA	2,346,986	-	-	2,346,986	2,346,986	-
Health Community Collarative	5,020,007	-	-	5,020,007	5,020,007	-
Helpline Contracts	5,163,218	-	-	5,163,218	5,163,218	-
CDBG COVID-19 Supplemental	2,516,321	-	-	2,516,321	2,516,321	-
Harris County State Programs	7,115,000	-	-	7,115,000	7,115,000	-
Additional Local Funds and Match	51,077,703	2,045,923	2,331,744	55,455,370	55,455,370	-
Total Expended Sources	\$ 268,154,516	\$ 22,449,999	\$ 42,899,597	\$ 333,504,112	\$ 333,504,112	\$ -

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
SCHEDULE OF REVENUES AND EXPENDITURES BY SOURCE OF FUNDS
GENERAL FUND
For The Year Ended August 31, 2024

Table 16

Funding Source	Total Revenue	Total Mental Health Adult Expenditures	Total Mental Health Children Expenditures	Total Intellectual & Developmental	Total Center Expenditures	Excess Revenues Over Expenditures
				Disabilities Expenditures		
Expenditures						
Salaries	\$ 188,681,564	\$ 142,796,731	\$ 16,993,830	\$ 28,891,003	\$ 188,681,564	\$ -
Employee Benefits	55,640,927	42,109,798	5,011,366	8,519,763	55,640,927	-
Professional and Consultant Fees	58,016,729	53,949,756	789,028	3,277,945	58,016,729	-
Training and Travel	2,623,436	1,482,504	204,890	936,042	2,623,436	-
Debt Service	1,542,709	1,423,612	-	119,097	1,542,709	-
Capital Outlay	11,595,486	11,542,147	-	53,339	11,595,486	-
Repairs and maintenance	9,029,458	6,204,141	996,852	1,828,465	9,029,458	-
Pharmaceutical	14,400,034	14,300,674	99,360	-	14,400,034	-
Other Operating expenditures	17,730,729	9,315,070	2,934,971	5,480,688	17,730,729	-
Total Expenditures	359,261,072	283,124,433	27,030,297	49,106,342	359,261,072	-
Method of Finance:						
General Revenue - Mental Health	51,919,114	42,960,313	8,958,801	-	51,919,114	-
General Revenue - Intellectual & Developmental Disabilities	10,496,026	-	-	10,496,026	10,496,026	-
General Revenue - Permanency Planning	132,715	-	-	132,715	132,715	-
General Revenue - Supportive Housing	696,360	696,360	-	-	696,360	-
Community Hospitals	34,066,667	34,066,667	-	-	34,066,667	-
Mental Private Beds	15,623,307	15,623,307	-	-	15,623,307	-
Mental Health Veteran Services	99,286	99,286	-	-	99,286	-
Mental Health Crisis Services	14,024,587	14,024,587	-	-	14,024,587	-
Psychiatric Emergency Srv Ctr	930,168	930,168	-	-	930,168	-
Peer Support Re-Entry	264,310	264,310	-	-	264,310	-
Behavioral Health Services Education	115,000	115,000	-	-	115,000	-
Other State HHS Tablet Program	65,947	-	-	65,947	65,947	-
MH Block Homeless PATH Grant	1,087,917	1,087,917	-	-	1,087,917	-
Mental Health Block Grant	3,081,806	3,081,806	-	-	3,081,806	-
Mental Health Block Grant - CSC	1,086,426	1,086,426	-	-	1,086,426	-
Mental Health Block Grant Supplemental Housing	381,328	381,328	-	-	381,328	-
Title XX Social Services Block Grant	580,417	580,417	-	-	580,417	-
Mental Health Suicide Care Pilot Project	354,554	354,554	-	-	354,554	-
TANF to Title XX Block Grant	1,386,984	1,386,984	-	-	1,386,984	-
Substance Abuse Prevention & Treatment Block Grant	3,253,991	3,253,991	-	-	3,253,991	-
SG Jail Based Comp Restoration Pilot	1,908,635	1,444,480	171,904	292,251	1,908,635	-
Medicaid Administrative Claiming	13,490,643	10,209,899	1,215,051	2,065,693	13,490,643	-
Federal Opioid	99,571	-	-	-	99,571	-
Other Federal	7,744,979	5,861,504	697,560	1,185,915	7,744,979	-
Other State Agencies	5,284,388	3,999,296	475,944	809,148	5,284,388	-
Patient fees and private Insurance	13,937,370	10,547,988	1,255,286	2,134,096	13,937,370	-
Medicaid	17,044,308	12,899,360	1,535,116	2,609,832	17,044,308	-
Medicare	1,125,949	852,133	101,410	172,406	1,125,949	-
Outpatient Capacity Expansion	3,946,739	2,986,945	355,468	604,326	3,946,739	-
Early Childhood Intervention	5,902,381	-	-	5,902,381	5,902,381	-
Charity Care Pool	41,643,774	31,516,565	3,750,696	6,376,513	41,643,774	-
Directed Payment Program - Behavioral Health	5,581,015	4,223,787	502,661	854,567	5,581,015	-
Federal ARPA funding	8,930,398	7,917,572	-	1,012,826	8,930,398	-
Federal SAMHSA	5,659,405	4,694,916	964,489	-	5,659,405	-
Health Community Collarative	5,913,137	5,913,137	-	-	5,913,137	-
Helpline Contracts	5,825,245	5,825,245	-	-	5,825,245	-
CDBG COVID-19 Supplemental	703,622	703,622	-	-	703,622	-
ICF-MR, HCS and THL Waiver	4,276,182	6,677	687,560	3,581,945	4,276,182	-
Harris County State Programs	6,731,479	5,094,473	606,279	1,030,727	6,731,479	-
Additional Local Funds and Match	63,864,942	48,333,842	5,752,072	9,779,028	63,864,942	-
Total Expended Sources	\$ 359,261,072	\$ 283,124,433	\$ 27,030,297	\$ 49,106,342	\$ 359,261,072	\$ -



Transforming Lives

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
SCHEDULE OF LEASES IN EFFECT
For The Year Ended August 31, 2024

Table 17

Lessor	Location	Terms	Period Covered
Houston Community College System	3200 Main Street, Houston TX 77002	\$22,392 for monthly rent and \$3,415 for monthly parking	2/1/2024 - 1/31/2027
City of Houston (Acres Homes)	6719 W. Montgomery, Houston, TX 77091	\$256	1/30/2015
City of Houston (Fifth Ward MSC)	4014 Market St, Houston, TX 77020	\$161	5/26/2010
City of Houston (Magnolia MSC)	7037 Capitol, Houston, TX 77011	\$298	5/13/2014
City of Houston (West End MSC)	170 Heights Blvd, Houston, TX 77008	\$331	5/26/2010
Enterprise FM Trust	Various agency locations	\$51,589	5 year leases
Carefusion Solutions LLC	Various agency locations	\$3,721	1/10/2020 - 12/31/2024
XEROX Financial Services LLC	Various agency locations	\$18,619	11/1/2023 - 10/31/2028

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
SCHEDULE OF INSURANCE COVERAGE
For The Year Ended August 31, 2024

Table 18
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Surety Company	Scope of Coverage	Coverage	Expense/ Premium
Texas Council Risk Management Fund	Property		\$ 928,833
9/1/2023 - 9/1/2024	Buildings	\$ 109,875,134	
	Contents	32,248,123	
	Boiler & Machinery Equipment	3,099,583	
	EDP Equipment	14,626,490	
	Fine Arts	15,000	
	Miscellaneous Property & Equipment	55,037	
Texas Council Risk Management Fund	Boiler Machinery		38,810
9/1/2023 - 9/1/2024	Boiler & Machinery Equipment	\$ 3,099,583	
	Contents		
Texas Council Risk Management Fund	General Liability		4,847
9/1/2023 - 9/1/2024	Per Occurrence Limit	\$ 1,000,000	
	Annual Aggregate	1,000,000	
	Deductible	1,000	
	Additional Limit of Liability in Excess of \$1,000,000	4,000,000	
Texas Council Risk Management Fund	Excess Liability		94,628
09/01/2023 - 09/01/2024	Per Occurrence Limit	\$ 4,000,000	
	Annual Aggregate	4,000,000	
	Excess of Auto, GL, Professional, and E&O		
Texas Council Risk Management Fund	Auto Liability		89,747
09/01/2023 - 09/01/2024	Per Occurrence of Liability	\$ 1,000,000	
	Annual Aggregate	N/A	
	Deductible	1,000	
	Additional Limit of Liability in Excess of \$1,000,000	4,000,000	
	Auto Physical Damage		71,847
	Deductibles Vary by Vehicle		
Texas Council Risk Management Fund	Workers' Compensation		316,213
09/01/2023 - 09/01/2024	Volunteers	Yes	
	Elected/Appointed Officials	Yes	
	Per Claim Deductible	\$ 100,000	
	Annual Aggregate Deductible	1,000,000	
	No. of Employees	2,561	
	Estimated Payroll	167,870,858	
Texas Council Risk Management Fund	Professional Liability		77,503
09/01/2023 - 09/01/2024	Per Claim Limit of Liability	\$ 1,000,000	
	Annual Aggregate	3,000,000	
	Retroactive Date	8/28/1989	
	Additional Limit of Liability in Excess of \$1,000,000	2,000,000	
Texas Council Risk Management Fund	Sexual Misconduct		6,526
09/01/2023 - 09/01/2024	Per Claim Limit of Liability	\$ 100,000	
	Annual Aggregate	300,000	
	Retroactive Date	8/28/1989	

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
SCHEDULE OF INSURANCE COVERAGE
For The Year Ended August 31, 2024

Table 18
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Surety Company	Scope of Coverage	Coverage	Expense/Premium
Texas Council Risk Management Fund	Malpractice Primary Care		\$ 1,383
09/01/2023 - 09/01/2024	Per Claim Limit of Liability	\$ 1,000,000	
	Annual Aggregate	3,000,000	
	Deductible	10,000	
	Retroactive Date	06/07/2021	
Texas Council Risk Management Fund	Errors & Omissions Liability		291,081
09/01/2023 - 09/01/2024	Per Claim Limit of Liability	\$ 1,000,000	
	Annual Aggregate	3,000,000	
	Deductible	\$10,000	
	Retroactive Date	08/31/1996	
Texas Council Risk Management Fund	Expanded Employment Practices		24,287
09/01/2023 - 09/01/2024	Per Claim Limit	\$ 50,000	
	Annual Aggregate	100,000	
	Retroactive Date	08/28/1989	
Texas Council Risk Management Fund	Crime	\$ 10,000	Included in property
09/01/2023 - 09/01/2024	Public Employee Dishonesty	5,000	
	Theft Disappearance & Destruction	5,000	
	Forgery or Alteration	5,000	
	Employee Theft of Client Property	5,000	
	Computer & Transfer Fraud	1,000	
	Deductible per Occurrence		
Great American Insurance Co.	Crime		6,300
09/01/2023 - 09/01/2024	Employee Dishonesty Per Occurrence Limit	\$ 1,000,000	
	Forgery or Alteration	500,000	
	Inside Premises	100,000	
	Outside Premises	100,000	
	Computer Hacking	500,000	
	Money Order's and Counterfeit Paper Cash	1,000,000	
	Loss of Clients' Property	Not Covered	
	Funds Transfer Fraud	500,000	
	Fraudulently Induced Transfer	Not Covered	
	ERISA Fraud or Dishonesty	Not Covered	
Lloyds of London	Cyber Liability		74,234
05/08/2023 to 05/08/2024	Policy Aggregate Limit of Liability	5,000,000	
	Privacy and Security Liability and Regulatory Claims	5,000,000	
	Breach Response	5,000,000	
	PCI DSS Assessments	5,000,000	
	PCI Recertification Expenses	100,000	
	Cyber Extortion	5,000,000	
	Business Income Loss	5,000,000	
	Digital Asset Restoration	5,000,000	
	Multimedia Liability	5,000,000	
	Cyber Crime Loss	250,000	
	Invoice Manipulation	250,000	
	System Hijacking	250,000	
	Supplemental Coverages		
	Post Breach Remedial Consulting	100 Hours	
	Reputational Harm	5,000,000	
	Claims Preparation Costs	50,000	
	Court Attendance Costs	2,500	
	Criminal Reward Payments	50,000	
	Retentions		
	Breach Response Services	100,000	
	All Other Coverages	100,000	
	Waiting Period (Business Income Loss)	10 Hours	

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
SCHEDULE OF INSURANCE COVERAGE
For The Year Ended August 31, 2024

Table 18
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<u>Surety Company</u>	<u>Scope of Coverage</u>	<u>Coverage</u>	<u>Expense/Premium</u>
Twin City Fire Insurance Co. 09/01/2023 - 09/01/2024	Fiduciary Liability Limits of Insurance Settlement Program - Sub limit of Liability for Settlement Fess HIPPA - System limit of Liability	 \$ 3,000,000 100,000 25,000	\$ 7,865
Voyager Indemnity Insurance Co. 03/28/2023 - 03/28/2024	Flood - Commercial Location #1: 11511 Bob White Rodd, Houston, 77035 Building Contents Location #2: 7200 North Loop East, Houston, TX 77028 Building BPP Location #3: 1200 Baker Street, Houston, TX 77002 BPP Location #4: 6500 Chimney Rock, Cottage #3, Houston, TX 77081 Building BPP	 \$ 303,300 174,800 1,000,000 500,000 137,500 127,900	53,799
Certain Underwriters at Lloyds 03/28/2023 - 03/28/2024	Excess Flood Location #1: 11511 Bob White Rodd, Houston, 77035 Business Income Location #2: 7200 North Loop East, Houston, TX 77028 Building - Only pay in excess of \$1,000,000 Contents - Only pay in excess of \$500,000 Business Income	 \$ 22,696 1,722,476 850,181 203,928	10,494
Western Surety Company 11/18/2023 - 11/18/2024	Notary Errors and Omissions Limit of Liability (125 Notaries)	\$ 20,000	1,446
		Total	
			\$ 2,099,843

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
SCHEDULE OF INSURANCE COVERAGE
For The Year Ended August 31, 2024

Table 18
Page 4 of 4

Surety Company	Scope of Coverage	Expense/Premium
Residential Programs		
Mgmt Company	Non-Profit Housing Corp/Reign Asset Mgt Feb 1, 2024 Moon Shepherd Baker Insurance Agency/Weber Insurance Group May15, 2024 July 1, 2024	
Insurer:		
	Villas at Bayou Park, Inc.	
	Acceptance Indemnity (General Liability):	\$ 14,595
	Effective 7/1/23-7/1/24	
	Weber Insurance	3,300
	Effective 7/1/24-5/15/25	
	Lloyds of London (Property):	
	Effective 5/15/23-5/15/24	
	Weber Insurance 7/1/24-5/15/2025	10,800
	Monthly Installment	
	James River (umbrella):	
	Effective 7/1/23-7/1/24	
	Travelers Casualty (Directors & Officers Liability)	
	Effective 7/6/23-7/1/24	
	Weber Insurance Group exp 7/06/26	1,468
	Annual Premium	30,163
	Acres Homes Garden, Inc.	
	Acceptance Indemnity (General Liability):	\$ 2,882
	Effective 07/01/24-07/01/25	
	Weber Insurance Group	2,749
	Annual Premium	5,630
	Lloyds of London (Property and Cyber Coverage):	
	Effective 05/15/24-05/15/25	8,548
	Weber Insurance Group	
	5/15/24-5/15/25	9,801
	Annual Premium	18,349
	James River Insurance Company (umbrella):	
	Effective 07/01/24-07/01/25	
	Annual Premium	1,785
	Selective Insurance Co of the Southeast - Flood (Bldgs. 1 to 4):	
	Effective 12/01/23 - 12/01/24	
	Annual Premium	27,025
	Pear Grove, Inc.	
	Acceptance Indemnity (General Liability):	\$ 2,882
	Effective 07/01/24-07/01/25	
	Weber Insurance Group 7/1/24-7/1/25	2,749
	Annual Premium	5,631
	Lloyds of London (Property and Cyber Coverage):	7,060
	Effective 05/15/24-05/15/25	
	Weber Insurance Group 5/15/24-5/15/25	9,801
	Annual Premium	
	James River (umbrella):	
	Effective 07/01/24-07/01/25	
	Annual Premium	1,785
	USLI (Director & Officers Liability):	1,260
	Effective 07/01/24-07/01/25	
	Annual Premium	25,537
	Pecan Village, Inc.	
	Acceptance Indemnity (General Liability):	\$ 12,199
	Effective 07/01/24 - 07/01/25	
	Weber Group Insurance	3,483
	Lloyds Of London (Property):	
	Effective 005/15/24 - 05/15/25	
	Weber Group Insurance	11,133
	James River (Umbrella):	
	Effective 07/01/24 - 07/01/25	
	USLI (Directors & Officers Liability):	
	Effective 07/01/24 - 07/01/25	
	Weber Group Insurance	1,410
	Selective Insurance Co of the Southeast - Flood (Bldgs. 1 to 4):	
	Effective 12/01/23 - 12/1/24	
	Annual Premium	28,225
	Total Estimated Premium:	\$ 110,950



Transforming Lives

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

Table 19

SCHEDULE OF BOND COVERAGE

For The Year Ended August 31, 2024

Surety Company	Scope of Coverage	Amount
Great American Insurance Co. 9/1/2023 - 9/1/2024	Commercial Crime Policy:	
	Employee Dishonesty Per Occurrence Limit	\$ 1,000,000
	Deductible Per Occurrence	15,000
	Forgery or Alteration	500,000
	Deductible Per Occurrence	5,000
	Inside Premises	100,000
	Deductible Per Occurrence	5,000
	Outside Premises	100,000
	Deductible Per Occurrence	5,000
	Computer Hacking	500,000
	Deductible Per Occurrence	5,000
	Money Orders and Counterfeit Paper Cash	1,000,000
	Deductible Per Occurrence	15,000
	Funds Transfer Fraud	500,000
Deductible Per Occurrence	5,000	
Texas Council Risk Management Fund 9/1/2023 - 9/1/2024	Commercial Crime Coverage:	
	Public Employee Dishonesty	\$ 10,000
	Theft Disappearance & Destruction	5,000
	Forgery or Alteration	5,000
	Employee Theft of Client Property	5,000
	Computer & Transfer Fraud	5,000
Deductible	1,000	
Lloyds of London 5/8/23 - 5/8/24	Cyber Liability:	
	Policy Aggregate Limit of Liability	\$ 5,000,000
	Privacy and Security Liability and Regulatory Claims	5,000,000
	Breach Response	5,000,000
	PCI DSS Assessments	5,000,000
	PCI Recertification Expenses	100,000
	Cyber Extortion	5,000,000
	Business Income Loss	5,000,000
	Digital Asset Restoration	5,000,000
	Multimedia Liability	5,000,000
	Cyber Crime Loss	250,000
	Invoice Manipulation	250,000
	System Hijacking	250,000
	Supplemental Coverages:	
	Post Breach Remedial Consulting	100 Hours
	Reputational Harm	5,000,000
	Claims Preparation Costs	50,000
	Court Attendance Costs	2,500
	Criminal Reward Payments	50,000
	Retentions:	
	Breach Response Services	100,000
	All Other Coverages	100,000
Waiting Period (Business Income Loss)	10 Hours	
CNA Western Surety Company 11/18/2022 - 11/18/2023	Notary Errors and Omissions:	
	Limit of Liability (123 Notaries)	\$ 20,000

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
SCHEDULE OF PROFESSIONAL AND CONSULTING FEES AND
CONTRACTED PROVIDER SERVICES
For The Year Ended August 31, 2024

Table 20
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<u>Name</u>	<u>City</u>	<u>Service</u>	<u>Amount</u>
ALEXANDER G. LINARES	HOUSTON, TX	CONTRACTS - PHYSICIAN SVCS	\$ 1,000
ALVIN PARKER	HOUSTON, TX	CONTRACTS - RESPITE	1,110
AMBUR L. COPELAND	HOUSTON, TX	CONTRACTS - RESPITE	8,438
AMY G ROVIRA	HOUSTON, TX	CONTRACT LABOR - COMM. AMBASSA	2,400
ANGEL R COCHE	HOUSTON, TX	CONTRACTS - RESPITE/SUPP HOME LIVING	22,681
ANGELINA H. RODRIGUEZ DBA/	BELLAIRE, TX	CONTRACTS - YES WAIVER SVCS	37,481
ANNIE VU	HOUSTON, TX	CONTRACTS - RESPITE/SUPP HOME LIVING	18,328
ARAMARK CORRECTIONAL SERVICES, LLC	PHILADELPHIA, PA	CONTRACTS - NUTRITION	519,149
ARMANDO CABRAL	HOUSTON, TX	CONTRACTS - RESPITE/SUPP HOME LIVING	17,319
ASHLEIGH SIMMONS	HOUSTON, TX	CONTRACT LABOR - APPRENTICESHI	1,650
ASHLEY WHITLEY	MISSOURI CITY	CONTRACTS - MHFA TRAINERS	900
BAYLOR COLLEGE of MEDICINE	HOUSTON, TX	CONTRACT LABOR-RESIDENCY PROG/EKG/ PHYSICIAN S'	317,373
BEHAVIORAL HEALTH INDUSTRY N.	GETTYSBURG, PA	CONSULTANT	56,163
BUTTON'S INVENTORY SERVICE INC	RICHMOND, TX	CONTRACTS - PHYSICAL INVENTORY	18,137
CALIFFA WATKINS	HOUSTON, TX	CONTRACTS - SUPP HOME LIVING	293
CAROLE WARD	HOUSTON, TX	CONTRACTS - SUPP HOME LIVING	7,187
CASEY D. BROADY	KATY, TX	CONTRACT LABOR - APPRENTICESHI	2,260
CC ASSESSMENT SERVICES. INC.	HOUSTON, TX	CONTRACT LABOR - PSYCH - LOCUM	136,300
CENTER FOR PURSUIT	HOUSTON, TX	CONTRACTS - RESIDENTIAL/SUPP EMPLOYMENT	56,052
CENTRE TECHNOLOGIES, INC.	HOUSTON, TX	CONSULTANT	185,391
CHRISTOPHER RAY BELL	HOUSTON, TX	CONTRACT LABOR - APPRENTICESHI	720
CLARISSA FAYE SMITH	HOUSTON, TX	CONTRACTS - SUPP HOME LIVING	1,130
COALITION FOR THE HOMELESS OF	HOUSTON, TX	CONTRACTS - ADVISORY/COALITION	10,469
CORA SMITH	HOUSTON, TX	CONTRACTS - SUPP HOME LIVING	801
CORNERSTONE FAMILY RESOURCE CENTER	PEARLAND, TX	CONTRACTS - RESPITE/YES WAIVER SVCS	4,882
CREATIVE FINANCIAL STAFFING LLC	CHICAGO, IL	CONTRACT LABOR - CLERICAL	230,807
CRISTEN D. FELDMAN	HOUSTON, TX	LEGAL FEES	20,950
CTRL DELIVERY & TRANSPORTATION	HOUSTON, TX	CONTRACTS - TRANSPORTATION	1,020
DATA SHREDDING SERVICES OF TEX	HOUSTON, TX	CONTRACTS - DOCUMENT DESTRUCT	15,328
DBA/TEXAS TELEPSYCHIATRY SOLUTIONS PLLC	HOUSTON, TX	CONTRACT LABOR - PSYCH - LOCUM	148,000
DENTAL CARE 2000	HOUSTON, TX	CONTRACTS - PHYSICIAN SVCS	201
DON'ANGELO GENE BIVENS	ATLANTA, GA	CONSULTANT	34,000
DR. C.C TREJO, PA	HOUSTON, TX	CONTRACTS - PHYSICIAN SVCS	1,000
EASTER SEALS OF GREATER	HOUSTON, TX	CONTRACTS - RESPITE	2,520,917
EDDIE CAROUTHERS	HOUSTON, TX	CONTRACT LABOR - APPRENTICESHI	1,890
EILEEN LAM	HOUSTON, TX	CONTRACT LABOR - APPRENTICESHI	880
ELLEN B. KAGEN	ANNAPOLIS, MD	CONSULTANT	17,715
ELSA LOZANO-TELLO	HOUSTON, TX	CONTRACTS - RESPITE/SUPP HOME LIVING	16,557
EMPOWER PARENT, INC.	ATLANTA, GA	CONSULTANT	100,000
EPLUS TECHNOLOGY, INC.	HERNDON, VA	CONSULTANT	40,000
EUGENIA YU LIANG	HOUSTON, TX	CONTRACT LABOR - APPRENTICESHI	1,800
FAMILY TO FAMILY NETWORK	HOUSTON, TX	CONSULTANT	4,500
FMLASOURCE INC.	CHICAGO, IL	CONTRACTS - BENEFITS ADMIN	44,470
FOUNDATION FOR COGNITIVE THERAPY AND RESEARCH	BALA CYNWYD, PA	CONSULTANT	141,900
GARY REYNOLDS	HOUSTON, TX	CONTRACT LABOR - APPRENTICESHI	1,485
GERMAIN & CO., INC.	DAYTON, TX	CONSULTANT	11,202

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
SCHEDULE OF PROFESSIONAL AND CONSULTING FEES AND
CONTRACTED PROVIDER SERVICES
For The Year Ended August 31, 2024

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<u>Name</u>	<u>City</u>	<u>Service</u>	<u>Amount</u>
GLOBO HOLDINGS I LLC	WYNCOTE, PA	CONTRACTS - INTERPRETING SVCS	\$ 12,929
HANEEF ABDULLAH	HOUSTON, TX	CONTRACTS - RESPITE	4,413
HARRIS COUNTY HOSPITAL DISTRIC	HOUSTON, TX	CONTRACTS - HCHD MTCE (CPEP)/NUTRITION	684,057
HEALING SPECIES OF TEXAS	MONTGOMERY, TX	CONSULTANT	25,000
HEALTH MANAGEMENT ASSOCIATES, INC.	LANSING, MI	CONSULTANT	30,793
HEALTH STREET LLC	HOUSTON, TX	CONTRACTS - PROVIDER TRAINING	450
HENRIETTA UDUNENWU DBA/ CITRUS	RICHMOND, TX	CONTRACTS - YES WAIVER SVCS	27,563
HOLLAND & KNIGHT LLP	ATLANTA, GA	LEGAL FEES	3,600
HUAN BUI	HOUSTON, TX	CONTRACTS - RESPITE/SUPP HOME LIVING	11,093
J. TAYLOR & ASSOCIATES, LLC	FORT WORTH	CONSULTANT	27,730
JAMES ELLIS JR	KINGWOOD, TX	CONTRACT LABOR - COMM. AMBASSA	2,400
JASMIN TAYLOR	HOUSTON, TX	CONTRACT LABOR - APPRENTICESHI	1,240
JEROME FLANAGAN	HOUSTON, TX	CONTRACTS - YES WAIVER SVCS	29,330
JOHN F JACK JR	FRIENDSWOOD, TX	CONTRACTS - YES WAIVER SVCS	11,129
JONATHAN CABRERA	HOUSTON, TX	CONTRACT LABOR - APPRENTICESHI	1,800
JOSEFA YANEZ HERNANDEZ	HOUSTON, TX	CONTRACTS - RESPITE/SUPP HOME LIVING	17,270
JWS HEALTH CONSULTANTS INC	HOUSTON, TX	CONTRACT LABOR - NURSES	57,949
KARIME SEMINE	HOUSTON, TX	CONTRACTS - PHYSICIAN SVCS	580
KATHRYN Y GAMBINO	ANGLENTON, TX	CONTRACTS - YES WAIVER SVCS	2,497
KATHY NORRIS HALL LLC	HOUSTON, TX	CONSULTANT	10,205
KATIA RUBI LEMUS	HOUSTON, TX	CONTRACTS - RESPITE/SUPP HOME LIVING	21,742
KENNEDY SEWEL JOHNSON	HOUSTON, TX	CONTRACT LABOR - APPRENTICESHI	3,980
KINEEQUA AUSTIN	HOUSTON, TX	CONTRACT LABOR - APPRENTICESHI	1,390
KIONA WESTMORELAND	HOUSTON, TX	CONTRACT LABOR - APPRENTICESHI	880
LANGRAND AND COMPANY LLC	HOUSTON, TX	CONSULTANT	182,378
LANGUAGE LINE SERVICES, INC.	MONTEREY, CA	CONTRACTS - INTERPRETING SVCS	111,038
LEAFHOUSE FINANCIAL ADVISORS, LLC	AUSTIN, TX	FIDUCIARY FEES	46,000
LICE CARE SOLUTIONS LLC	HOUSTON, TX	CONTRACTS - COMMUNITY SUPPORTS	1,212
LIVINGWORKS EDUCATION USA INC.	FAYETTEVILLE, NC	CONSULTANT	48,000
LORAIN EAST	HOUSTON, TX	CONTRACTS - SUPP HOME LIVING	14,251
MARIA CERVANTES	HOUSTON, TX	CONTRACTS - RESPITE/SUPP HOME LIVING	18,837
MARIA TORRES	HOUSTON, TX	CONTRACTS - SUPP HOME LIVING	4,014
MASTERWORD SERVICES INC	HOUSTON, TX	CONTRACTS - INTERPRETING SVCS	16,707
MAXIM HEALTHCARE SERVICES HOLDINGS, INC	COLUMBIA, MD	CONTRACT LABOR - NURSES	58,741
MEDICAL PRACTICE CONSULTANTS,	OKLAHOMA CITY	CONSULTANT	46,144
MEGAN JOSEPH	HOUSTON, TX	CONTRACTS - YES WAIVER SVCS	4,414
MEMORIAL HERMAN HOSPITAL SYSTE	HOUSTON, TX	CONTRACTS - EMPLOYEE SCREENING	58
MENTAL HEALTH AMERICA OF	HOUSTON, TX	CONTRACTS - COMMUNITY SUPPORTS	66,191
MICHAEL GRAHAM	TOMBALL, TX	CONTRACT LABOR - APPRENTICESHI	440
MICHELLE SALAZAR-MARTINEZ	HOUSTON, TX	CONSULTANT	1,375
MODERN PSYCHOLOGICAL & ALLIED	HOUSTON, TX	CONTRACT LABOR - PSYCH - LOCUM	19,000
MOMENTUM BEHAVIORAL HEALTH	HOUSTON, TX	CONTRACTS - YES WAIVER SVCS	2,800
NAMI GREATER HOUSTON, TX	HOUSTON, TX	CONSULTANT	38,721
NETTIE MARIE MUHAMMAD	HOUSTON, TX	CONTRACTS - YES WAIVER SVCS	5,093
NIGHTINGALE INTERPRETING	SUGARLAND, TX	CONTRACTS - INTERPRETING SVCS	54,725
NIXON HOME CARE, INC.	HOUSTON, TX	CONTRACTS - SITE BASED HAB	5,333

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
SCHEDULE OF PROFESSIONAL AND CONSULTING FEES AND
CONTRACTED PROVIDER SERVICES
For The Year Ended August 31, 2024

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<u>Name</u>	<u>City</u>	<u>Service</u>	<u>Amount</u>
NLUC PLLC	HOUSTON, TX	CONTRACT LABOR - APPRENTICES/EMPLOYEE SCREENING	\$ 3,285
NORTON ROSE FULBRIGHT US LLP	HOUSTON, TX	LEGAL FEES	33,820
OCCUPATIONAL HEALTH CENTERS SW	ADDISON, TX	CONTRACTS - EMPLOYEE SCREENING	30
P. MORGAN & ASSOCIATES DENTAL OFFICE P.C	HOUSTON, TX	CONTRACTS - PHYSICIAN SVCS	1,000
P-APPRENTICESHIP PROGRAM	HOUSTON, TX	CONTRACT LABOR - APPRENTICESHI	200
PATRICIA NICOLE JONCYK DBA/	SPRING, TX	CONTRACTS - YES WAIVER SVCS	24,390
PEOPLES UNITED SUMMIT	HOUSTON, TX	CONSULTANT	30,000
PHACTORY CONSULTING, LLC	HOUSTON, TX	CONSULTANT	2,215
PRECHECK, INC.	HOUSTON, TX	CONTRACTS - PRE-EMPLOY TESTING	85,852
PROSUMERS	SAN ANTONIO, TX	CONSULTANT	17,308
RAMY BASAM ELSHAFY	HOUSTON, TX	CONTRACT LABOR - APPRENTICESHI	2,000
RANDSTAD NORTH AMERICA, INC.	DALLAS, TX	CONSULTANT	229,688
REACH UNLIMITED, INC.	CYPRESS, TX	CONTRACTS - SITE BASED HAB	8,999
RECESSABILITY, INC.	SPRING, TX	CONTRACTS - YES WAIVER SVCS	10,745
ROGERS, MORRIS & GROVER, LLP	HOUSTON, TX	LEGAL FEES	35,865
ROKEIYA ADAMS	PEARLAND, TX	CONTRACTS - YES WAIVER SVCS	102,167
RUBICONMD, INC	PALATINE, IL	CONSULTANT	9,193
RYAN GREENE DBA/COMPELLING	BELLAIRE, TX	CONTRACTS - YES WAIVER SVCS	46,503
SAINT THOMAS HEALTH	NASHVILLE, TN	CONSULTANT	30,000
SET SOLUTIONS, INC.	HOUSTON, TX	CONSULTANT	33,660
SOUTHWESTERN MUSIC THERAPY LLC	PLANO, TX	CONTRACTS - YES WAIVER SVCS	3,349
SPALDING NICHOLS LAMP LANGLOIS	LUFKIN, TX	LEGAL FEES	21,852
STACIE PARKER	HOUSTON, TX	CONTRACTS - SUPP HOME LIVING	5,120
STEPHANIE BUI	CYPRESS, TX	CONTRACTS - SUPP HOME LIVING	6,348
STEPHEN LINCOLN	HOUSTON, TX	CONTRACT LABOR - APPRENTICESHI	2,080
STERICYCLE, INC.	LAKE FOREST	CONTRACTS - HAZARDOUS WASTE	6,120
STEVEN YOUNG	HOUSTON, TX	CONTRACT LABOR - APPRENTICESHI	3,415
STRATEGIC CONTACT, INC.	BEAVERTON, OR	CONSULTANT	56,900
SUSAN J. FORDICE	CYPRESS, TX	CONSULTANT	22,500
SVANACO	DES PLAINES, IL	CONSULTANT	92,750
TAMMIE BOGANY	HUMBLE, TX	CONTRACTS - SUPP HOME LIVING	11,451
TC PRACTICE MANAGEMENT, LLC	HOUSTON, TX	CONTRACTS - MEDICATION SVCS	45,229
TEQUILLA JANE WILSON	HOUSTON, TX	CONTRACTS - YES WAIVER SVCS	118,653
TEXAS DEPARTMENT OF PUBLIC	AUSTIN, TX	CONTRACTS - PRE-EMPLOY TESTING	18,042
TEXAS MEDICAL CENTER HOSPITAL	HOUSTON, TX	CONTRACTS - LINEN SVCS	74,454
TEXAS SECRETARY OF STATE	AUSTIN, TX	LEGAL FEES	118
TEXAS SUICIDE PREVENTION	AUSTIN, TX	CONSULTANT	22,500
TEXAS TEXTILE SERVICE, LTD.	HOUSTON, TX	CONTRACTS - LINEN SVCS	42,100
TEXAS WEST OAKS HOSPITAL	HOUSTON, TX	CONTRACTS - PP BEDS WEST OAKS	2,351,236
TEXAS WORKFORCE COMMISSION	AUSTIN, TX	CONTRACT LABOR - RECENTER STAF	4,395
THE ARC of HARRIS COUNTY	HOUSTON, TX	CONTRACTS - THE ARC	169,413
THE BURNETT COMPANIES CONSOLIDATED, INC.	HOUSTON, TX	CONTRACT LABOR - CLERICAL	23,414
THE COUNCIL ON RECOVERY	HOUSTON, TX	CONTRACTS - SUBSTNC ABUSE OSAR	744,570
THE MCMILLAN BARLOW GROUP, LLC	FORT COLLINS	CONSULTANT	8,000
THE MEN'S CENTER, INC.	HOUSTON, TX	CONTRACT LABOR - RECENTER STAF	90,449
THE RESERVES NETWORK, INC.	FAIRVIEW PARK, OH	CONTRACT LABOR - CLERICAL	54,063

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
SCHEDULE OF PROFESSIONAL AND CONSULTING FEES AND
CONTRACTED PROVIDER SERVICES
For The Year Ended August 31, 2024

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<u>Name</u>	<u>City</u>	<u>Service</u>	<u>Amount</u>
		CONTRACT LABOR-RESIDENCY	
THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER	HOUSTON, TX	PROG/CONSULTANT	\$ 250,233
THE WARRING GROUP	MISSOURI CITY, TX	CONSULTANT	45,600
THERAPEUTIC REMEDIES, LLC	HOUSTON, TX	CONTRACTS - YES WAIVER SVCS	93,622
THOMAS H MANN	HOUSTON, TX	CONTRACTS - NEURO PSYCH EVALS	4,124
TRANSLATION & INTERPRETATION NETWORK, LLC	FORT WORTH	CONTRACTS - INTERPRETING SVCS	20,494
UNIVERSE TECHNICAL TRANSLATION INC.	HOUSTON, TX	CONTRACTS - INTERPRETING SVCS	159,726
UNIVERSITY OF HOUSTON, TX	HOUSTON, TX	CONTRACTS - COMMUNITY SUPPORTS/PHYSICIAN SVCS/CONSULTANT	703,366
UT HEALTH SCIENCE CENTER AT HO	HOUSTON, TX	CONTRACTS - CIVIL BEDS I, II, CIVIL COM - HCPC, PSYCH BEDS ICRP 23 B	44,481,330
VACO LLC dba PIVOT POINT CONSULTING	BRENTWOOD	CONSULTANT	349,797
VCS PARTNERS LLC	HOUSTON, TX	CONSULTANT	142,076
VISUAL LANGUAGE PROFESSIONAL,L	HOUSTON, TX	CONTRACTS - INTERPRETING SVCS	48,480
WEX HEALTH, INC.	FARGO, ND	CONTRACTS - BENEFITS ADMIN	63,287
WHITLEY PENN LLP	FORT WORTH, TX	ANNUAL AUDIT	76,273
X-RAY MOBILE TEXAS, INC.	SUGARLAND, TX	CONTRACTS - XRAY SVCS	10,400
YOUR PART-TIME CONTROLLER, LLC	PHILADELPHIA, PA	CONTRACT LABOR - CLERICAL	143,771

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
SCHEDULE OF LEGAL SERVICES
For The Year Ended August 31, 2024

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Name	City	Type of Service	Amount
Holland & Knight LLP	Houston, TX	Employment	\$ 3,600
Norton, Rose, Fullbright, U.S. LLP	Dallas, TX	Employee Benefits	33,820
Rogers, Morris & Grover LLP	Houston, TX	General Representation	33,865
Spalding Nichols Lamp Langlois	Houston, TX	General Representation	21,852
The Feldman Firm, P.C.	Houston, TX	General Representation	20,950
Texas Secretary of State	Austin, TX	General Representation	131

FEDERAL AND STATE AWARDS



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

To the Board of Trustees
The Harris Center for Mental Health and IDD

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of The Harris Center for Mental Health and IDD (the “Center”), as of and for the years ended August 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Center’s basic financial statements, and have issued our report thereon dated January 28, 2025. Our report includes a reference to other auditors who audited the financial statements of Pasadena Cottages, Pecan Village Apartments, Villas at Bayou Park Apartments, Pear Grove Apartments, and Acres Homes Gardens Apartments, as described in our report on the Center’s financial statements. This report does not include the results of the other auditor’s testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Center’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Center’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Center’s internal control.

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

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

To the Board of Trustees
The Harris Center for Mental Health and IDD

Report on Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, professional style.

Houston, Texas
January 28, 2025

INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE *TEXAS GRANT MANAGEMENT STANDARDS*

To the Board of Trustees
The Harris Center for Mental Health and IDD

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Program

We have audited The Harris Center for Mental Health and IDD’s (the “Center”) compliance with the types of compliance requirements identified as subject to audit in the *U.S. Office of Management and Budget (OMB) Compliance Supplement*, the Texas Health and Human Services Commission’s *Guidelines for Annual Financial and Compliance Audits of Community Mental Health and Mental Retardation Centers (21st Revision)* and the *Texas Grant Management Standards (TxGMS)* that could have a direct and material effect on each of the Center’s major federal and state programs for the year ended August 31, 2024. The Center’s major federal and state programs are identified in the summary of auditor’s results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Center complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended August 31, 2024.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *TxGMS*. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Center and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the Center’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Center’s federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Center's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the TxGMS will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Center's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the TxGMS we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Center's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Center's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the TxGMS, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a 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 or state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

To the Board of Trustees
The Harris Center for Mental Health and IDD

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *Uniform Guidance*, the Texas Health and Human Services Commission’s *Guidelines for Annual Financial and Compliance Audits of Community Mental Health and Mental Retardation Centers (21st Revision)* and the *Texas Grant Management Standards*. Accordingly, this report is not suitable for any other purpose.

Handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, professional style.

Houston, Texas
January 28, 2025



Transforming Lives

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended August 31, 2024

I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness (es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness (es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Type of auditors' report issued on compliance with major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a) ?	No

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>Assistance Listing Number (ALN)</u>
U.S. Department of Health and Human Services	
<i>Substance Abuse Prevention & Treatment Block Grant - Various Programs</i>	93.959
<i>Medicaid Cluster</i>	93.778
U.S. Department of Treasury	
<i>Coronavirus State and Local Fiscal Recovery Funds - Various Programs</i>	21.027
<i>Community wide COVID Housing Program (COVID-19)</i>	21.023
U.S. Department of Education	
<i>Early Childhood Intervention - IDEA-C</i>	84.181
Dollar Threshold Considered Between Type A and Type B Federal Programs	\$1,796,307
Auditee qualified as low risk auditee?	Yes

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
For the Year Ended August 31, 2024

State Awards

Internal control over major programs:

Material weakness (es) identified? No

Significant deficiencies identified that are not considered to be material weaknesses? None reported

Type of auditors' report issued on compliance with major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Texas *Grant Management Standards* ? No

Identification of major programs:

Name of State Program State Grant Number(s)

Texas Health and Human Services Commission:

General Revenue - Mental Health	HHS001324500036
General Revenue - Psychiatric Hospitals	HHS001324500036
General Revenue - Harris County Psychiatric Intervention	HHS001324500036
General Revenue - Intellectual or Developmental Disabilities	HHS001333300036
General Revenue - Intellectual or Developmental Disabilities Admin	HHS001333300036
General Revenue - Permanency Planning	HHS001333300036
Health Community Collaborative	HHS000559400001
Harris County Jail Diversion	HHS001344200001
Early Childhood Intervention	HHS000640200031

Dollar Threshold Considered Between Type A and Type B State Programs \$3,000,000

Auditee qualified as low risk auditee? Yes

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
For the Year Ended August 31, 2024

Section II - Financial Statement Findings

The audit disclosed no findings to be reported.

Section III - Federal and State Award Findings and Questioned Costs

The audit disclosed no findings to be reported.

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended August 31, 2024

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture			
Passed-through the Texas Health and Human Services Commission:			
SNAP Nutrition	10.561	HHS000640200031	\$ 141,092
Total SNAP Cluster (ALN 10.561)			<u>141,092</u>
Total U.S. Department of Agriculture			<u>141,092</u>
U.S. Department of Housing and Urban Development			
Passed through the Harris County:			
Community Development Block Grants/Entitlement Grants			
Community wide COVID Houston Program (COVID-19)	14.218	SLFRP1966 (FAIN)	427,031
Total CDBG Entitlement Grants Cluster (ALN 14.218)			<u>427,031</u>
Total U.S. Department of Housing and Urban Development			<u>427,031</u>
U.S. Department of the Treasury			
Direct Programs:			
ECI ARPA (COVID-19)	21.027	HHS000994800001	197,064
IDD Eligibility ARPA (COVID-19)	21.027	HHS001444000001	230,503
Passed-through the City of Houston:			
Clinician Officer Remote Evaluation (CORE) (COVID-19)	21.027	2022-0263	811,179
Mobile Crisis Outreach Team-Rapid Response (MCOT-RR) (COVID-19)	21.027	2022-0410	3,903,743
Crisis Intervention Response Team Program (CIRT) (COVID-19)	21.027	2022-0262	405,824
ARPA COH - Crisis Call Diversion (CCD) expansion (COVID-19)	21.027	2022-0271	232,678
Passed-through Harris County:			
Community Initiated Care (COVID-19)	21.027	SLFRP1966 (FAIN)	1,673,530
Responsive Interventions Services & Engagement			
Program (RISE) (COVID-19)	21.027	SLFRP1966 (FAIN)	282,895
INSPIRE (COVID-19)	21.027	SLFRP1966 (FAIN)	5,172
Recenter (COVID-19)	21.027	SLFRP1966 (FAIN)	387,181
ECI Responsive Intervention Services & Engagement			
Program (RISE) COVID-19)	21.027	SLFRP1966 (FAIN)	21,830
Passed-through the Texas Health and Human Services Commission:			
Jail Based Competency Restoration ARPA - (COVID-19)	21.027	HHS000789300001	360,840
Youth Diversion Center ARPA (COVID-19)	21.027	SLFRP1966 (FAIN)	2,745,386
Passed-through Texas Parks and Wildlife Department:			
Y & F Wellness Centre (COVID-19)	21.027	2021-CS-21207 (FAIN)	2,197,408
Passed-through The Network of Behavioral Health Providers:			
Clinical Advancement Program (COVID-19)	21.027	SLFRP1966 (FAIN)	108,725
Total ALN 21.027			<u>13,563,958</u>
Passed-through the Texas Health and Human Services Commission:			
Community wide COVID Housing Program (COVID-19)	21.023	2023-0284	1,351,110
Total U.S. Department of the Treasury			<u>14,915,068</u>

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended August 31, 2024

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education			
Passed-through the Texas Health and Human Services Commission:			
Early Childhood Intervention - IDEA-B	84.027	HHS000640200031	\$ 112,320
Total Special Education Cluster (ALN 84.027)			<u>112,320</u>
Early Childhood Intervention - IDEA-C	84.181	HHS000640200031	1,723,978
ECI Personal Development	84.325	HHS000640200031	15,286
Total U.S. Department of Education			<u>1,851,584</u>
U.S. Department of Health and Human Services:			
Passed-through the Texas Health and Human Services Commission:			
Every Student Succeeds Act/Preschool Development Grants	93.434	HHS000640200031	73,287
Mental Health Block Homeless PATH Grant	93.150	HHS000231500013	1,087,917
TANF Transfer to Title XX Block Grant	93.558	HHS001324500036	1,386,984
Early Childhood Intervention	93.558	HHS000640200031	196,911
Total ALN 93.558			<u>1,583,895</u>
Social Services Block Grant (Title XX)	93.667	HHS001324500036	580,417
Opioid Response Program	93.788	HHS001324500036	99,571
Substance Abuse Outreach Screen Assessment Referral	93.788	HHS000782500006	777,603
Total ALN 93.788			<u>877,174</u>
Medicaid Administrative Claiming Program	93.778	2205TX5MAP	12,939,975
ECI Administrative Claiming Program	93.778	2205TX5MAP	550,668
Total Medicaid Cluster (ALN 93.778)			<u>13,490,643</u>
Enhanced Community Coordination	93.791	HHS000994800001	527,585
Substance Abuse Prevention & Treatment Abuse Community Health Workers	93.959	HHS000780700004	949,604
Substance Use Disorder Treatment-Treatment for Adult	93.959	HHS001040100008	134,162
Substance Use Disorder Treatment-Treatment for Female	93.959	HHS001040100021	4,706
Substance Abuse Prevention & Treatment Block Grant (COVID-19)	93.959	HHS000782500006	176,852
Supplemental Grant Program (HR133 ARPA) - Substance Use Services (COVID-19)	93.959	HHS001108400036	1,100,758
Total ALN 93.959			<u>2,366,082</u>
Disaster Assistance - FEMA-DR-4485-TX*	93.982	HHS000434500026	203,635
Mental Health Block Grant	93.958	HHS001324500036	3,081,806
Mental Health Block Grant - Supp Housing	93.958	HHS001324500036	381,328
Mental Health Block Grant (CSC)	93.958	HHS001329300020	1,086,426
Outpatient Capacity Expansion (OCE)☒	93.958	HHS001108400036	3,946,739
Housing Complex Supplement	93.958	HHS001108400036	663,573
Hospital to Home Expansion	93.958	HHS001108400036	840,746
Navigation Center	93.958	HHS001108400036	531,661
Crisis Hotline and MCOT	93.958	HHS001108400036	276,591
Community Psychiatric Residency Grant Program	93.958	HHS001351200001	247,676
HR133 ARPA Mental Health Services (COVID-19)	93.958	HHS001108400036	117,253
Hospital Transition Pilot (Stepdown)	93.958	HHS000866900003	1,823,863
Mental Health Suicide Care Pilot Project (ZEST)	93.958	HHS000505700001	354,554
General Revenue-Mental Health First Aid	93.958	HHS001335500036	82,800
Total ALN 93.958			<u>13,435,016</u>
Passed-through the University of Texas Health Science Center at San Antonio:			
TxMOUD Triage Line Services*	93.982	HHS000843300001	189,730
Total ALN 93.982			<u>393,365</u>
Be Well Be Connected Program	93.243	HHS000790600002	22,500

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended August 31, 2024

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Health and Human Services: (continued)			
Direct Programs:			
<i>Lifeline - 988 Planning</i>	93.243	HHS000790600002	\$ 678,563
Passed-through the Texas Health and Human Services Commission:			
<i>Lifeline</i>	93.243	HHS000790600002	5,146,682
Passed-through Harris County:			
<i>Advancing Wellness & Resiliency in Education (AWARE)</i>	93.243	23GEN3269	96,489
Passed-through the Substance Abuse and Mental Health Services Administration:			
<i>Early Onset</i>	93.243	H79SM086120	224,760
<i>Promoting Integration of Primary and Behavioral Health Care</i>	93.243	HHS001462500004	367,015
Direct Program:			
<i>Living is for Everyone (LIFE)</i>	93.243	1H79SM088405-01	165,951
<i>Total ALN 93.243</i>			<u>6,701,960</u>
Passed-through Baylor College of Medicine:			
<i>Behavioral Therapy for Youth with Autism and Anxiety</i>	93.242	7R34MH128439-03	14,084
Passed-through the Substance Abuse and Mental Health			
<i>Certified Community Behavioral Health Clinics Expansion</i>	93.696	1H79SM088953-01	763,820
<i>Assisted Outpatient Treatment</i>	93.997	1H79SM082923-01	596,220
Total U.S. Department of Health and Human Services			<u><u>42,491,465</u></u>
U.S. Department of Homeland Security:			
Passed-through the Texas Division of Emergency Management:			
<i>Hurricane Ike Public Assistance</i>	97.036	none	50,655
Total U.S. Department of Homeland Security			<u><u>50,655</u></u>
Total Expenditures of Federal Awards			<u><u>\$ 59,876,895</u></u>

* Part of ALN 93.982 total

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended August 31, 2024

State Grantor/Program Title	Contract number	State Expenditures
Texas Health and Human Services Commission:		
Direct Programs:		
General Revenue - Mental Health	HHS001324500036	\$ 76,136,936
General Revenue - Harris County Psychiatric Intervention	HHS001324500036	265,835
General Revenue - Psychiatric Hospitals	HHS001324500036	41,336,028
<i>Total Contract number HHS001324500036</i>		<u>117,738,799</u>
General Revenue -Nursing Facility Specialized Services	HHS000994800001	4,286
General Revenue - Crisis Respite Services	HHS000994800001	1,162,547
General Revenue - Crisis Intervention Specialist	HHS000994800001	416,221
<i>Total Contract number HHS000994800001</i>		<u>1,583,054</u>
<i>General Revenue - HCBS Pre Engagement</i>	HHS001326200035	3,273
<i>General Revenue - Mental Health Psychiatric Residency</i>	HHS001023400001	325,564
General Revenue - Intellectual or Developmental Disabilities	HHS001333300036	8,025,533
General Revenue - Intellectual or Developmental Disabilities Admin	HHS001333300036	891,726
General Revenue - Permanency Planning	HHS001333300036	132,715
<i>Total Contract number HHS001333300036</i>		<u>9,049,974</u>
SG Jail Based Comp Restoration Pilot	HHS000789300001	1,908,635
House Bill 13	HHS000477100041	340,032
Health Community Collaborative	HHS000559400001	5,913,137
MH Outpatient services for IDD	HHS000776900005	300,000
General Revenue - Mental Health First Aid	HHS001335500036	125,246
Early Childhood Intervention	HHS000640200031	3,639,507
Multisystemic Therapy Grant Program	HHS001285300015	190,236
IDD Tablet Program	HHS001367600001	65,947
Total Direct Programs		<u>141,183,404</u>
Passed through Baylor College of Medicine:		
Be Well Be TX Child Mental Healthcare Consortium (TCMHCC)	HHS001351200001	153,270
CPWE	2024-054	174,677
<i>Total Passed through Baylor College of Medicine</i>		<u>327,947</u>
Passed through Harris County:		
Harris County Jail Diversion	HHS001344200001	5,000,000
Community Mental Health	HHS000477100004	1,731,479
<i>Total Passed through Harris County</i>		<u>6,731,479</u>
Total Texas Health and Human Services Commission		<u>148,242,830</u>
Texas Department of Criminal Justice:		
Direct Programs:		
Parole - MH Offenders Program	696-TC-18-19-L026	266,500
Substance Abuse - MH Offenders Program	696-TC-18-19-L026	216,667
<i>Total Contract number 696-TC-18-19-L026</i>		<u>483,167</u>
Total Direct Programs		<u>483,167</u>
Total Texas Department of Criminal Justice		<u>483,167</u>
Texas Workforce Commission		
Direct program:		
Vocational Rehabilitation	3022VRS226	3,675
Total Texas Workforce Commission		<u>3,675</u>
Total Expenditures of State Awards		<u>148,729,672</u>
Total Expenditures of Federal and State Awards		<u>\$ 208,606,567</u>



THE HARRIS CENTER FOR MENTAL HEALTH AND IDD
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended August 31, 2024

Note 1 - General

The Schedule of Expenditures of Federal and State Awards presents the activity of all applicable state and federal awards of The Harris Center for Mental Health and IDD (the “Center”) for the year ended August 31, 2024. The Center's reporting entity is defined in Note 1 of the basic financial statements. Federal and state financial awards received directly from federal and state agencies, as well as federal financial awards passed through other governmental agencies, are included on the Schedule of Expenditures of Federal and State Awards.

Note 2 - Basis of Accounting

The Schedule of Expenditures of Federal and State Awards is prepared using the modified accrual basis of accounting. The modified accrual basis of accounting is described in Note 1 of the basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and *the Texas Grant Management Standards*. Therefore, some of the amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Note 3 - State Financial Assistance Guidelines

State financial assistance is subject to the Texas Health and Human Services Commission’s *Guidelines for Annual Financial and Compliance Audits of Community Mental Health and Mental Retardation Centers (21st Revision)*. Such guidelines are consistent with those required under the *Uniform Guidance* and *the Texas Grant Management Standards*.

Note 4 - Indirect Costs

The Center has elected to use the 10% de minimis indirect cost rate as allowed in the *Uniform Guidance*.

Note 5 - Reconciliation of federal and state revenues and the Schedule of Expenditures of Federal and State Awards

The following is a reconciliation of federal and state grant expenditures reported on the Schedule of Expenditures of Federal and State Awards to the federal and state revenues reported in the basic financial statements for the year ended August 31, 2024:

State revenues per the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 151,910,634
Less: Texas Correctional Office on Offenders with Medical or Mental Impairments (TCOOMI) program	<u>(3,180,962)</u>
State expenditures per the Schedule of Expenditures of State Awards	<u>\$ 148,729,672</u>
 Federal revenues per the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	 \$ 107,101,684
Less: Charity Care Program and Directed Payment Program	<u>(47,224,789)</u>
State expenditures per the Schedule of Expenditures of Federal Awards	<u>\$ 59,876,895</u>

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Year Ended August 31, 2024

Federal regulations, Title 2 U.S. Code of Federal Regulations Section 200.511 states, "The auditee is responsible for follow-up and corrective action on all audit findings. As part of this responsibility, the auditee must prepare a summary schedule of prior audit findings." The summary schedule of prior audit findings must report the status of the following:

- All audit findings included in the prior audit's schedule of findings and questioned costs and
- All audit findings reported in the prior audit's summary schedule of prior audit findings except audit findings listed as corrected.

I. Prior Audit Findings

None reported.

THE HARRIS CENTER FOR MENTAL HEALTH AND IDD

CORRECTIVE ACTION PLAN

For the Year Ended August 31, 2024

Federal regulations, Title 2 U.S. Code of Federal Regulations §200.511 states, "At the completion of the audit, the auditee must prepare, in a document separate from the auditor's findings described in §200.516 Audit findings, a corrective action plan to address each audit finding included in the current year auditor's reports."

I. Corrective Action Plan

Not applicable.



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