

WASHINGTON HEALTHCARE ACCESS ALLIANCE

Financial Statements

For the Year Ended September 30, 2018

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

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Washington Healthcare Access Alliance
PO Box 14506
Seattle, WA 98114

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, 2018, 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 entity 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.

MICHAEL P. DANE, CPA

Terry W. Greer, Inc., PS
Stanwood, Washington
August 9, 2019

WASHINGTON HEALTHCARE ACCESS ALLIANCE
Statement of Financial Position
September 30, 2018

ASSETS

Current Assets:

Cash & Cash Equivalents	\$ 48,989
Accounts Receivable	10,450
Prepaid Expenses	834
Total Current Assets	<u>60,273</u>

Fixed Assets:

Equipment	6,413
Less: Accumulated Depreciation	(3,371)
Total Fixed Assets Net of Depreciation	<u>3,042</u>

TOTAL ASSETS	<u><u>\$ 63,315</u></u>
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LIABILITIES & NET ASSETS

Current Liabilities:

Accounts Payable	\$ 832
Payroll Taxes Payable	2,402
Accrued Payroll	2,356
Total Current Liabilities	<u>5,590</u>

Net Assets:

Unrestricted	57,725
Total Net Assets	<u>57,725</u>

TOTAL LIABILITIES & NET ASSETS	<u><u>\$ 63,315</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 Year Ended September 30, 2018

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUE & SUPPORT			
State Contracts	\$ 87,128	\$ -	\$ 87,128
Grant Revenue	93,200	-	93,200
Program Revenue	24,040	-	24,040
Direct Public Support	4,353	-	4,353
Membership Dues	4,450	-	4,450
Interest Income	10	-	10
TOTAL REVENUE & SUPPORT	<u>213,181</u>	<u>-</u>	<u>213,181</u>
NET ASSETS RELEASED FROM RESTRICTION	<u>-</u>	<u>-</u>	<u>-</u>
	213,181	-	213,181
EXPENSES			
Administration	48,569	-	48,569
Program Services	175,369	-	175,369
Fundraising	17,820	-	17,820
TOTAL EXPENSES	<u>241,758</u>	<u>-</u>	<u>241,758</u>
CHANGE IN NET ASSETS	(28,577)	-	(28,577)
NET ASSETS AS OF BEGINNING OF YEAR	86,302	-	86,302
NET ASSETS AS OF END OF YEAR	<u>\$ 57,725</u>	<u>\$ -</u>	<u>\$ 57,725</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, 2018

	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	\$ 8,367	\$ 32,608	\$ 12,544	\$ 3,907	\$ 5,293	\$ 62,719	\$ 19,535	\$ 23,440	\$ 42,975	\$ 105,694
Conferences,										
Conventions, & Meetings	18,831	-	-	-	-	18,831	-	-	-	18,831
Professional Services	-	-	-	-	-	-	6,578	12,795	19,373	19,373
Travel	-	814	814	814	1,626	4,068	-	452	452	4,520
Awards & Grants	-	-	-	-	52,275	52,275	-	-	-	52,275
Occupancy	-	-	-	-	-	-	-	5,299	5,299	5,299
Information Technology	1,572	1,572	1,572	1,572	1,574	7,862	1,572	6,290	7,862	15,724
Employee Benefits	949	1,836	1,266	823	1,456	6,330	633	1,478	2,111	8,441
Payroll Taxes	933	1,803	1,243	808	1,430	6,217	621	1,451	2,072	8,289
Insurance	-	-	-	-	-	-	-	666	666	666
Taxes & Licenses	-	-	-	-	-	-	-	338	338	338
Office Expense	393	-	-	-	-	393	-	392	392	785
Miscellaneous	-	-	-	-	-	-	-	471	471	471
Depreciation	-	-	-	-	-	-	-	372	372	372
Printing & Postage	-	-	-	-	123	123	490	-	490	613
Communications	-	-	-	-	-	-	-	67	67	67
TOTAL	\$ 31,045	\$ 38,633	\$ 17,439	\$ 7,924	\$ 63,777	\$158,818	\$ 29,429	\$ 53,511	\$ 82,940	\$ 241,758

The accompanying notes are an integral part of these financial statements.
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WASHINGTON HEALTHCARE ACCESS ALLIANCE
Statement of Cash Flows
For the Year Ended September 30, 2018

OPERATING ACTIVITIES

Change in Net Assets \$ (28,577)

**Adjustments to reconcile net loss to net cash
provided by operating activities:**

Depreciation	372
Decrease in Accounts Receivable	1,922
Increase in Prepaid Expenses	(834)
Decrease in Credit Cards Payable	(169)
Increase in Payroll Taxes Payable	41
Increase in Accrued Payroll	2,356

NET CASH USED BY OPERATING ACTIVITIES (24,889)

NET DECREASE IN CASH (24,889)

CASH AS OF BEGINNING OF YEAR 73,878

CASH AS OF END OF YEAR \$ 48,989

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

WASHINGTON HEALTHCARE ACCESS ALLIANCE
Notes to the Financial Statements
For the Year Ended September 30, 2018

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 WHAA is to expand access to healthcare for vulnerable patients by supporting free and charitable clinics and healthcare volunteerism.

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 addresses barriers to healthcare volunteerism by providing malpractice insurance and fee-free license renewal for healthcare professionals. WHAA administers this program statewide.

Technical Assistance – This program provides best practices, resources, and training opportunities 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, 2018

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. Based on its assessment of current conditions, management believes losses on amounts outstanding at year-end will be immaterial as receivables are mainly from contracts with the Washington State Department of Health. Accordingly, receivables are reported at the amount outstanding.

WASHINGTON HEALTHCARE ACCESS ALLIANCE
Notes to the Financial Statements
For the Year Ended September 30, 2018

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, 2018 as follows:

Checking – unrestricted	\$18,900
Money Market – unrestricted	25,089
CD – unrestricted	<u>5,000</u>
Total Cash	<u>\$48,989</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, 2018. 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, 2015, 2016, and 2017 remain open to examination by tax authorities.

WASHINGTON HEALTHCARE ACCESS ALLIANCE
Notes to the Financial Statements
For the Year Ended September 30, 2018

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, 2018, Fixed Assets consisted of:

Equipment	\$ 6,413
Less Accumulated Depreciation	(3,371)
Net Property, Equipment and Improvements	\$ 3,042

Depreciation expense was \$372 for the year ended September 30, 2018.

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, 2018

Note 3 – Advertising

The Organization expenses advertising costs as they are incurred. Advertising expenses were \$67 for the year ended September 30, 2018.

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, 2018. In addition, WHAA received conference fee registrations of less than \$1,000 respectively from Trustees for the year ended September 30, 2018. 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, 2018 WHAA was awarded \$87,128 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.

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 \$4,992.

Note 8 – Subsequent Events

Subsequent events have been evaluated through August 9, 2019, the date these financial statements were available to be issued. No reportable events were discovered.