



Maple City Health Care Center

**ANNUAL REPORT
December 31, 2022**

**MAPLE CITY HEALTH CARE CENTER, INC. d/b/a VISTA COMMUNITY
HEALTH CENTER, NORTHSIDE COMMUNITY HEALTH CENTER, AND
MAPLE CITY DENTAL**

Goshen, Indiana

ANNUAL REPORT
December 31, 2022

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INDEPENDENT AUDITOR'S REPORT

Board of Directors

Maple City Health Care Center, Inc. d/b/a Vista Community Health Center, Northside Community Health Center,
and Maple City Dental
Goshen, Indiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Maple City Health Care Center, Inc. d/b/a Vista Community Health Center, Northside Community Health Center, and Maple City Dental ("the Organization") (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Organization 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.

Responsibilities of Management 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; 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 Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 opinion. 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 generally accepted auditing standards 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 generally accepted auditing standards 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 Organization'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 Organization'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 audits 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 Schedule of Expenditures of Federal Awards 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 May 18, 2023, on our consideration of the Organization'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 Organization'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 Organization's internal control over financial reporting and compliance.

Respectfully submitted,

Certified Public Accountants

Elkhart, Indiana
May 18, 2023

**MAPLE CITY HEALTH CARE CENTER, INC. d/b/a VISTA COMMUNITY
HEALTH CENTER, NORTHSIDE COMMUNITY HEALTH CENTER, AND
MAPLE CITY DENTAL**

Goshen, Indiana

STATEMENTS OF FINANCIAL POSITION

December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	734,358	1,415,321
Patient receivables, net	1,297,400	855,058
Grants receivable	32,288	120,855
Accounts receivable	0	12,389
Notes receivable, current portion	23,115	22,432
Prepaid expenses	102,138	211,736
Total Current Assets	2,189,299	2,637,791
PROPERTY AND EQUIPMENT		
Land and land improvements	869,177	869,177
Buildings and building improvements	2,780,022	2,780,022
Furniture and equipment	510,320	433,596
Total	4,159,519	4,082,795
Accumulated depreciation	1,068,368	900,564
Net Property and Equipment	3,091,151	3,182,231
OTHER ASSETS		
Notes receivable, net of current portion	87,364	114,024
TOTAL ASSETS	5,367,814	5,934,046
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Current portion of long-term debt	15,384	14,797
Accounts payable	285,397	256,318
Accrued expenses	560,317	503,495
Total Current Liabilities	861,098	774,610
LONG-TERM DEBT	190,383	207,538
TOTAL LIABILITIES	1,051,481	982,148
NET ASSETS	4,316,333	4,951,898
TOTAL LIABILITIES AND NET ASSETS	5,367,814	5,934,046

The Notes to Financial Statements are an integral part of this statement.

**MAPLE CITY HEALTH CARE CENTER, INC. d/b/a VISTA COMMUNITY
HEALTH CENTER, NORTHSIDE COMMUNITY HEALTH CENTER, AND
MAPLE CITY DENTAL**

Goshen, Indiana

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
PUBLIC SUPPORT AND REVENUE			
Net patient service fees	5,173,269	0	5,173,269
Federal grants	3,674,545	0	3,674,545
Nonfederal grants	305,822	0	305,822
Contracts	77,909	0	77,909
Contributions of cash and other financial assets	80,891	0	80,891
Contributions of nonfinancial assets	558,479	0	558,479
Other income	183,927	0	183,927
Total Public Support and Revenue	10,054,842	0	10,054,842
FUNCTIONAL EXPENSES			
Program	8,599,629	0	8,599,629
Management and general	2,090,778	0	2,090,778
Total Functional Expenses	10,690,407	0	10,690,407
CHANGE IN NET ASSETS	(635,565)	0	(635,565)
NET ASSETS, BEGINNING OF YEAR	4,951,898	0	4,951,898
NET ASSETS, END OF YEAR	4,316,333	0	4,316,333

The Notes to Financial Statements are an integral part of this statement.

**MAPLE CITY HEALTH CARE CENTER, INC. d/b/a VISTA COMMUNITY
HEALTH CENTER, NORTHSIDE COMMUNITY HEALTH CENTER, AND
MAPLE CITY DENTAL**

Goshen, Indiana

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
PUBLIC SUPPORT AND REVENUE			
Net patient service fees	4,229,206	0	4,229,206
Federal grants	5,343,014	0	5,343,014
Nonfederal grants	463,116	0	463,116
Contracts	62,954	0	62,954
Contributions of cash and other financial assets	68,466	0	68,466
Contributions of nonfinancial assets	543,872	0	543,872
Other income	1,427,800	0	1,427,800
Total Public Support and Revenue	12,138,428	0	12,138,428
Net assets released from restrictions:			
Satisfaction of restrictions	140,728	(140,728)	0
FUNCTIONAL EXPENSES			
Program	8,683,770	0	8,683,770
Management and general	1,825,297	0	1,825,297
Total Functional Expenses	10,509,067	0	10,509,067
CHANGE IN NET ASSETS	1,770,089	(140,728)	1,629,361
NET ASSETS, BEGINNING OF YEAR	3,181,809	140,728	3,322,537
NET ASSETS, END OF YEAR	4,951,898	0	4,951,898

The Notes to Financial Statements are an integral part of this statement.

**MAPLE CITY HEALTH CARE CENTER, INC. d/b/a VISTA COMMUNITY
HEALTH CENTER, NORTHSIDE COMMUNITY HEALTH CENTER, AND
MAPLE CITY DENTAL**

Goshen, Indiana

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2022

	<u>Program</u>	<u>Management and General</u>	<u>Total</u>
Salaries and wages	4,571,014	1,178,615	5,749,629
Payroll taxes	334,838	86,452	421,290
Retirement plan contributions	357,530	92,311	449,841
Employee benefits	1,015,396	262,165	1,279,171
Medical expenses	1,188,120	0	1,188,120
Miscellaneous patient services	31,547	0	29,937
Professional fees	0	215,181	215,181
Computer equipment and support	591,297	152,667	743,964
Occupancy	159,336	22,500	181,836
Conference and meetings	61,631	8,103	69,734
Depreciation	150,689	17,115	167,804
Insurance	37,635	2,977	40,612
Office expenses	52,730	33,197	85,927
Charitable contributions	5,000	0	5,000
Dues and subscriptions	42,866	11,067	53,933
Interest expense	0	8,428	8,428
TOTAL FUNCTIONAL EXPENSES	8,599,629	2,090,778	10,690,407

The Notes to Financial Statements are an integral part of this statement.

**MAPLE CITY HEALTH CARE CENTER, INC. d/b/a VISTA COMMUNITY
HEALTH CENTER, NORTHSIDE COMMUNITY HEALTH CENTER, AND
MAPLE CITY DENTAL**

Goshen, Indiana

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2021

	<u>Program</u>	<u>Management and General</u>	<u>Total</u>
Salaries and wages	4,564,933	1,105,830	5,670,763
Payroll taxes	335,473	81,613	417,086
Retirement plan contributions	353,627	86,030	439,657
Employee benefits	981,991	239,380	1,221,371
Medical expenses	1,470,094	0	1,470,094
Miscellaneous patient services	38,953	0	38,953
Professional fees	0	94,449	94,449
Computer equipment and support	467,297	113,683	580,980
Occupancy	186,849	26,812	213,661
Conference and meetings	23,568	5,352	28,920
Depreciation	137,018	15,563	152,581
Insurance	7,625	0	7,625
Office expenses	65,650	30,970	96,620
Charitable contributions	5,000	0	5,000
Dues and subscriptions	45,692	11,116	56,808
Interest expense	0	14,499	14,499
TOTAL FUNCTIONAL EXPENSES	8,683,770	1,825,297	10,509,067

The Notes to Financial Statements are an integral part of this statement.

**MAPLE CITY HEALTH CARE CENTER, INC. d/b/a VISTA COMMUNITY
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MAPLE CITY DENTAL**

Goshen, Indiana

STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Change in net assets	(635,565)	1,629,361
Adjustments to reconcile net change in net assets to net cash from operating activities:		
Depreciation	167,804	152,581
Adjustments for changes in operating assets and liabilities:		
Patient receivables	(442,342)	(199,355)
Grants receivable	88,567	(13,743)
Accounts receivable	12,389	4,717
Prepaid expenses	109,598	172,743
Accounts payable	29,079	(70,834)
Accrued expenses	56,822	58,727
Final settlements due to third-party payors	0	(36,307)
Net Cash Flows from (used in) Operating Activities	(613,648)	1,697,890
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of property and equipment	(76,724)	(109,857)
Loans made	(3,723)	(4,437)
Collections on loans	29,700	30,000
Net Cash Flows used in Investing Activities	(50,747)	(84,294)
CASH FLOWS USED IN FINANCING ACTIVITIES		
Payments on note payable	(16,568)	(15,928)
Net change in line of credit	0	(250,000)
Net Cash Flows used in Financing Activities	(16,568)	(265,928)
CHANGE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	(680,963)	1,347,668
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AT BEGINNING OF YEAR	1,415,321	67,653
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AT END OF YEAR	734,358	1,415,321
SUPPLEMENTARY DISCLOSURE OF CASH FLOWS		
Interest paid	8,428	14,499

The Notes to Financial Statements are an integral part of this statement.

**MAPLE CITY HEALTH CARE CENTER, INC. d/b/a VISTA COMMUNITY
HEALTH CENTER, NORTHSIDE COMMUNITY HEALTH CENTER, AND
MAPLE CITY DENTAL**

Goshen, Indiana

NOTES TO FINANCIAL STATEMENTS

December 31, 2022 and 2021

NATURE OF BUSINESS

Maple City Health Care Center, Inc. (the "Organization"), was incorporated and commenced operations as a not-for-profit organization in August 1988 under the laws of the State of Indiana. The Organization operates as a Federally Qualified Health Center (FQHC) to deliver comprehensive outpatient primary health care services to a medically underserved population, primarily within Elkhart County, Indiana, including ancillary and supplemental health services, preventative health services, and pharmacy services without regard to age, gender, or income. The Organization charges for services rendered, using a sliding fee scale, based on income levels and insurance coverage. The Organization operates under the assumed business names "Vista Community Health Center", "Northside Community Health Center", and "Maple City Dental".

The Organization has also incorporated Northside Community Health Care Center, Inc. (NCHCC), an Indiana not-for-profit corporation. During 2016, NCHCC's application for exemption was accepted by the Internal Revenue Service (IRS). NCHCC was formed to provide health care in the Goshen, Indiana community. The Organization controls the board of directors of NCHCC. NCHCC had not commenced operations as of December 31, 2022.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

The financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) on the accrual basis of accounting.

The Organization adheres to Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-205, which sets standards for reporting on financial statements of not-for-profit organizations. ASC 958-205 requires the classification and presentation of net assets in two categories: net assets with donor restrictions and net assets without donor restrictions.

Net assets without donor restrictions are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and board of directors.

Net assets with donor restrictions are subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**MAPLE CITY HEALTH CARE CENTER, INC. d/b/a VISTA COMMUNITY
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Goshen, Indiana

NOTES TO FINANCIAL STATEMENTS

December 31, 2022 and 2021

CASH AND CASH EQUIVALENTS

For purposes of the Statements of Cash Flows, the Organization considers all highly liquid investments without donor restrictions with an initial maturity of three months or less to be cash equivalents. Cash is held at a local bank and is insured up to the limits of the FDIC. It is common throughout the course of operations for the Organization's cash balance to exceed the insured limit.

There was no restricted cash at December 31, 2022 or 2021.

GRANTS RECEIVABLE

Support received under governmental grants is recorded based on expenses incurred or based on a fixed rate. Grants receivable represent amounts due for expenses incurred or units serviced prior to year end, and are considered fully collectible by management. The Organization uses the allowance method to determine uncollectible grants receivable. Management has determined no allowance for doubtful accounts is necessary for grants receivable at December 31, 2022 or 2021.

PREPAID EXPENSES

The Organization has capitalized certain costs for the implementation of an electronic health record hosting arrangement that is classified as a service contract under GAAP. Capitalized costs of \$201,391 and \$310,541 and accumulated amortization of \$135,066 and \$131,000 are included in Prepaid expenses in the Statements of Financial Position for the years ended December 31, 2022 and 2021, respectively, in accordance with the accounting standards applicable to software hosting arrangements. Amortization of \$135,066 and \$131,000 is recognized in Computer equipment and support in the Statements of Functional Expenses for the years ended December 31, 2022 and 2021, respectively. The implementation costs are amortized on a straight-line basis.

PROPERTY AND EQUIPMENT

Donations of property and equipment are recorded as current support at their estimated fair value unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. Net assets with donor restrictions are reclassified to net assets without donor restrictions at that time. There were no donated assets for the years ended December 31, 2022 or 2021.

Purchased property and equipment are stated at cost. Expenditures for additions, improvements and replacements are added to the property and equipment accounts. Repairs and maintenance are charged to expense as incurred. When equipment is retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the respective accounts and any gains or losses arising from the disposition are reflected in income. Depreciation is provided for over the estimated useful lives of the assets using the straight-line method. Depreciation expense was \$167,804 and \$152,581 for the years ended December 31, 2022 and 2021, respectively.

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NOTES TO FINANCIAL STATEMENTS

December 31, 2022 and 2021

A summary of the range of lives by asset category follows:

Land improvements	15 years
Buildings and building improvements	7 - 39 years
Furniture and equipment	3 - 7 years

REVENUE AND PATIENT RECEIVABLES

Net patient service fees revenue

The Organization has agreements with third-party payors that provide for payments to the Organization in amounts different from its established rates. Payment arrangements include prospectively determined rates per encounter, reimbursed costs, discounted charges, and per diem payments. Net patient service fees revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors and the evaluation of variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. The estimate of implicit price concessions is based on historical collection experience with the various payor classes using a portfolio approach as a practical expedient to account for patient contracts with similar characteristics, as collective groups rather than individually. The financial statement effect of using this practical expedient is not materially different from an individual contract approach. In the ordinary course of business, the Organization renders services to patients who are financially unable to pay for healthcare. The Organization provides care to these patients under its sliding fee discount policy without charge or at amounts less than the established rates. Revenue is recognized according to the date of patient encounter. Provisions for estimated third-party payor settlements are provided in the period the related services are rendered. Differences between the estimated amounts accrued and interim and final settlements are reported in the year of settlement and included in Net patient service fees revenue in the Statements of Activities.

A summary of the payment arrangements with major third-party payors follows:

Medicaid: Reimbursements for Medicaid services are generally paid at prospectively determined rates per occasion of service. See Note 3 for related description about Medicaid wrap-around payment requests.

Commercial Insurance and Other: Payments for services rendered to those payors other than Medicaid or Medicare are based on established rates or on agreements with certain commercial insurance companies, health maintenance organizations and preferred provider organizations which provide for various discounts from established rates.

Medicare: Reimbursements for Medicare services are generally paid at prospectively determined rates per occasion of service, less the standard co-insurance amount of 20%. Medicare Advantage Plans pay for services based on established rates or agreements.

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NOTES TO FINANCIAL STATEMENTS

December 31, 2022 and 2021

As of December 31, the following table reflects the net patient service revenue by major payor groups:

	<u>2022</u>	<u>2021</u>
Medicaid	3,730,413	2,663,704
Commercial insurance	728,902	867,036
Private pay	493,843	531,324
Medicare	141,724	109,669
Other	78,387	57,473
Net patient service fees	5,173,269	4,229,206

The Organization has elected the practical expedient and does not adjust the promised amount of consideration from patients and third-party payors for the effects of a significant financing component due to the Organization's expectation that the period between the time the service is provided to a patient and the time that the patient or a third-party payor pays for that services will be one year or less. However, the Organization does, in certain instances, enter into payment agreements with patients that allow payments in excess of one year. For those cases, the financing component is not deemed to be significant to the contract.

Patient Receivables

Patient receivables consist primarily of unpaid amounts billed to patients and third-party payors and are stated at the amount management expects to collect from outstanding balances. Contractual adjustments, discounts, and an allowance for doubtful accounts are recorded to report receivables for health care services at net realizable value. Patient receivables are presented net of allowance for doubtful accounts, which is estimated to be \$5,000 at both December 31, 2022 and 2021. Factors considered in determining collectibility include past collection history, an aged analysis of receivables, and management's experience and knowledge of the industry and their clientele. The Organization grants credit without collateral to its patients and does not accrue interest on any patient receivables.

The following is a summary of patient receivables at December 31:

	<u>2022</u>	<u>2021</u>
Gross insurance receivables	236,792	546,896
Gross self-pay patient receivables	147,456	131,975
Gross Medicaid wrap-around payments	1,258,688	749,671
Estimated contractual allowances	(340,536)	(568,484)
Allowance for doubtful accounts	(5,000)	(5,000)
Total	1,297,400	855,058

Contracts

The Organization has a capitation agreement in which it receives monthly payments for retaining as patients employees of the other party in the agreement. The monthly amount is based on a fixed rate per individual. Capitation revenue is earned as a result of agreeing to provide goods and services to qualified beneficiaries on a monthly basis, and not as a result of actually providing the patient care services to beneficiaries. Therefore, revenue is recognized as each month of service passes. Capitation revenue is \$10,829 and \$14,820 for the years ended December 31, 2022 and 2021, respectively.

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NOTES TO FINANCIAL STATEMENTS

December 31, 2022 and 2021

The Organization is also subject to cost-savings sharing arrangements for which payments are received in arrears. If an entity determines that it cannot estimate this amount such that it is probable that a significant revenue reversal would not occur upon resolution of the final amounts, the portion of consideration that is variable should be excluded from the transaction price until it becomes probable that there will not be a significant reversal of cumulative revenue recognized. Because of this constraint, the Organization recognizes these revenues as payments are received unless the Organization determines it has sufficient data such that it is probable that a significant revenue reversal would not occur upon resolution of the final amount. There were no receivable amounts as of December 31, 2022 or 2021. Related revenue is \$132,156 and \$92,896 for the years ended December 31, 2022 and 2021, respectively.

Other income

Included in Other income are amounts the Organization receives for returning expired medications. These revenues are recognized at the point the medications are returned. Related revenue is \$169,143 and \$207,424 for the years ended December 31, 2022 and 2021, respectively.

CONTRIBUTIONS

Contributions, including promises to give, are recorded when the contribution is deemed unconditional. Contributions are reflected in the financial statements at the earlier of the transfer of the assets or at the time an unconditional promise to give is made.

Contributions received are considered to be for current use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as support that increases net assets with donor restrictions. A donor restriction expires when a stipulated time restriction ends or when a purpose restriction is accomplished. Upon expiration, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities as net assets released from restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restrictions are met in the year in which the contributions are received.

Included in Nonfederal grants revenue in the Statements of Activities are funds relating to the Organization's participation in the Medicaid EHR Incentive Program. The American Recovery and Reinvestment Act of 2009 included provisions for implementing health information technology under the Health Information Technology for Economic and Clinical Health Act ("HITECH"). These provisions were designed to increase the use of electronic health records ("EHR") technology and establish the requirements for a Medicare and Medicaid incentive payments program for eligible hospitals and providers that adopt and meaningfully use certified EHR technology. Initial Medicaid incentive payments are available to providers that adopt, implement, or upgrade certified EHR technology. Providers must demonstrate meaningful use of the technology in subsequent years to qualify for additional incentive payments. Medicaid incentive payments are funded by the federal government and administered by the states. States are not required to offer EHR incentive payments to providers. The Organization is participating in the State of Indiana's Medicaid EHR program. The Organization received \$0 and \$59,500 during the years ended December 31, 2022 and 2021, respectively.

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Goshen, Indiana

NOTES TO FINANCIAL STATEMENTS

December 31, 2022 and 2021

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the program and other activities have been summarized on a functional basis in the Statements of Activities. Accordingly, certain costs have been allocated between program and supporting services based upon personnel time and space utilized for the related activities.

Significant expenses that are allocated include the following:

Expense	Method of Allocation
Salaries and wages; payroll taxes; retirement plan contributions; employee benefits; computer equipment and support; conference and meetings; office expenses; dues and subscriptions	Time and Effort
Occupancy; depreciation	Square Footage

All other allocated expenses are allocated based on estimated actual usage or direct assignment.

INCOME TAXES

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The IRS has determined that the Organization is not a private foundation within the meaning of Section 509(a).

The Income Taxes Topic, FASB ASC 740, clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements. ASC 740 requires an entity to disclose the nature of uncertain tax positions taken, if any, when filing its income tax return utilizing a two-step process to recognize and measure any uncertain tax positions taken. The entity recognizes a tax benefit only if it is more likely than not the position would be sustained in a tax examination, with a tax examination being presumed to occur. No tax benefit will be recorded on tax positions not meeting the more likely than not test. Interest and penalties accrued or incurred, if any, as a result of applying ASC 740 will be recorded to interest expense and other expense, respectively.

Based on its evaluation, the Organization has concluded that there are no uncertain tax positions requiring recognition in its financial statements. The Organization's evaluation was performed for all federal and state tax periods still subject to examination. The Organization's 2019 through 2021 federal and state exempt organization returns remain subject to examination by the IRS and state taxing authorities.

**MAPLE CITY HEALTH CARE CENTER, INC. d/b/a VISTA COMMUNITY
HEALTH CENTER, NORTHSIDE COMMUNITY HEALTH CENTER, AND
MAPLE CITY DENTAL**

Goshen, Indiana

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December 31, 2022 and 2021

CHANGE IN ACCOUNTING PRINCIPLE

In February 2016, FASB issued Accounting Standards Update (ASU) No. 2016-02, Leases (Topic 842). FASB ASC 842 supersedes the lease requirements in FASB ASC 840. Under FASB ASC 842, lessees are required to recognize assets and liabilities on the statement of financial position for most leases and provide enhanced disclosures. The Organization adopted FASB ASC 842, with a date of initial application of January 1, 2022, by applying the modified retrospective transition approach and using the additional (and optional) transition method provided by ASU No. 2018-11, Leases (Topic 842): Targeted Improvements. The Organization did not restate prior comparative periods as presented under FASB ASC 840 and instead evaluated whether a cumulative effect adjustment to net assets as of January 1, 2022, was necessary for the cumulative impact of adoption of FASB ASC 842. No cumulative effect adjustment to net assets as of January 1, 2022, was necessary. FASB ASC 842 did not have a significant effect on the results of operations or cash flows for the year ended December 31, 2022.

As part of the transition, the Organization elected to apply the following practical expedients:

Package of practical expedients:

- 1) Election not to reassess whether any expired or existing contracts are or contain leases
- 2) Election not to reassess the lease classification for any expired or existing leases
- 3) Election not to reassess initial direct costs on any existing leases

Other practical expedients:

- 1) Election whereby the lease and nonlease components will not be separated for leases.
- 2) Election not to record right of use ("ROU") assets and corresponding lease liabilities for short-term leases with a lease term of 12 months or less, but greater than 1 month and leases of low-value assets. Leases of 1 month or less are not included in short-term lease costs. On such leases, lease payments are recognized as an expense on a straight-line basis over the lease term.

CONTRIBUTED NON-FINANCIAL ASSETS

In September 2020, the FASB issued ASU 2020-07, Not-for-Profit Entities (Topic 958) - Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. ASU 2020-07 requires an entity to present in-kind revenue as a separate line item on the statement of activities separate from contributions of cash and other financial assets. An entity is required to disclose a disaggregation of the amount of contributed nonfinancial assets recognized with the statement of activities by category that depicts the type of contributed nonfinancial assets. For each category of gift in-kind, the entity must disclose qualitative information about whether the gift in-kind was monetized or consumed during the reporting period. If consumed, an entity must also disclose the program or other activities in which the gifts in-kind were used. Entities must also disclose the policy regarding monetizing or using gifts in-kind, any donor imposed restrictions associated with the gifts in-kind, a description of the valuation technique and inputs used to arrive at the fair value measurement, and the principal or most advantageous market used to arrive at the fair value measurement if it is a market in which the entity is prohibited by a donor-imposed restriction from selling or using the contributed nonfinancial asset. These disclosures are also required for contributed services. The Organization adopted the ASU as of January 1, 2022.

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NOTES TO FINANCIAL STATEMENTS

December 31, 2022 and 2021

NOTE 2 - LIQUIDITY AND AVAILABILITY

The Organization has working capital of \$1,328,201 and \$1,863,181 as of December 31, 2022 and 2021, respectively. The Organization has average days cash on hand of 27 and 53 as of December 31, 2022 and 2021, respectively.

The table below represents financial assets available for general expenditures within one year at December 31:

Financial assets at year end:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	734,358	1,415,321
Patient receivables, net	1,297,400	855,058
Grants receivable	32,288	120,855
Accounts receivable	0	12,389
Notes receivable	110,479	136,456
Subtotal financial assets:	2,174,525	2,540,079
Less amounts not available to be used within one year:		
Notes receivable, long-term	(87,364)	(114,024)
Financial assets available to meet general expenditures within one year:	2,087,161	2,426,055

The Organization's federal grant year runs from June 1 to May 31. During that time, the Organization is able to draw down cash as needed to pay allowable costs. The turn-around time from request for draw down to cash receipt is 24 hours resulting in readily available cash to pay qualifying expenses.

NOTE 3 - FQHC STATUS AND WRAP-AROUND PAYMENTS

The Organization became a FQHC on June 1, 2012 and its Prospective Payment System (PPS) rate was set in January 2013. The Organization is able to request wrap-around payments for the difference between what Medicaid has already paid the Organization, at a lower rate, and newly established PPS rates. Those payments for encounters in 2022 and 2021 are recorded as receivables at December 31, 2022 and 2021, respectively. Revenue from the Medicaid program accounted for approximately 72% and 63% of the Organization's net patient service fees revenue for the years ended December 31, 2022 and 2021, respectively. Net receivables from the Medicaid program were \$1,024,373 and \$420,767 at December 31, 2022 and 2021, respectively.

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NOTES TO FINANCIAL STATEMENTS

December 31, 2022 and 2021

NOTE 4 - NOTES RECEIVABLE

Notes receivable is comprised of the following at December 31:

	<u>2022</u>	<u>2021</u>
Unsecured note receivable with a credit limit of \$50,000 per year while debtor is in medical school with a maximum amount of \$200,000 (not including accrued interest). The note bears interest at a rate of 3%. Repayment began in October 2016 in monthly installments of \$2,210 over 10 years. A 1-year deferral agreement was subsequently established for the period of April 1, 2018 through March 31, 2019. This extends the repayment schedule through January 2028.	110,479	136,456
Total	110,479	136,456
Current portion	23,115	22,432
Net long-term notes receivable	87,364	114,024

Long-term notes receivable, less current portion, is scheduled to be collected as follows for the years ending December 31:

2024	23,818
2025	24,542
2026	25,289
2027	13,715
Total	87,364

NOTE 5 - LINE OF CREDIT

The Organization maintains a revolving line of credit with a local credit union that matures in September 2024. Interest is charged at .50% above prime, which results in a rate of 8.00% at December 31, 2022. There were no outstanding borrowings at December 31, 2022 or 2021. The line of credit contains a financial covenant with which the Organization is out of compliance at December 31, 2022, however, the balance on the line of credit was \$0 at both December 31, 2022 and 2021. As a result, there is no covenant violation.

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NOTE 6 - LONG-TERM DEBT

Long-term debt consists of the following at December 31:

	<u>2022</u>	<u>2021</u>
In September 2018, the Organization executed a \$120,000 promissory note payable agreement with a local Co-Op to finance the future installation of solar panels. The note payable bears interest at 3.50% and requires monthly payments of \$858 through September 2033. The note is secured by the financed equipment.	92,117	99,055
In February 2019, the Organization executed a \$93,750 promissory note payable agreement with a local credit union to finance the purchase of a building. The note was refinanced in 2020 and bears interest at 4.25% for the first 54 months and thereafter transitions to a rate based on the Monthly Interest Rate Survey (MIRS) Transition Index as reported by the Federal Housing Finance Agency, plus a margin of 1.00%. The monthly payments are \$712 through February 2034. The loan is collateralized by mortgages on the specific real property, assignment of rents on the specific real property, and a security interest in the Organization's deposit accounts.	73,010	79,743
In September 2019, the Organization executed a \$49,500 promissory note payable agreement with a local credit union to finance the purchase of a building. The note was refinanced in 2020 and bears interest at 4.25% for the first 62 months and thereafter transitions to a rate based on the Monthly Interest Rate Survey (MIRS) Transition Index as reported by the Federal Housing Finance Agency, plus a margin of 1.00%. The monthly payments are \$375 through August 2034. The loan is collateralized by mortgages on the specific real property, assignment of rents on the specific real property, and a security interest in the Organization's deposit accounts.	40,640	43,537
Total	205,767	222,335
Current maturities of long-term debt	15,384	14,797
Net long-term debt	190,383	207,538

Long-term debt, less current portion, is scheduled to mature as follows for the years ending December 31:

2024	15,982
2025	16,630
2026	17,291
2027	17,978
Thereafter	122,502
Total	190,383

Interest expense for the years ended December 31, 2022 and 2021 was \$8,428 and \$14,499, respectively.

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NOTE 7 - PAYCHECK PROTECTION PROGRAM LOAN

In March 2021, the Organization entered into a PPP loan ("PPP loan") with a local bank evidencing an unsecured promissory note in the amount of \$1,207,707. Subject to the terms of the PPP note, the loan bears interest at a fixed rate of 1% per year, with the first ten months of interest deferred, and payable over a term of five years. The loan is unsecured and guaranteed by the SBA. Payments can be deferred for 10 months after the covered period or, if later, the date at which the SBA remits the loan forgiveness amount to the lender.

The Organization elected the FASB ASC 958-605 accounting model for the PPP loans. Under this model, PPP loans are treated as conditional contributions and revenue recognition takes place at the time the conditions are substantially met. All conditions were met during 2021 for the PPP loan. The PPP loan was forgiven by the lender and the SBA in November 2021.

The amount recognized as revenue for the PPP loan forgiveness is included in Other income on the Statement of Activities for the year ended December 31, 2021.

NOTE 8 - CONTRIBUTED NONFINANCIAL ASSETS

Material gifts in kind items used in the Organization's programs, and donated goods distributed, are recorded as income and expense at the time the items are received, which is normally also the time they are placed into service or distributed. In-kind contributions are recognized as Contributions of nonfinancial assets in the Statements of Activities based on the fair market value at the date of donation. Fair market value of the vaccinations is determined using information included with the vaccines upon arrival as well information published on medical community websites regarding vaccine values. The various donated services are related to patient services already provided by the Organization. Vaccinations are consumed within normal operations as needed by patients.

In-kind contributions were as follows for the years ended December 31:

	<u>2022</u>	<u>2021</u>
Vaccinations	550,941	517,355
Orthopedic medicine services	0	8,946
Dental services	5,030	7,920
Optometry services	1,080	2,520
Lab services	1,428	7,131
Total Contributions of Nonfinancial Assets	558,479	543,872

As a general policy, the Organization will consume nonfinancial contributions if there is an applicable use for the nonfinancial contributions within its normal course of operations. Nonfinancial contributions that cannot be utilized internally are monetized if there is an ability to do so. Funds are then used for operational and programmatic purposes.

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NOTES TO FINANCIAL STATEMENTS

December 31, 2022 and 2021

NOTE 9 - EMPLOYEE BENEFITS

The Organization maintains a qualified retirement plan under section 401(k) of the Internal Revenue Code. The Organization contributes 8% of the participating employees' gross earnings. The Organization contributed \$449,841 and \$439,657 to the plan for the years ended December 31, 2022 and 2021, respectively.

The Organization has instituted a group health and dental plan whereby it is primarily responsible for certain employee costs up to stop loss amounts of \$5,000 for individual coverage and \$10,000 for family coverage. Group health and dental expenses, dependent care and educational benefits were \$1,279,171 and \$1,221,911 for the years ended December 31, 2022 and 2021, respectively.

NOTE 10 - CONCENTRATIONS

The Organization receives a substantial amount of its support from federal, state and local governments. Any significant reduction in the level of this support could have a significant effect on the Organization's programs.

The Organization's patients are concentrated in Goshen, Indiana. Accordingly, conditions in that area may affect its revenue.

NOTE 11 - CONTINGENCIES

Included on the Organization's Statements of Financial Position are costs of property and equipment obtained with federal funds. Consequently, there is a continuing federal interest in the related property and equipment. The property and equipment may not (1) be used for any purpose inconsistent with the statute and any program regulations governing the award under which the property and equipment was acquired; (2) mortgaged or otherwise used as collateral without written permission; or (3) sold or transferred to another party without written permission. The Health Resources and Services Administration (HRSA) entered into a Subordination agreement with the Organization in relation to the premises funded by a federal grant in which it has a continuing federal interest. HRSA's interest in the property is subordinated to the Organization's line of credit with a local credit union (Note 5). The cost of property and equipment obtained with federal funds included in the Statements of Financial Position was \$282,720 at both December 31, 2022 and 2021.

The Organization may be involved in pending and threatened litigation of the character incidental to the business transacted. As an FQHC, the Organization is covered for medical malpractice risks under the Federal Tort Claims Act ("FTCA"). GAAP require a health care provider to accrue the expense of its share of malpractice claims costs for any reported and unreported incidents of potential improper professional service occurring during the year by estimating the probable ultimate cost of the incidents. However, under FTCA the Health Center Providers are treated as Public Health Service employees and are immune from lawsuit. Any lawsuits would be paid by the United States and not a direct liability of the Health Center.

In the normal course of business, the Organization is subject to proceedings, lawsuits and other claims, including proceedings under government laws and regulations. Such matters are subject to many uncertainties and outcomes are not predictable with assurance. While these matters could affect the operating results when resolved in future periods, management believes that after final disposition, any monetary liability or financial impact would not be material to the Organization's annual financial statements.

**MAPLE CITY HEALTH CARE CENTER, INC. d/b/a VISTA COMMUNITY
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The Organization is subject to oversight from HRSA and reviews of past grant awards that arise in the ordinary course of business. In April 2021, the Organization received results from a review conducted by HRSA over a past grant award for Access Increases in Mental Health and Substance Abuse Services (AIMS) disbursed from 2017 through 2018. The review resulted in a determination of \$57,841 of questioned costs required to be repaid to HRSA. The Organization successfully appealed a portion of the questioned costs and received \$26,056 of the \$57,841 back as a result of the appeal. This amount is reflected in Federal grants on the Statement of Activities for the year ended December 31, 2021. There were no additional appeals in 2022, and the Organization has no intent of appealing the remaining balance.

NOTE 12 - SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through May 18, 2023, the date the financial statements were available to be issued. No events or transactions occurred during this period which require recognition or disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

**MAPLE CITY HEALTH CARE CENTER, INC. d/b/a VISTA COMMUNITY
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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended December 31, 2022

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-Through Entity or Grant Identifying Number	Federal Expenditures	Expenditures Passed to Subrecipients
Department of Housing and Urban Development				
Passed-through City of Goshen				
Community Development Block Grants (CDBG)/ Entitlement Grants	14.218	B-22-MC-18-0019	5,385	0
Total CDBG - Entitlement Grants Cluster			5,385	0
Total Department of Housing and Urban Development			5,385	0
Department of Health and Human Services				
Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	93.224	H80CS24133	2,833,222	0
COVID-19 Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	93.224	3 H8FCS41344-01-01	65,500	0
COVID-19 Affordable Care Act (ACA) Grants for New and Expanded Services Under the Health Center Program	93.527	1 H8GCS48038-01-00	22,167	0
Total Health Center Program Cluster			2,920,889	0
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027		25,000	0
Passed-through Indiana State Department of Health				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (Cancer Screenings)	21.027	63050	8,069	0
Total COVID-19 State and Local Fiscal Recovery Funds			33,069	0
Passed-through Indiana State Department of Health				
COVID-19 Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	63050	15,240	0
Total COVID-19 Support Activities			15,240	0
Total Department of Health and Human Services			2,969,198	0
Federal Communications Commission				
COVID-19 Telehealth Program	32.006		219,662	0
Total COVID-19 Telehealth Program			219,662	0
Total Federal Communications Commission			219,662	0
Total Expenditures of Federal Awards			3,194,245	0

See the Notes to Schedule of Expenditures of Federal Awards.

**MAPLE CITY HEALTH CARE CENTER, INC. d/b/a VISTA COMMUNITY
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NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended December 31, 2022

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards ("Schedule") includes the federal award activity of Maple City Health Care Center, Inc. d/b/a Vista Community Health Center, Northside Community Health Center, and Maple City Dental (the "Organization") under programs of the federal government for the year ended December 31, 2022. The information in this 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 the Organization, it is not intended to and does not present the financial position, changes in net assets, functional expenses, or cash flows of the Organization.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following cost principles contained in Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allocable or are limited as to reimbursement.

2) The Organization has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 - RECONCILIATION TO FEDERAL GRANTS ON THE STATEMENT OF ACTIVITIES

Federal grants on Statement of Activities for the year ended December 31, 2022	3,674,545
Subtract Provider Relief Fund expenditures (PRF) to be reported on 2023 Schedule	(480,300)
Total expenditures of federal awards on the Schedule	3,194,245

ADDITIONAL REQUIRED REPORTS AND
INFORMATION

**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 Directors

Maple City Health Care Center, Inc. d/b/a Vista Community Health Center, Northside Community Health Center,
and Maple City Dental
Goshen, Indiana

We have audited, 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, the financial statements of Maple City Health Care Center, Inc. d/b/a Vista Community Health Center, Northside Community Health Center, and Maple City Dental (a nonprofit organization) (the "Organization"), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 18, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 the entity'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. 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization'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 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 results 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 Organization'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 Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

Certified Public Accountants

Elkhart, Indiana
May 18, 2023

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors

Maple City Health Care Center, Inc. d/b/a Vista Community Health Center, Northside Community Health Center,
and Maple City Dental
Goshen, Indiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Maple City Health Care Center, Inc. d/b/a Vista Community Health Center, Northside Community Health Center, and Maple City Dental's (the "Organization") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended December 31, 2022. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization 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, 2022.

Basis for Opinion on Each Major Federal Program

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). 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 Organization 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 program. Our audit does not provide a legal determination of the Organization'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 Organization's federal programs.

Auditor's Responsibility 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 Organization'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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance 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 Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, 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 Organization'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 Organization'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, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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 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 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 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.

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.

Respectfully submitted,

Certified Public Accountants

Elkhart, Indiana
May 18, 2023

**MAPLE CITY HEALTH CARE CENTER, INC. d/b/a VISTA COMMUNITY
HEALTH CENTER, NORTHSIDE COMMUNITY HEALTH CENTER, AND
MAPLE CITY DENTAL**

Goshen, Indiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended December 31, 2022

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued in accordance with generally accepted accounting principles: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? No

Significant deficiencies identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? No

Significant deficiencies identified? None reported

Type of auditor's report issued on compliance for major programs: Unmodified

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

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
93.224, 93.527	Health Center Program Cluster
32.006	COVID-19 Telehealth Program

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes

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Goshen, Indiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended December 31, 2022

Section II - Financial Statement Findings

There were no findings required to be reported in accordance with *Government Auditing Standards*.

Section III - Federal Award Findings and Questioned Costs

There were no findings required to be reported in accordance with the Uniform Guidance.

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Goshen, Indiana

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Year Ended December 31, 2022

There were no prior year audit findings.