



**AUDIT REPORT**

**FINANCIAL AND FEDERAL AWARD  
COMPLIANCE EXAMINATION**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

# DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION

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## **FINANCIAL STATEMENTS**



**FOR THE YEARS ENDED  
DECEMBER 31, 2019 AND 2018**

**DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION**

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## CPAs & ADVISORS

### INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
District of Columbia Primary Care Association  
Washington, D.C.

#### Report on the Financial Statements

We have audited the accompanying financial statements of the District of Columbia Primary Care Association (DCPCA), which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

#### Management's Responsibility for the Financial Statements

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

#### Auditor's Responsibility

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

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

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

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MEMBER OF CPAMERICA INTERNATIONAL, AN AFFILIATE OF CROWE GLOBAL  
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## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of DCPCA as of December 31, 2019 and 2018, and the changes in its net assets, functional expenses, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Expenditures of Federal Awards on pages I-(21 - 22), as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 24, 2020 on our consideration of DCPCA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 DCPCA's internal control over financial reporting and compliance.



September 24, 2020

## DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION

STATEMENTS OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2019 AND 2018

## ASSETS

	<u>2019</u>	<u>2018</u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 455,315	\$ 699,520
Investments	873,548	742,549
Accounts receivable, net of allowance for doubtful accounts of \$47,582 in 2019 and \$26,500 in 2018	577,873	435,307
Grants receivable	401,427	228,031
Prepaid expenses	<u>69,033</u>	<u>105,544</u>
Total current assets	<u>2,377,196</u>	<u>2,210,951</u>
<b>FIXED ASSETS</b>		
Fixed assets, net of accumulated depreciation and amortization of \$267,991 and \$232,937 for 2019 and 2018, respectively	<u>46,093</u>	<u>81,147</u>
<b>OTHER ASSETS</b>		
Deposits	<u>54,655</u>	<u>54,655</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 2,477,944</u></b>	<b><u>\$ 2,346,753</u></b>

## LIABILITIES AND NET ASSETS

<b>CURRENT LIABILITIES</b>		
Line of credit	\$ 150,000	\$ -
Accounts payable and accrued liabilities	426,289	307,477
Accrued salaries and related benefits	97,846	129,946
Deferred revenue	18,240	-
Deferred rent, current portion	<u>19,311</u>	<u>8,456</u>
Total current liabilities	<u>711,686</u>	<u>445,879</u>
<b>LONG-TERM LIABILITIES</b>		
Deferred rent, net of current portion	<u>305,304</u>	<u>327,486</u>
Total liabilities	<u>1,016,990</u>	<u>773,365</u>
<b>NET ASSETS</b>		
Without donor restrictions	889,183	1,041,088
With donor restrictions	<u>571,771</u>	<u>532,300</u>
Total net assets	<u>1,460,954</u>	<u>1,573,388</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 2,477,944</u></b>	<b><u>\$ 2,346,753</u></b>

See accompanying notes to financial statements.

**DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION**  
**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

	<b>2019</b>		
	<b>Without Donor Restriction</b>	<b>With Donor Restriction</b>	<b>Total</b>
<b>REVENUE</b>			
Government grants	\$ 1,098,853	\$ -	\$ 1,098,853
Other grants and contracts	3,905,154	-	3,905,154
Contributions	116,083	366,015	482,098
Investment income (loss), net	128,316	-	128,316
In-kind contributions	-	-	-
Membership	153,000	-	153,000
Other revenue	5,285	-	5,285
Net assets released from donor restrictions	<u>326,544</u>	<u>(326,544)</u>	<u>-</u>
Total revenue	<u>5,733,235</u>	<u>39,471</u>	<u>5,772,706</u>
<b>EXPENSES</b>			
Program Services:			
Health Information Technology	2,544,749	-	2,544,749
Quality Improvement and Operations	1,354,427	-	1,354,427
Policy and External Affairs	629,097	-	629,097
Connected Care Network	<u>301,544</u>	<u>-</u>	<u>301,544</u>
Total program services	<u>4,829,817</u>	<u>-</u>	<u>4,829,817</u>
Supporting Services:			
Management and General	<u>1,055,323</u>	<u>-</u>	<u>1,055,323</u>
Total expenses	<u>5,885,140</u>	<u>-</u>	<u>5,885,140</u>
Changes in net assets	(151,905)	39,471	(112,434)
Net assets at beginning of year	<u>1,041,088</u>	<u>532,300</u>	<u>1,573,388</u>
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 889,183</u></b>	<b><u>\$ 571,771</u></b>	<b><u>\$ 1,460,954</u></b>

<b>2018</b>		
<b>Without Donor Restriction</b>	<b>With Donor Restriction</b>	<b>Total</b>
\$ 1,143,250	\$ -	\$ 1,143,250
3,498,580	525,000	4,023,580
71,014	-	71,014
(49,488)	-	(49,488)
141,795	-	141,795
144,500	-	144,500
22,304	-	22,304
<u>219,403</u>	<u>(219,403)</u>	<u>-</u>
<u>5,191,358</u>	<u>305,597</u>	<u>5,496,955</u>
2,669,970	-	2,669,970
1,504,667	-	1,504,667
223,837	-	223,837
<u>-</u>	<u>-</u>	<u>-</u>
<u>4,398,474</u>	<u>-</u>	<u>4,398,474</u>
<u>885,635</u>	<u>-</u>	<u>885,635</u>
<u>5,284,109</u>	<u>-</u>	<u>5,284,109</u>
(92,751)	305,597	212,846
<u>1,133,839</u>	<u>226,703</u>	<u>1,360,542</u>
<b><u>\$ 1,041,088</u></b>	<b><u>\$ 532,300</u></b>	<b><u>\$ 1,573,388</u></b>

## DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION

STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2019

	Program Services					Supporting Services	Total Expenses
	Health Information Technology	Quality Improvement and Operations	Policy and External Affairs	Connected Care Network	Total Program Services	Management and General	
Salaries	\$ 599,893	\$ 789,855	\$ 133,394	\$ 220,233	\$ 1,743,375	\$ 432,268	\$ 2,175,643
Fringe benefits	138,711	183,181	27,794	57,990	407,676	87,565	495,241
Sub-grantees	-	61,500	287,431	-	348,931	-	348,931
Consultants	1,095,745	33,116	151,666	765	1,281,292	42,208	1,323,500
Occupancy	125,201	157,225	17,408	-	299,834	51,009	350,843
Communications	45,416	5,780	337	-	51,533	26,061	77,594
Software	-	415	-	-	415	499	914
Supplies	1,249	24,907	1,318	-	27,474	4,017	31,491
Postage/Delivery	26	43	529	-	598	1,400	1,998
Printing/Copying	453	2,548	85	-	3,086	23,763	26,849
Equipment	1,361	42,399	-	-	43,760	21,702	65,462
Staff training	12,672	11,402	1,915	1,350	27,339	2,250	29,589
Travel	5,549	14,109	3,457	-	23,115	4,496	27,611
Professional services	464,070	-	-	21,050	485,120	235,852	720,972
Meeting costs	10,192	27,338	3,304	156	40,990	14,561	55,551
Business insurance	3,542	-	-	-	3,542	15,639	19,181
Miscellaneous	-	84	459	-	543	16,790	17,333
Bad debt expense	-	-	-	-	-	50,418	50,418
Bank charges	-	-	-	-	-	4,792	4,792
Depreciation and amortization	30,313	-	-	-	30,313	4,742	35,055
Interest expense	-	-	-	-	-	5,585	5,585
Dues, publications, and subscriptions	10,356	525	-	-	10,881	9,706	20,587
<b>TOTAL</b>	<b>\$ 2,544,749</b>	<b>\$ 1,354,427</b>	<b>\$ 629,097</b>	<b>\$ 301,544</b>	<b>\$ 4,829,817</b>	<b>\$ 1,055,323</b>	<b>\$ 5,885,140</b>

See accompanying notes to financial statements.

## DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION

STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2018

	Program Services			Total Program Services	Supporting Services	Total Expenses
	Health Information Technology	Quality Improvement and Operations	Policy and External Affairs		Management and General	
Salaries	\$ 673,217	\$ 801,190	\$ 133,138	\$ 1,607,545	\$ 322,263	\$ 1,929,808
Fringe benefits	157,343	185,978	31,297	374,618	76,245	450,863
Sub-grantees	996,956	71,500	-	1,068,456	-	1,068,456
Consultants	106,943	93,882	23,307	224,132	2,850	226,982
Occupancy	125,170	147,631	24,814	297,615	64,871	362,486
Communications	23,911	19,345	3,802	47,058	7,351	54,409
Supplies	1,271	1,636	109	3,016	17,051	20,067
Postage/Delivery	31	25	4	60	1,573	1,633
Printing/Copying	6,624	9,492	1,318	17,434	17,507	34,941
Equipment	3,167	1,009	-	4,176	-	4,176
Staff training	26,911	8,823	2,456	38,190	1,112	39,302
Travel	21,418	14,958	940	37,316	4,048	41,364
Professional services	484,963	141,795	-	626,758	311,152	937,910
Meeting costs	6,624	3,425	1,347	11,396	14,543	25,939
Business insurance	-	-	-	-	10,220	10,220
Miscellaneous	-	440	22	462	2,920	3,382
Bad debt expense	-	-	-	-	17,044	17,044
Bank charges	-	16	-	16	3,129	3,145
Depreciation and amortization	35,362	3,472	-	38,834	5,682	44,516
Interest expense	-	-	-	-	13	13
Dues, publications, and subscriptions	59	50	1,283	1,392	6,061	7,453
<b>TOTAL</b>	<b>\$ 2,669,970</b>	<b>\$ 1,504,667</b>	<b>\$ 223,837</b>	<b>\$ 4,398,474</b>	<b>\$ 885,635</b>	<b>\$ 5,284,109</b>

## DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION

STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in net assets	\$ (112,434)	\$ 212,846
Adjustments to reconcile changes in net assets to net cash (used) provided by operating activities:		
Depreciation and amortization	35,055	44,516
Unrealized (gain) loss	(90,752)	82,742
Realized (gain) loss	(17,636)	3,801
Change in allowance for doubtful accounts	-	8,044
(Increase) decrease in:		
Accounts receivable	(142,566)	(137,701)
Grants receivable	(173,396)	550,591
Prepaid expenses	36,511	(70,707)
Increase (decrease) in:		
Accounts payable and accrued liabilities	118,812	(403,639)
Accrued salaries and related benefits	(32,100)	36,647
Deferred revenue	18,240	(26,076)
Deferred rent	(11,327)	3,100
Net cash (used) provided by operating activities	<u>(371,593)</u>	<u>304,164</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	-	(56,118)
Purchase of investments	(224,834)	(145,633)
Proceeds from sale of investments	<u>202,222</u>	<u>94,792</u>
Net cash used by investing activities	<u>(22,612)</u>	<u>(106,959)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from line of credit	<u>150,000</u>	<u>-</u>
Net cash provided by financing activities	<u>150,000</u>	<u>-</u>
Net (decrease) increase in cash and cash equivalents	(244,205)	197,205
Cash and cash equivalents at beginning of year	<u>699,520</u>	<u>502,315</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u>\$ 455,315</u></b>	<b><u>\$ 699,520</u></b>
<b>SUPPLEMENTAL INFORMATION:</b>		
Interest Paid	<b><u>\$ 5,584</u></b>	<b><u>\$ 13</u></b>

## DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019 AND 2018

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

##### Organization -

Founded in 1996, the District of Columbia Primary Care Association (DCPCA) is a health action and advocacy organization improving health care and health coverage for low income, uninsured, and medically vulnerable residents in the District of Columbia (the "District"). DCPCA works with its members to advance policy and develop programs such as Medical Homes DC that help ensure that everyone gets the right care, at the right time, and in the right place.

Revenues and support are derived primarily from grants from governmental and private organizations.

##### Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories are as follows:

- **Net Assets Without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Assets restricted solely through the actions of the Board are referred to as Board designated and are also reported as net assets without donor restrictions.
- **Net Assets With Donor Restrictions** - Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in "net assets with donor restrictions", depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities and Changes in Net Assets as net assets released from donor restrictions.

##### New accounting pronouncement adopted -

During 2019, DCPCA adopted ASU 2018-08, Not-for-Profit Entities (Topic 958): *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. This guidance is intended to clarify and improve the scope and the accounting guidance for contributions received and contributions made. Key provisions in this guidance include clarification regarding the accounting for grants and contracts as exchange transactions or contributions, and improve guidance to better distinguish between conditional and unconditional contributions. DCPCA adopted the ASU using a modified prospective basis.

##### Cash and cash equivalents -

DCPCA considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, DCPCA maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

**DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019 AND 2018**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION  
(Continued)**

Investments -

Investments are recorded at their readily determinable fair value. Interest, dividends, realized and unrealized gains and losses are included in investment income (loss) net, which is presented net of investment expenses paid to external investment advisors, in the accompanying Statements of Activities and Changes in Net Assets.

Accounts and grants receivable -

Accounts and grants receivable are recorded at their net realizable value, which approximates fair value. The allowance for doubtful accounts is determined based upon an annual review of account balances, including the age of the balance and the historical experience with the customer.

Fixed assets -

Fixed assets in excess of \$2,500 are capitalized and stated at cost. Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to five years. Leasehold improvements are amortized over the remaining life of the lease. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation and amortization expense for the years ended December 31, 2019 and 2018 totaled \$35,055 and \$44,516, respectively.

Impairment of long-lived assets -

Management reviews asset carrying amounts whenever events or circumstances indicate that such carrying amounts may not be recoverable. When considered impaired, the carrying amount of the assets is reduced, by a charge to Statements of Activities and Changes in Net Assets, to its current fair value.

Income taxes -

DCPCA is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is only subject to tax on unrelated business income. DCPCA is not a private foundation.

Uncertain tax positions -

For the years ended December 31, 2019 and 2018, DCPCA has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

Government grants, other grants and contracts, and contributions -

DCPCA's receives contributions as well as contracts and grants from the U.S. governments and other entities. Contributions and grants are recognized in the appropriate category of net assets in the period received. DCPCA performs an analysis of the individual contribution, grant and contract to determine if the revenue streams follow the contributions rules or if considered an exchange transaction depending on whether the transaction is reciprocal or nonreciprocal.

For contributions, grants and contracts qualifying under the contributions rules, revenue is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met.

**DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019 AND 2018**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION  
(Continued)**

Government grants, other grants and contracts, and contributions (continued) -

Contributions, grants and contracts qualifying as contributions that are unconditional and have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions; such funds in excess of expenses incurred are shown as net assets with donor restrictions in the accompanying financial statements.

Grant and contract agreements qualifying as conditional contributions contain a right of return and a barrier. Revenue is recognized when the condition or conditions are satisfied. All grants from the United States Government are for direct and indirect program costs. These transactions are nonreciprocal and are classified as conditional; accordingly, they are recognized as contributions when the revenue becomes unconditional. Typically these agreements also contain a right of return or right of release from obligation provision and the entity has limited discretion over how funds transferred should be spent. As such, DCPCA recognizes revenue for these conditional contributions when the related barrier has been overcome (generally, when qualifying expenditures are incurred). Funds received in advance of the incurrence of qualifying expenditures are recorded as refundable advances. For contributions, grants and contracts treated as contributions, DCPCA had approximately \$658,150 and \$592,058 in unrecognized conditional awards as of December 31, 2019 and 2018, respectively. Grants and contracts classified as exchange transactions are recorded directly to without donor restrictions and the transaction price is based on expenses incurred in compliance with the criteria stipulated in the grant or contract agreements. Funding received in advance of incurring the related expenses is recorded as deferred revenue.

Membership -

DCPCA recognizes member dues on a pro-rata basis over the annual membership period.

In-kind contributions -

In-kind contributions, which are included in contributions revenue in the accompanying Statements of Activities and Changes in Net Assets, consist of professional legal services and totaled \$0 and \$141,795 for the years ended December 31, 2019 and 2018, respectively. In-kind contributions are recorded at their fair market value as of the date of the gift. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Use of estimates -

The preparation of the 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 at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area of DCPCA are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated on a basis of actual time and effort.

## DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019 AND 2018

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

##### Risks and uncertainties -

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

##### Fair value measurement -

DCPCA adopted the provisions of FASB ASC 820, *Fair Value Measurement*. FASB ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs (assumptions that market participants would use in pricing assets and liabilities, including assumptions about risk) used to measure fair value, and enhances disclosure requirements for fair value measurements. DCPCA accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement.

In accordance with FASB ASC 820, *Fair Value Measurement*, DCPCA has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Investments recorded in the Statements of Financial Position are categorized based on the inputs to valuation techniques as follows:

**Level 1.** These are investments where values are based on unadjusted quoted prices for identical assets in an active market DCPCA has the ability to access.

**Level 2.** These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

**Level 3.** These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

##### New accounting pronouncements not yet adopted -

FASB issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606), as amended. The ASU provides a framework for recognizing revenue and is intended to improve comparability of revenue recognition practices across for-profit and non-profit entities. During 2020, the FASB delayed the implementation date under ASU 2020-05 for an additional year. Organizations may elect to adopt the guidance for annual reporting periods beginning after December 15, 2019 and for interim periods within annual reporting periods beginning after December 15, 2020. Early adoption is still permitted.

FASB issued ASU 2019-01, *Leases* (Topic 842). The ASU changes the accounting treatment for operating leases by recognizing a lease asset and lease liability at the present value of the lease payments in the Statements of Financial Position and disclosing key information about leasing arrangements.

**DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019 AND 2018**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION  
(Continued)**

New accounting pronouncements not yet adopted (continued) -

During 2020, the FASB issued ASU 2020-05 and delayed the implementation date by one year. The ASU is effective for non public entities beginning after December 15, 2021. Early adoption is still permitted. The ASU can be applied at the beginning of the earliest period presented using a modified retrospective approach or applied at the beginning of the period of adoption recognizing a cumulative-effect adjustment.

DCPCA plans to adopt the new ASUs at the required implementation dates and management is currently in the process of evaluating the adoption method and the impact of the new standards on its accompanying financial statements.

**2. INVESTMENTS**

The table below summarizes, by level within the fair value hierarchy, DCPCA's investments as of December 31, 2019:

<b>Asset Class:</b>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Exchange traded funds	\$ 42,716	\$ -	\$ -	\$ 42,716
Mutual funds - Equity	578,808	-	-	578,808
Mutual funds - Bonds	<u>252,024</u>	<u>-</u>	<u>-</u>	<u>252,024</u>
<b>TOTAL</b>	<b><u>\$ 873,548</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 873,548</u></b>

The table below summarizes, by level within the fair value hierarchy, DCPCA's investments as of December 31, 2018:

<b>Asset Class:</b>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Exchange traded funds	\$ 34,245	\$ -	\$ -	\$ 34,245
Mutual funds - Equity	469,563	-	-	469,563
Mutual funds - Bonds	<u>238,741</u>	<u>-</u>	<u>-</u>	<u>238,741</u>
<b>TOTAL</b>	<b><u>\$ 742,549</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 742,549</u></b>

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the valuation techniques used at December 31, 2019 and 2018. Transfers between levels are recorded at the end of the reporting period, if applicable.

- *Exchanged traded funds* - Valued at the closing price reported on the active market in which the individual securities are traded.
- *Mutual funds* - Valued at the daily closing price as reported by the fund. Mutual funds held by DCPCA are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily value and to transact at that price. Mutual funds held by DCPCA are deemed to be actively traded.

**DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019 AND 2018**

**2. INVESTMENTS (Continued)**

Included in investment income (loss), net are the following at December 31, 2019 and 2018:

	<b>2019</b>	<b>2018</b>
Interest and dividends	\$ 30,678	\$ 46,706
Unrealized gain (loss)	90,752	(82,742)
Realized gain (loss)	17,636	(3,801)
Investment management fees	(10,750)	(9,651)
<b>TOTAL INVESTMENT INCOME (LOSS), NET</b>	<b>\$ 128,316</b>	<b>\$ (49,488)</b>

**3. FIXED ASSETS**

Fixed assets consisted of the following at December 31, 2019 and 2018:

	<b>2019</b>	<b>2018</b>
Furniture and equipment	\$ 241,622	\$ 241,622
Software	42,225	42,225
Leasehold improvements	30,237	30,237
Total fixed assets	314,084	314,084
Less: Accumulated depreciation and amortization	(267,991)	(232,937)
<b>NET FIXED ASSETS</b>	<b>\$ 46,093</b>	<b>\$ 81,147</b>

**4. LINE OF CREDIT**

DCPCA has a \$1,000,000 revolving bank line of credit with a local financial institution. Amounts borrowed under this agreement bear interest at 3.5%.

The line is secured by cash and investments held in accounts at the same financial institution. As of December 31, 2019 and 2018, respectively, the outstanding balance was \$150,000 and \$0. The line of credit was extended through November 15, 2020.

**5. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consisted of the following at December 31, 2019 and 2018:

	<b>2019</b>	<b>2018</b>
Subject to expenditure for specified purpose:		
Connected Care Network	\$ 389,471	\$ 500,000
Policy and External Affairs	182,300	32,300
<b>TOTAL NET ASSETS WITH DONOR RESTRICTIONS</b>	<b>\$ 571,771</b>	<b>\$ 532,300</b>

**DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019 AND 2018**

**5. NET ASSETS WITH DONOR RESTRICTIONS (Continued)**

The following temporarily restricted net assets were released from donor restrictions by incurring expenses (or through the passage of time) which satisfied the restricted purposes specified by the donors:

	<b>2019</b>	<b>2018</b>
Subject to expenditure for specified purpose:		
Quality Improvement and Operations/Policy and External Affairs	\$ -	\$ 28,986
Quality Improvement and Operations/Health Information Technology	-	190,417
Connected Care Network	301,544	-
Policy and External Affairs	25,000	-
<b>TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS</b>	<b>\$ 326,544</b>	<b>\$ 219,403</b>

**6. LIQUIDITY**

Financial assets available for use within one year of the Statements of Financial Position, comprise the following at December 31, 2019 and 2018:

	<b>2019</b>	<b>2018</b>
Cash and cash equivalents	\$ 455,315	\$ 699,520
Investments	873,548	742,549
Accounts receivable	577,873	435,307
Grants receivable	401,427	228,031
Total financial assets	2,308,163	2,105,407
Less amounts not available for use within one year:		
Financial assets restricted by the donor	(571,771)	(532,300)
<b>FINANCIAL ASSETS AVAILABLE FOR EXPENDITURE</b>	<b>\$ 1,736,392</b>	<b>\$ 1,573,107</b>

DCPCA has a policy to structure its financial assets to be available and liquid as its obligations become due. DCPCA invests cash in excess of daily requirements in short-term investments. In the event of an unanticipated liquidity need, DCPCA also could draw upon a \$850,000 available remaining line of credit (as further discussed in Note 4). As of December 31, 2019 and 2018, DCPCA has financial assets equal to approximately four months of average annual expenses.

**7. LEASE COMMITMENTS**

In May 2015, DCPCA entered into a ten year lease for office space, which commenced on September 1, 2015, with the first 11 months of rent abated. Rent expense is due to escalate 2.5% annually, except for the sixth year, when the base rent increases \$2 per square foot.

Accounting principles generally accepted in the United States of America require that the total rent commitment should be recognized on a straight-line basis over the term of the lease. Accordingly, the difference between the actual monthly payments and the rent expense being recognized for financial statement purposes is recorded as a deferred rent liability on the Statements of Financial Position.

**DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019 AND 2018**

**7. LEASE COMMITMENTS (Continued)**

The following is a schedule of the future minimum lease payments:

**Year Ending December 31,**

2020	\$ 366,944
2021	380,022
2022	389,523
2023	399,261
2024	409,242
Thereafter	<u>668,210</u>
	<u><b>\$ 2,613,202</b></u>

Rent expense for the years ended December 31, 2019 and 2018, which is included in occupancy expense in the accompanying Statements of Functional Expenses, was \$350,843 and \$362,486, respectively.

The deferred rent liability was \$324,615 and \$335,942 as of December 31, 2019 and 2018, respectively.

**8. FISCAL SPONSORSHIP AGREEMENT**

On November 30, 2018, DCPCA entered into a fiscal sponsorship agreement with the DC Connected Care Network (Sponsored Project). DCPCA is the sponsor on behalf of the Sponsored Project for the purpose of receiving donations, grants, contributions and gifts in support of the Sponsored Project.

The Sponsored Project's purpose is to develop, implement, promote and support clinical integrated services and programs that enhance and expand the capability of federally qualified health centers to provide quality health care services to populations, including those who are underserved in the District of Columbia. This agreement remains in effect until the latter of (a) the Sponsorship Project becomes a tax exempt organization within the guidelines of the IRS or (b) the expiration or termination of the administrative services agreement.

During 2018, DCPCA received \$500,000 on behalf of the Sponsored Project and had recorded a restricted contribution. Subsequent to year-end, DCPCA established a restricted bank account for all all Sponsored Project funds and transferred the funds accordingly. Simultaneously, DCPCA entered into an administrative services agreement with the Sponsored Project to provide office space, financial and accounting services, staff support, human resources management, office supplies and assistance, and information technology and communications services. These services will remain in effect as it correlates with the Fiscal Sponsorship Agreement.

For the year ended December 31, 2019, DCPCA received \$191,015 contributions on behalf the Sponsored Project and expended \$301,544 for the respective program. Effective November 20, 2019, the Sponsored Project obtained IRS approval of its tax-exempt status.

**9. RETIREMENT PLAN**

DCPCA provides retirement benefits to its employees through a 403(b) retirement plan, which allows for employer matching contributions and employer discretionary contributions.

## DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019 AND 2018

#### 9. RETIREMENT PLAN (Continued)

Contributions to the Plan during the years ended December 31, 2019 and 2018 totaled \$129,286 and \$117,619, respectively.

#### 10. CONTINGENCY

DCPCA receives grants from various agencies of the United States Government. Such grants are subject to audit under the provisions 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)*. The ultimate determination of amounts received under the United States Government grants is based upon the allowance of costs reported to and accepted by the United States Government as a result of the audits. Audits in accordance with the applicable provisions have been completed for all required fiscal years through 2019. Until such audits have been accepted by the United States Government, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from such audits.

#### 11. KEY PROGRAM DESCRIPTIONS

The following summarizes the key program services provided by DCPCA:

**Health Information Technology:** Represents the programs designed to develop and implement electronic medical records at community health care centers and enable the electronic exchange of clinical data by establishing a regional health information exchange to connect health centers and hospitals into a health information systems network. Includes data management initiatives aimed at aggregating clinical data to produce utilization and quality metrics to facilitate health center performance and population health outcomes improvement.

**Quality Improvement and Operations:** Represents programs committed to improving access to high quality primary care in the District's underserved neighborhoods. These programs offer funding for capital projects and technical assistance, including support for federally qualified health centers and special programs to improve primary care for those in greatest need. Included are initiatives aimed at empowering community health centers to transform their culture by embedding Quality Improvement principles and practices into the fabric of clinic operations and patient care.

**Policy and External Affairs:** Identifies legislative, administrative, and budgetary opportunities to support health center sustainability and continued access to comprehensive, integrated primary care - all of which help our residents get and stay strong mentally and physically.

Specific programs are:

- Value Pay Reform - Works to position community health centers for success in a value-focused health system by: developing and implementing a health center alignment strategy; promoting flexible, integrated, team-based care with primary care at the core; and, recognizing the community health center as the "quarterback" of care delivery, resource allocation, and accountability.
- D.C. Health Benefits Exchange Authority Navigator - Provides services to residents who seek help with enrollment in health insurance offered through the historic expansion of health insurance coverage under the Affordable Care Act.

**DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019 AND 2018**

**11. KEY PROGRAM DESCRIPTIONS (Continued)**

**Connected Care Network:** Represents amounts restricted under the fiscal sponsorship agreement for the Connected Care Network project.

**12. SUBSEQUENT EVENTS**

In preparing these financial statements, DCPCA has evaluated events and transactions for potential recognition or disclosure through September 24, 2020, the date the financial statements were issued.

On March 11, 2020, the World Health Organization declared the Coronavirus disease (COVID-19) a global pandemic. As a result of the spread of COVID-19, economic uncertainties have arisen which may negatively impact DCPCA's operations. The overall potential impact is unknown at this time.

On April 15, 2020, DCPCA entered into a two-year promissory note agreement in the amount of \$549,500 with a 1% fixed interest rate under the Paycheck Protection Program. The promissory note calls for monthly principal and interest payments amortized over the term of the promissory note, unless otherwise forgiven. Under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), the promissory note may be forgiven by the Small Business Administration in whole or in part.

## **SUPPLEMENTAL INFORMATION**

## DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2019

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Pass-Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
<b>Department of Health and Human Services:</b>					
Health Resources and Services Administration Bureau of Primary Health Care Technical and Non-Financial Assistance to Health	93.129	N/A	N/A	\$ -	\$ 496,175
DC Screen for Life: Colorectal Cancer	93.800	DC Department of Health	CHA2016-000082-001	-	200,177
DC Screen for Life: Colorectal Cancer	93.800	DC Department of Health	CHA2017-000082-007	-	137,154
<b>Total Department of Health and Human Services CFDA 93.800</b>				-	337,331
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	DC Department of Health	NU90TP92188 8-01-00 /	-	83,005
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	DC Department of Health	NU90TP92188 8-01-00 /	-	38,118
<b>Total Department of Health and Human Services CFDA 93.074</b>				-	121,123
State and Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease and Stroke (PPHF)	93.757	DC Department of Health	CHA2017-000012-005	-	80,150
State and Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease and Stroke (PPHF)	93.757	DC Department of Health	CHA2017-000012-006	-	64,074
<b>Total Department of Health and Human Services CFDA 93.757</b>				-	144,224
<b>Total Department of Health and Human Services</b>				-	1,098,853
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>				<b>\$ -</b>	<b>\$ 1,098,853</b>

**DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the Federal award activity of DCPCA under programs of the Federal government for the year ended December 31, 2019. The information in the Schedule is presented in accordance with the 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)*. Because the Schedule presents only a selected portion of the operations of DCPCA, it is not intended to and does not present the financial position, changes in net assets or cash flows of DCPCA.

**Note 2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. DCPCA has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

Section I - Summary of Auditor's Results

Financial Statements

1). Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP on the accrual basis of accounting: Unmodified

2). Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None Reported

3). Noncompliance material to financial statements noted?  Yes  No

Federal Awards

4). Internal control over major federal programs:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None Reported

5). Type of auditor's report issued on compliance for major federal programs: Unmodified

6). Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?  Yes  No

7). Identification of major programs:

<u>Name of Federal Program</u>	<u>CFDA Number</u>	<u>Expenditures</u>
U.S. Department of Health and Human Services - Health Resources and Services Administration Bureau of Primary Health Care Technical and Non-Financial Assistance to Health Centers	93.129	\$ 496,175

8). Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

9). Auditee qualified as a low-risk auditee?  Yes  No

DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**Section II - Financial Statement Findings**

**Finding: Reportable Condition #2019-001: Reconciliation of Asset and Liability Accounts and Preparation of the Schedule of Expenditures of Federal Awards**

See Finding #2019-001 under Section III - Federal Award Findings and Questioned Costs (2 CFR 200.516(a))

**Section III - Federal Award Findings and Questioned Costs (2 CFR 200.516(a))**

**Finding 2019-001: Reconciliation of Asset and Liability Accounts / Review and Approval of Year-end Reconciled Schedules**

**Information on the Federal Programs:** All Federal Programs

**Criteria:** Title 2 CFR 200 Section 200.510 "Financial Statements" requires recipients of Federal funds to (1) prepare financial statements that reflect its financial position, results of operations or changes in net assets, and, where appropriate, cash flows for the fiscal year audited, and (2) prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended. Additionally, in accordance with CFR 200.303, the non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Additionally, 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; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Condition:** During our audit, we noted that DCPCA experienced challenges in reconciling financial transaction areas that were deemed significant to the audit, properly preparing the Schedule of Expenditures of Federal Awards (SEFA), as well as noting certain timesheets that did not have evidence of approval by a supervisor. As a result of this, seven (7) audit adjustments were proposed and several reclassifying adjustments, in order to ensure a fair presentation for year-end balances. The result of the audit adjustments proposed increased year-end net assets by approximately \$112,000. Additionally, several pass-through identification numbers were incorrect on the SEFA, and while the total expenditures were correct, the revenue recognition of the Federal grants was incorrect, resulting in an overstating year-end outstanding accounts receivable by approximately \$37,000. We also noted that reconciliations prepared for the year-end audit were not appropriately reviewed or approved, as well as no evidence of review and approval for submitted Federal Financial Reports, quarterly progress reports, and indirect calculations. We also noted that no true-up was performed for the 2018 year-end indirect charges for Federal awards, as well as no application submission for an indirect rate for 2019.

**Cause:** Over the past several years, the Finance Department has had significant turnover. The current Director of Finance began in early 2019 and a staff was added to the department mid-year. As a result of the changes in the department, additional funding and projects being secured, the Finance department had difficulty in completing accurate reconciliations, following up on enforcement of certain controls, such as timesheet approval, as well as establishing a proper review and approval process.

DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**Section III - Federal Award Findings and Questioned Costs (2 CFR 200.516(a)) (Continued)**

**Finding 2019-001: Reconciliation of Asset and Liability Accounts / Review and Approval of Year-end Reconciled Schedules (continued)**

**Effect:** Significant audit adjustments were proposed during the audit. Additionally, the Board and management were relying on inaccurate reporting throughout the year for the organization's financial position.

**Questioned Costs:** None

**Context:** Year-end asset and liability accounts were not properly reconciled, reviewed, or approved, resulting in significant audit adjustments. 4 of 40 timesheets did not have evidence of approval by a supervisor. It appeared to be systematic in nature.

**Identification as a Repeat Finding, if Applicable:** Not a repeat finding.

**Recommendation:** We recommend DCPCA perform reconciliations for all asset and liability accounts on a monthly basis, making the year-end reconciliation process less burdensome. Additionally, all reconciliations, along with reports filed, especially those in connection with the Federal awards, should be reviewed and approved. Evidence of such review and approval should be indicated, either via email, an encrypted electronic signature, or physical signature on documents.

**Views of Responsible Officials and Planned Corrective Actions:** In its Accounting Policies & Procedures, DCPCA has well-documented balance sheet accounts reconciliation and periodic close procedures and sequences. Finance department staff will strive to ensure that these procedures are thoroughly adhered to and followed every month. Additionally, DCPCA will continue to broaden the practice of flagging all transactions/journal entries with a greater than \$50,000 threshold and subject them to further review on their implications on financial reporting as well as provide for an additional review by/approval by the President & CEO before posting to the general ledger.

In late 2019 DCPCA, contacted its Federal awarding agency (HRSA) and requested additional Financial Technical Assistance (FTA) training resources for its inhouse finance team, with the aim of strengthening its proactive posture on preventative financial reporting and compliance, to ensure that the DCPCA is in a better position to effectively and efficiently manage and report on its HRSA grant(s). We are in contact with, and have an open request with HRSA's Division of Financial Integrity, to schedule required FTA training sessions.

**Anticipated Completion Date:** December 31, 2020

**Responsible Official:** Peter Kiburi, Director of Finance

**Finding: Reportable Condition #2019-002: Reporting**

**Information on the Federal Programs:** CFDA 93.129: Health Resources and Services Administration Bureau of Primary Health Care Technical and Non-Financial Assistance to Health Centers.

**Criteria:** Title 2 CFR 200 Section 200.510 "Financial Statements" requires recipients of Federal funds to prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended.

DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**Section III - Federal Award Findings and Questioned Costs (2 CFR 200.516(a)) (Continued)**

**Finding: Reportable Condition #2019-002 (continued)**

**Criteria (continued):** Additionally, in accordance with CFR 200.303, the non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework” issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:** DCPCA experienced challenges in preparing the Federal Financial Reports required to be filed during the year ended December 31, 2019. In the past three years, DCPCA has had significant changes in the accounting department, including turnover in key personnel. Additionally, beginning in 2017, some of the in-house work was transitioned to an outsourced accounting role; in 2019, the outsourced accounting agreement was terminated. The transition to new personnel created an environment for inaccuracies in the Federal Financial Reports. Indirect costs also were not calculated properly, causing an underreporting of indirect costs incurred.

**Context:** 4 of 4 Federal financial reports tested were not accurately completed. This appears to be systematic in nature.

**Effect:** With turnover in accounting staff, the Federal Financial Reports prepared during the year were not accurately completed.

**Cause:** The accounting staff were not able to properly prepare the Federal Financial Reports due to changes in accounting roles.

**Questioned Costs:** None

**Identification as a Repeat Finding, if Applicable:** This is a repeat finding of Finding 2018-002.

**Recommendation:** We recommend DCPCA create standard operating procedures (SOPs) that outline a process whereby Federal Financial Reports are prepared based on a reconciliation of cumulative expenditures over cumulative cash draws. These reports, along with the reconciliation, should be reviewed and approved by an individual in a supervisory capacity. DCPCA should enhance the reconciliation and review process to ensure formulas and allocation of costs are applied appropriately to the individual grants and agree the amounts to its reported expenses.

**Views of Responsible Officials and Planned Corrective Action Plan:** Management will institute policies and procedures going forward, that will ensure that cumulative Federal Expenditures are fully reconciled every period and/or quarter and that those expenditures are reconciled against periodic federal cash draws. To ensure proper quality control and accountability of the process, this reconciliation and review process will be segregated across these functionaries: The Senior Staff Accountant that was hired in mid-2019 will perform the periodic and quarterly reconciliations, the Director of Finance will then review and approve the reconciliation and the CEO as the grantee Authorized Official will have the final one-over review before the federal financial reports are filed with the awarding agency.

Management will once again review and broaden its documented standard operating procedures going forward, as well as formalize its current mitigating internal controls, that will ensure that cumulative Federal Expenditures are fully reconciled every period and/or quarter and that those expenditures are reconciled against periodic Federal cash draws.

**DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**Section III - Federal Award Findings and Questioned Costs (2 CFR 200.516(a)) (Continued)**

**Finding: Reportable Condition #2019-002 (continued)**

**Views of Responsible Officials and Planned Corrective Action Plan (continued):**To ensure proper quality control and accountability of the process, this reconciliation and review process will be segregated across three functionaries: The recently hired Senior Staff Accountant will perform the periodic and quarterly reconciliations, the Director of Finance will then review and approve the reconciliations and the DCPCA President & CEO as the grantee Authorized Official, will have the final one-over review before the federal financial reports are filed with the awarding agency.

As noted in the other finding for this same year above, DCPCA has requested additional Financial Technical Assistance (FTA) training resources for its inhouse finance team, with the aim of strengthening its proactive posture on preventative financial reporting and compliance, to ensure that the DCPCA is in a better position to effectively and efficiently manage and report on its HRSA grant(s). We are in contact with, and have an open request with HRSA's Division of Financial Integrity, to schedule required FTA training sessions.

**Anticipated Completion Date:** December 31, 2020

**Responsible Official:** Peter Kiburi, Director of Finance



## CPAs & ADVISORS

### 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

#### Independent Auditor's Report

To the Board of Directors  
District of Columbia Primary Care Association  
Washington, D.C.

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 District of Columbia Primary Care Association (DCPCA) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise DCPCA's basic financial statements, and have issued our report thereon dated September 24, 2020.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered DCPCA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances, for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of DCPCA's internal control. Accordingly, we do not express an opinion on the effectiveness of DCPCA'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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of DCPCA's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as Finding 2019-001 that we consider to be a significant deficiency.

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MEMBER OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS' PRIVATE COMPANIES PRACTICE SECTION

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether DCPCA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as Findings 2019-001 and 2019-002.

## **DCPCA's Response to Findings**

DCPCA's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. DCPCA's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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



September 24, 2020



## CPAs & ADVISORS

### REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY TITLE 2 U.S. CODE OF FEDERAL REGULATIONS (CFR) PART 200, UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS (UNIFORM GUIDANCE)

#### Independent Auditor's Report

To the Board of Directors  
District of Columbia Primary Care Association  
Washington, D.C.

#### **Report on Compliance for Each Major Federal Program**

We have audited the District of Columbia Primary Care Association's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of DCPCA's major Federal programs for the year ended December 31, 2019. DCPCA's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

#### **Management's Responsibility**

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of DCPCA's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about DCPCA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of DCPCA's compliance.

#### **Opinion on Each Major Federal Program**

In our opinion, DCPCA complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

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## Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as Findings 2019-001 and 2019-002. Our opinion on each major federal program is not modified with respect to these matters.

DCPCA's response to the noncompliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. DCPCA's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## Report on Internal Control Over Compliance

Management of DCPCA is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered DCPCA's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of DCPCA's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as Findings 2019-001 and 2019-002 that we consider to be a significant deficiency.

DCPCA's response to the internal control over compliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. DCPCA's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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. Accordingly, this report is not suitable for any other purpose.



September 24, 2020



DISTRICT OF COLUMBIA  
PRIMARY CARE ASSOCIATION

September 15, 2020

## Summary Schedule of Prior Year Audit Findings

In accordance with *Title 2 CFR 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements* under Section 200.511, Audit Findings follow-up, the following detail the summary of prior year audit findings with current year status.

### Financial Statement Findings under GAGAS:

#### Finding #2018-001: Posting Transactions in the Proper Period

**Condition:** During the year under audit, DCPCA did not appropriately identify a donor-restricted contribution that transacted prior to the fiscal year-end. Additionally, two expense transactions that were incurred prior to December 31, 2018 but subsequently paid were not properly accrued for.

**Status:** This finding has been cleared and no further action is required.

### Federal Award Findings in accordance with 2 CFR 200.516:

#### Finding #2018-002: Reporting

**Condition:** DCPCA experienced challenges in preparing the Federal Financial Reports required to be filed during the year ended December 31, 2018. In the past two years, DCPCA has had significant changes in the accounting department, including turnover in key personnel. Additionally, beginning in 2017, some of the in-house work was transitioned to an outsourced accounting role. The transition to new personnel created an environment for inaccuracies in the Federal Financial Reports. Indirect costs also were not calculated properly, causing an underreporting of indirect costs incurred.

**Status:** This is a repeat finding for the current year. Refer to Finding 2019-002.

A handwritten signature in blue ink, appearing to read 'Shihman', is written over a horizontal blue line.

**Director of Finance**



DISTRICT OF COLUMBIA  
PRIMARY CARE ASSOCIATION

September 15, 2020

### Corrective Action Plan

In accordance with *Title 2 CFR 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements* under Section 200.511, Audit Findings follow-up, the following details the corrective action plan to be taken for the findings noted in the December 31, 2019 audit.

#### Financial Statement Findings under GAGAS:

##### **Finding #2019-001: Reconciliation of Asset and Liability Accounts and Preparation of the Schedule of Expenditures of Federal Awards**

See Finding #2019-001 under Section III - Federal Award Findings and Questioned Costs (2 CFR 200.516(a))

#### Federal Award Findings in accordance with 2 CFR 200.516:

##### **Finding #2019-001**

#### Information on the Federal Programs: All Federal Programs

**Criteria:** Title 2 CFR 200 Section 200.510 “Financial Statements” requires recipients of Federal funds to (1) prepare financial statements that reflect its financial position, results of operations or changes in net assets, and, where appropriate, cash flows for the fiscal year audited, and (2) prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended. Additionally, in accordance with CFR 200.303, the non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Additionally, 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; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Condition:** During our audit, we noted that DCPCA experienced challenges in reconciling financial transaction areas that were deemed significant to the audit, properly preparing the Schedule of Expenditures of Federal Awards (SEFA), as well as noting certain timesheets that did not have evidence of approval by a supervisor. As a result of this, seven (7) audit adjustments were proposed and several reclassifying adjustments, in order to ensure a fair presentation for year-end balances. The result of the audit adjustments proposed increased year-end net assets by approximately \$112,000. Additionally,

several pass-through identification numbers were incorrect on the SEFA, and while the total expenditures were correct, the revenue recognition of the Federal grants was incorrect, resulting in an overstating year-end outstanding accounts receivable by approximately \$37,000. We also noted that reconciliations prepared for the year-end audit were not appropriately reviewed or approved, as well as no evidence of review and approval for submitted Federal Financial Reports, quarterly progress reports, and indirect calculations. We also noted that no true-up was performed for the 2018 year-end indirect charges for Federal awards, as well as no application submission for an indirect rate for 2019.

**Cause:** Over the past several years, the Finance Department has had significant turnover. The current Director of Finance began in early 2019 and a staff was added to the department mid-year. As a result of the changes in the department, additional funding and projects being secured, the Finance department had difficulty in completing accurate reconciliations, following up on enforcement of certain controls, such as timesheet approval, as well as establishing a proper review and approval process.

**Effect:** Significant audit adjustments were proposed during the audit. Additionally, the Board and management were relying on inaccurate reporting throughout the year for the organization's financial position.

**Questioned Costs:** None

**Context:** Year-end asset and liability accounts were not properly reconciled, reviewed, or approved, resulting in significant audit adjustments. 4 of 40 timesheets did not have evidence of approval by a supervisor. It appeared to be systematic in nature.

**Identification as a Repeat Finding, if Applicable:** Not a repeat finding.

**Recommendation:** We recommend DCPCA perform reconciliations for all asset and liability accounts on a monthly basis, making the year-end reconciliation process less burdensome. Additionally, all reconciliations, along with reports filed, especially those in connection with the Federal awards, should be reviewed and approved. Evidence of such review and approval should be indicated, either via email, an encrypted electronic signature, or physical signature on documents.

**Views of Responsible Officials and Planned Corrective Actions:**

*In its Accounting Policies & Procedures, DCPCA has well-documented balance sheet accounts reconciliation and periodic close procedures and sequences. Finance department staff will ensure that these procedures are thoroughly adhered to and followed every month. Additionally, DCPCA will continue to broaden the practice of flagging all transactions /journal entries with a greater than \$50,000 threshold and subject them to further review on their implications on financial reporting as well as provide for an additional review by/approval by the President & CEO and/or her designee before posting to the general ledger.*

*In late 2019 DCPCA, contacted its Federal awarding agency (HRSA) and requested additional Financial Technical Assistance (FTA) training resources for its inhouse finance team, with the aim of strengthening its proactive posture on preventative financial reporting and compliance, to ensure that the DCPCA is in a better position to effectively and efficiently manage and report on its HRSA gran(s)t. We are in contact with, and have an open request with HRSA's Division of Financial Integrity, to schedule required FTA training sessions.*

**Anticipated Completion Date:** December 31, 2020

**Responsible Official:** Peter Kiburi, Director of Finance

## **Finding #2019-002: Reporting**

**Information on the Federal Programs:** CFDA 93.129: Health Resources and Services Administration Bureau of Primary Health Care Technical and Non-Financial Assistance to Health Centers

**Criteria:** Title 2 CFR 200 Section 200.510 “Financial Statements” requires recipients of Federal funds to prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended. Additionally, in accordance with CFR 200.303, the non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework” issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:** DCPCA experienced challenges in preparing the Federal Financial Reports required to be filed during the year ended December 31, 2019. In the past three years, DCPCA has had significant changes in the accounting department, including turnover in key personnel. Additionally, beginning in 2017, some of the in-house work was transitioned to an outsourced accounting role; in 2019, the outsourced accounting agreement was terminated. The transition to new personnel created an environment for inaccuracies in the Federal Financial Reports. Indirect costs also were not calculated properly, causing an underreporting of indirect costs incurred.

**Context:** 4 of 4 federal financial reports tested were not accurately completed. This appears to be systematic in nature.

**Effect:** With turnover in accounting staff, the Federal Financial Reports prepared during the year were not accurately completed.

**Cause:** The accounting staff were not able to properly prepare the Federal Financial Reports due to changes in accounting roles.

**Questioned Costs:** None

**Identification as a Repeat Finding, if Applicable:** This is a repeat finding of Finding 2018-002.

**Recommendation:** We recommend DCPCA create standard operating procedures (SOPs) that outline a process whereby Federal Financial Reports are prepared based on a reconciliation of cumulative expenditures over cumulative cash draws. These reports, along with the reconciliation, should be reviewed and approved by an individual in a supervisory capacity. DCPCA should enhance the reconciliation and review process to ensure formulas and allocation of costs are applied appropriately to the individual grants and agree the amounts to its reported expenses.

**Views of Responsible Officials and Planned Corrective Action Plan:**

*Management will institute policies and procedures going forward, that will ensure that cumulative Federal Expenditures are fully reconciled every period and/or quarter and that those expenditures are reconciled against periodic federal cash draws. To ensure proper quality control and accountability of the process, this reconciliation and review process will be segregated across these functionaries: The Senior Staff Accountant that was hired in mid-2019 will perform the periodic and quarterly reconciliations, the Director*

*of Finance will then review and approve the reconciliation and the HRSA Program Director and the CEO as the grantee Authorized Official will have the final one-over review before the federal financial reports are filed with the awarding agency.*

*Management will once again review and broaden its documented standard operating procedures going forward, as well as formalize its current mitigating internal controls, that will ensure that cumulative Federal Expenditures are fully reconciled every period and/or quarter and that those expenditures are reconciled against periodic federal cash draws. To ensure proper quality control and accountability of the process, this reconciliation and review process will be segregated across three functionaries: The recently hired Senior Staff Accountant will perform the periodic and quarterly reconciliations, the Director of Finance will then review and approve the reconciliations and the Program Director and the DCPCA President & CEO as the grantee Authorized Official, will have the final one-over review before the federal financial reports are filed with the awarding agency.*

*As noted in the other finding for this same year above, DCPCA has requested additional Financial Technical Assistance (FTA) training resources for its in-house finance team, with the aim of strengthening its proactive posture on preventative financial reporting and compliance, to ensure that DCPCA is in a better position to effectively and efficiently manage and report on its HRSA gran(s). We are in contact with, and have an open request, with HRSA's Division of Financial Integrity, to schedule required FTA training sessions.*

**Anticipated Completion Date:** December 31, 2020

**Responsible Official:** Peter Kiburi, Director of Finance

A handwritten signature in blue ink, appearing to be 'Peter Kiburi', written in a cursive style.

**Director of Finance**