

WASHINGTON HEALTHCARE ACCESS ALLIANCE

Financial Statements

For the Year Ended September 30, 2017

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TERRY W. GREER, Inc., P.S.
Certified Public Accountants

P.O. Box 879
9332 - 271st St. NW
Stanwood, WA 98292

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Washington Healthcare Access Alliance

We have reviewed the accompanying financial statements of Washington Healthcare Access Alliance (WHAA), a nonprofit organization, which comprise the statement of financial position as of September 30, 2017, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Terry W. Greer, Inc., PS
Stanwood, Washington
November 20, 2017

WASHINGTON HEALTHCARE ACCESS ALLIANCE
Statement of Financial Position
September 30, 2017

ASSETS

Current Assets:

Cash & Cash Equivalents	\$ 73,878
Accounts Receivable	12,372
Total Current Assets	<u>86,250</u>

Fixed Assets:

Equipment	6,413
Less: Accumulated Depreciation	(2,999)
Total Fixed Assets Net of Depreciation	<u>3,414</u>

TOTAL ASSETS	<u><u>\$ 89,664</u></u>
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LIABILITIES & NET ASSETS

Current Liabilities:

Accounts Payable	\$ 831
Credit Cards Payable	170
Payroll Taxes Payable	2,361
Total Current Liabilities	<u>3,362</u>

Net Assets:

Unrestricted	86,302
Total Net Assets	<u>86,302</u>

TOTAL LIABILITIES & NET ASSETS	<u><u>\$ 89,664</u></u>
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The accompanying notes are an integral part of these financial statements.

WASHINGTON HEALTHCARE ACCESS ALLIANCE
Statement of Activities
For the Years Ended September 30, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUE & SUPPORT			
State Contracts	\$ 91,324	\$ -	\$ 91,324
Grant Revenue	49,000	-	49,000
Program Revenue	30,530	-	30,530
Direct Public Support	6,918	-	6,918
Membership Dues	4,450	-	4,450
Other Support	1,295	-	1,295
Interest Income	16	-	16
TOTAL REVENUE & SUPPORT	<u>183,533</u>	<u>-</u>	<u>183,533</u>
EXPENSES			
Administration	36,621	-	36,621
Program Services	119,526	-	119,526
Fundraising	16,009	-	16,009
TOTAL EXPENSES	<u>172,156</u>	<u>-</u>	<u>172,156</u>
CHANGE IN NET ASSETS	11,377	-	11,377
NET ASSETS AS OF BEGINNING OF YEAR	74,925	-	74,925
NET ASSETS AS OF END OF YEAR	<u>\$ 86,302</u>	<u>\$ -</u>	<u>\$ 86,302</u>

The accompanying notes are an integral part of these financial statements.

WASHINGTON HEALTHCARE ACCESS ALLIANCE
Statement of Functional Expenses
For the Year Ended September 30, 2017

	PROGRAM SERVICES					SUPPORT SERVICES				
	Washington Free and Charitable Care Conference	Volunteer and Retired Providers Program	Technical Assistance	Advocacy	General Program	Total Program Services	Fundraising	Administration	Total Support Services	Total Expenses
Salaries & Wages	\$ 8,897	\$ 17,280	\$ 11,862	\$ 7,710	\$ 13,561	\$ 59,310	\$ 5,931	\$ 13,839	\$ 19,770	\$ 79,080
Conferences, Conventions, & Meetings	29,462	-	-	-	-	29,462	-	-	-	29,462
Professional Services	-	-	-	-	-	-	8,310	5,446	13,756	13,756
Travel	-	1,775	1,775	1,775	3,552	8,877	-	986	986	9,863
Awards & Grants	-	-	-	-	8,876	8,876	-	-	-	8,876
Occupancy	-	-	-	-	-	-	-	6,735	6,735	6,735
Information Technology	642	642	642	642	643	3,211	642	2,569	3,211	6,422
Employee Benefits	712	1,376	949	617	1,091	4,745	475	1,106	1,581	6,326
Payroll Taxes	659	1,275	879	571	1,012	4,396	439	1,026	1,465	5,861
Insurance	-	-	-	-	-	-	-	1,477	1,477	1,477
Taxes & Licenses	-	-	-	-	-	-	-	1,476	1,476	1,476
Office Expense	596	-	-	-	-	596	-	595	595	1,191
Miscellaneous	-	-	-	-	-	-	-	889	889	889
Depreciation	-	-	-	-	-	-	-	310	310	310
Printing & Postage	-	-	-	-	53	53	212	-	212	265
Communications	-	-	-	-	-	-	-	167	167	167
TOTAL	\$ 40,968	\$ 22,348	\$ 16,107	\$ 11,315	\$ 28,788	\$ 119,526	\$ 16,009	\$ 36,621	\$ 52,630	\$ 172,156

The accompanying notes are an integral part of these financial statements.
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WASHINGTON HEALTHCARE ACCESS ALLIANCE
Notes to the Financial Statements
For the Year Ended September 30, 2017

Note 1 - Nature of Activities and Significant Accounting Policies

Nature of Activities

Washington Healthcare Access Alliance (WHAA) is a nonprofit organization established March 12, 2008 under the laws of the State of Washington. The primary purpose of the WHAA is to provide networking, resources, and educational opportunities for free clinics in the state of Washington.

Program Services

WHAA provides services to free and charitable clinics, volunteer healthcare professionals, healthcare safety net partners, and communities across Washington State through the following programs:

Washington Free and Charitable Care Conference – This program provides essential networking opportunities and education to staff of free and charitable clinics, volunteers, board members, and community partners.

Volunteer and Retired Providers Program – This program is a state funded effort to improve healthcare access by addressing barriers to volunteerism. Through this program, healthcare volunteers receive malpractice insurance to cover their unpaid work providing care to underserved patients, and fee-free license renewal for healthcare professionals who only use their license for volunteer work. WHAA administers this program statewide.

Technical Assistance – This program provides consulting, coaching, and training services to free and charitable clinics to enhance sustainability, increase access to care, and improve operational efficiencies.

Advocacy – On behalf of free clinics and the communities they serve, WHAA collects and disseminates data, and works with a wide range of community partners to protect, improve, and increase support for the healthcare safety net sector.

General Program – Other programming conducted by WHAA includes additional support, networking, and outreach events.

WASHINGTON HEALTHCARE ACCESS ALLIANCE
Notes to the Financial Statements
For the Year Ended September 30, 2017

Note 1 – Nature of Activities and Significant Accounting Policies – continued

Basis of Accounting

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

Basis of Presentation

WHAA is required to report information regarding its financial position and activities according to the following three classes of net assets:

Unrestricted net assets include operating activity and Board-designated amounts.

Temporarily restricted net assets are considered to be assets subject to donor-imposed stipulations that may be met either by actions of WHAA and/or passage of time.

Permanently restricted net assets are considered to be assets subject to donor-imposed stipulations that they be maintained permanently by WHAA.

WHAA may be permitted to use all or a part of the return on related investments for general or specific purposes.

Accounts Receivable and Bad Debts

WHAA records revenue from contracts and other support income when earned. Accounts receivable is stated at the amount management expects to collect from outstanding balances. The WHAA has not established an allowance for recording possible bad debts and has not had to write off bad debt since the receivables collected are mainly from contracts with the Washington State Department of Health.

WASHINGTON HEALTHCARE ACCESS ALLIANCE
Notes to the Financial Statements
For the Year Ended September 30, 2017

Note 1 – Nature of Activities and Significant Accounting Policies – continued

Contributions and Donor Restrictions

All contributions are considered to be available for unrestricted 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 increases in temporarily restricted or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. However, if a restriction is fulfilled in the same time period in which the contribution is received, the contribution is reported as an increase in unrestricted net assets.

Cash and Cash Equivalents

WHAA considers all cash on hand, on demand, and savings accounts, as well as highly liquid investments to be cash equivalents. Cash and cash equivalents include unrestricted and temporarily restricted balances as of September 30 as follows:

Checking – unrestricted	\$ 6,263
Money Market – unrestricted	62,615
CD – unrestricted	<u>5,000</u>
Total Cash	<u>\$73,878</u>

Federal Income Taxes

WHAA is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRC) as an organization that is not a private foundation. Contributions to WHAA are deductible under Section 170 of the IRC. WHAA is also qualified to receive tax deductible bequests, devises, transfers, or gifts under Sections 2055, 2106, or 2522 of the IRC. There is no unrelated taxable business income for the year ended September 30, 2017. In general, WHAA's tax returns may be selected for examination by tax authorities subject to a three-year statute of limitations. The tax years ended September 30, 2014, 2015, and 2016 remain open to examination by tax authorities.

WASHINGTON HEALTHCARE ACCESS ALLIANCE
Notes to the Financial Statements
For the Year Ended September 30, 2017

Note 1 – Nature of Activities and Significant Accounting Policies – continued

Fixed Assets

Property and equipment that are purchased are carried at cost. Donated property and equipment are recorded at fair market value at the date of donation. The capitalization threshold is \$1,000 with a useful life of at least two years to be considered for capitalization. Depreciation is computed using the straight line and estimated lives as follows:

Equipment	5-10 years
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On September 30, 2017, Fixed Assets consisted of:

Equipment	\$ 6,413
Less Accumulated Depreciation	<u>(2,999)</u>
Net Property, Equipment and Improvements	<u>\$ 3,414</u>

Depreciation expense was \$310 for the year ended September 30, 2017.

Functional Allocation of Expenses

The Organization allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classifications.

Use of Estimates

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

Note 2 - Donated Services

Many volunteers donate significant amounts of time to the activities of WHAA. The financial statements do not reflect the value of these donated services as the services do not require specialized skills, would not be otherwise purchased, and, therefore, do not meet the requirements for recognition.

WASHINGTON HEALTHCARE ACCESS ALLIANCE
Notes to the Financial Statements
For the Year Ended September 30, 2017

Note 3 – Advertising

The Organization expenses advertising costs as they are incurred. Advertising expenses were \$167 for the year ended September 30, 2017.

Note 4 – Related Party Transactions

The WHAA Board of Trustees includes members associated with various free clinics in different regions around the state. WHAA has received Trustee donations totaling less than \$1,000 for the year ended September 30, 2017. In addition, WHAA received conference fee registrations of less than \$1,000 respectively from Trustees for the year ended September 30, 2017. Trustees are not permitted to receive pay for services to WHAA.

Note 5 – Concentrations of Risk

WHAA receives a majority of its support from a small number of funding agencies, with fifty percent of the support coming from the Primary Care Office at the Washington State Department of Health. The loss of any funding source could have a significant impact on financial results.

Note 6 – Washington State Department of Health

The Primary Care Office (PCO) at the Department of Health is federally funded and oversees and develops contracts with those funds. For the year ending September 30, 2017 WHAA was awarded \$91,324 in funds for building sustainability and quality assurance for Washington free clinics, creating organizational efficiencies in free clinics, sustaining gains, and translating organizational change into capacity of the free clinic safety net to provide access to the uninsured and underinsured.

WASHINGTON HEALTHCARE ACCESS ALLIANCE
Notes to the Financial Statements
For the Year Ended September 30, 2017

Note 7 – Benefit Plans

All employees are part of a plan whereby WHAA contributes 8% of their gross wages to a plan of their choice. Expenses incurred this year were \$10,306.

Note 8 - Compensated Absences

WHAA has not recorded an accrual for compensated absences in these financial statements since the amount cannot be reasonably estimated.

Note 9 – Subsequent Events

Subsequent events have been evaluated through January 30, 2018, the date these financial statements were available to be issued. No reportable events were discovered.