



GREATER LAWRENCE FAMILY HEALTH CENTER, INC.

**FINANCIAL STATEMENTS IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS AND
UNIFORM GUIDANCE
JUNE 30, 2019 AND 2018**

GREATER LAWRENCE FAMILY HEALTH CENTER, INC.

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June 30, 2019 and 2018

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**Unmodified Opinion on Financial Statements Accompanied by Other
Information – Not-For-Profit Entity**

Independent Auditor's Report

To the Board of Directors of
Greater Lawrence Family Health Center, Inc.:

Report on the Financial Statements

We have audited the accompanying financial statements of Greater Lawrence Family Health Center, Inc. (a Massachusetts nonprofit corporation) (the Health Center) which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities and changes in net assets, cash flows and functional expenses for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Greater Lawrence Family Health Center, Inc. as of June 30, 2019 and 2018, 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.

Other Matters

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards for the year ended June 30, 2019, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2019, on our consideration of the Health Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Health Center's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Health Center's internal control over financial reporting and compliance.

AAFCPA, Inc.

Westborough, Massachusetts
October 29, 2019

GREATER LAWRENCE FAMILY HEALTH CENTER, INC.

Statements of Financial Position
June 30, 2019 and 2018

Assets	2019	2018
Current Assets:		
Cash and cash equivalents - operating	\$ 8,303,862	\$ 9,151,144
Accounts receivable - patient services, net of allowances for uncollectible accounts of approximately \$2,676,000 and \$3,347,000 at June 30, 2019 and 2018, respectively	6,642,104	5,409,532
Accounts receivable - grants, contracts and other	1,608,550	3,036,284
Accounts receivable - pharmacy, net of allowances for uncollectible accounts of approximately \$430,000 and \$1,713,000 at June 30, 2019 and 2018, respectively	1,460,886	2,032,009
Accounts receivable - Health Safety Net, net of allowances for uncollectible accounts of approximately \$80,000 and \$70,000 at June 30, 2019 and 2018, respectively	299,029	285,024
Pharmacy inventory, net	2,459,038	1,796,137
Prepaid expenses	1,490,860	1,392,560
Total current assets	<u>22,264,329</u>	<u>23,102,690</u>
Property and Equipment:		
Land and land improvements	1,553,657	1,424,881
Buildings and improvements	11,965,299	11,826,630
Computer and other equipment	14,552,875	14,159,840
Leasehold improvements	5,569,779	5,511,650
Construction in progress	93,979	67,380
	<u>33,735,589</u>	<u>32,990,381</u>
Less - accumulated depreciation	19,874,196	17,734,493
Property and equipment, net	<u>13,861,393</u>	<u>15,255,888</u>
Cash and Cash Equivalents - Board Designated	<u>6,000,000</u>	<u>5,000,000</u>
Total assets	<u>\$ 42,125,722</u>	<u>\$ 43,358,578</u>
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable	\$ 2,016,295	\$ 1,655,047
Accrued expenses	3,734,346	4,421,478
Total current liabilities	<u>5,750,641</u>	<u>6,076,525</u>
Net Assets:		
Without donor restrictions:		
Operating	15,254,216	16,272,965
Board designated	6,000,000	5,000,000
Property and equipment	13,861,393	15,255,888
Total without donor restrictions	<u>35,115,609</u>	<u>36,528,853</u>
With donor restrictions	<u>1,259,472</u>	<u>753,200</u>
Total net assets	<u>36,375,081</u>	<u>37,282,053</u>
Total liabilities and net assets	<u>\$ 42,125,722</u>	<u>\$ 43,358,578</u>

GREATER LAWRENCE FAMILY HEALTH CENTER, INC.

Statements of Activities and Changes in Net Assets
For the Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Net Assets Without Donor Restrictions:		
Operating revenues:		
Net patient service revenue	\$ 37,429,435	\$ 36,460,914
Grants, contracts and contributions	12,848,217	13,048,059
Pharmacy sales of \$34,451,837 and \$29,051,427, net of related cost of sales of \$23,038,300 and \$17,494,065 in 2019 and 2018, respectively	11,413,537	11,557,362
Other revenue	587,736	236,170
Net assets released from purpose restrictions	4,553,324	3,703,599
Total operating revenues	<u>66,832,249</u>	<u>65,006,104</u>
Operating expenses:		
Community Health Center	41,418,096	38,961,684
Family Practice Residency	12,179,642	11,566,736
Pharmacy	10,349,785	9,891,017
Community Support Services	3,834,943	3,999,260
Area Health and Education Center	463,027	399,897
Total operating expenses	<u>68,245,493</u>	<u>64,818,594</u>
Changes in net assets without donor restrictions from operations	(1,413,244)	187,510
Non-operating revenue (expense):		
Loss on disposal of property and equipment	-	(142,814)
Net assets released from capital restrictions	-	60,000
Changes in net assets without donor restrictions	<u>(1,413,244)</u>	<u>104,696</u>
Net Assets With Donor Restrictions:		
Grants and contributions	4,589,071	3,931,436
Capital grants	470,525	-
Net assets released from purpose restrictions	(4,553,324)	(3,703,599)
Net assets released from capital restrictions	-	(60,000)
Changes in net assets with donor restrictions	<u>506,272</u>	<u>167,837</u>
Changes in net assets	(906,972)	272,533
Net Assets:		
Beginning of year	<u>37,282,053</u>	<u>37,009,520</u>
End of year	<u><u>\$ 36,375,081</u></u>	<u><u>\$ 37,282,053</u></u>

GREATER LAWRENCE FAMILY HEALTH CENTER, INC.

Statements of Cash Flows
For the Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash Flows from Operating Activities:		
Changes in net assets	\$ (906,972)	\$ 272,533
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	2,160,899	2,446,301
Bad debts	1,057,833	1,252,017
Capital grants	(470,525)	-
Increase (decrease) in pharmacy inventory reserve	(98,182)	124,222
Loss on disposal of property and equipment	-	142,814
Changes in operating assets and liabilities:		
Accounts receivable - patient services	(2,151,567)	(2,332,844)
Accounts receivable - grants, contracts and other	1,427,734	90,061
Accounts receivable - pharmacy	442,917	(1,085,789)
Accounts receivable - Health Safety Net	(24,637)	282,944
Pharmacy inventory	(564,719)	(333,079)
Prepaid expenses	(98,300)	(290,549)
Accounts payable	361,248	219,014
Accrued expenses	(687,132)	(4,864)
Net cash provided by operating activities	<u>448,597</u>	<u>782,781</u>
Cash Flows from Investing Activities:		
Purchase of property and equipment	(766,404)	(1,076,494)
Increase in cash and cash equivalents - Board designated	(1,000,000)	-
Net cash used in investing activities	<u>(1,766,404)</u>	<u>(1,076,494)</u>
Cash Flows from Financing Activities:		
Capital grants	470,525	-
Payments on accounts payable - property and equipment	-	(118,353)
Net cash provided by (used in) financing activities	<u>470,525</u>	<u>(118,353)</u>
Net Change in Cash and Cash Equivalents	<u>(847,282)</u>	<u>(412,066)</u>
Cash and Cash Equivalents:		
Beginning of year	<u>9,151,144</u>	<u>9,563,210</u>
End of year	<u>\$ 8,303,862</u>	<u>\$ 9,151,144</u>

GREATER LAWRENCE FAMILY HEALTH CENTER, INC.

Statement of Functional Expenses
 For the Year Ended June 30, 2019
 (With Summarized Comparative Totals for the Year Ended June 30, 2018)

	2019						2018		
	Program Expenses					Total Program Expenses	General and Administrative	Total	Total
	Community Health Center	Family Practice Residency	Pharmacy	Community Support Services	Area Health and Education Center				
Personnel:									
Salaries	\$ 20,118,222	\$ 5,334,732	\$ 5,873,788	\$ 1,136,170	\$ 199,407	\$ 32,662,319	\$ 10,522,589	\$ 43,184,908	\$ 40,883,809
Payroll taxes and fringe benefits	3,472,455	959,650	1,054,782	385,504	36,201	5,908,592	1,825,876	7,734,468	6,674,453
Purchased and contracted services	952,254	34,740	197,592	600	1,575	1,186,761	1,635,007	2,821,768	2,602,740
Staff training and development	132,433	150,355	22,512	21,975	8,540	335,815	441,591	777,406	612,438
Total personnel	24,675,364	6,479,477	7,148,674	1,544,249	245,723	40,093,487	14,425,063	54,518,550	50,773,440
Occupancy:									
Depreciation	1,171,796	-	-	989,103	-	2,160,899	-	2,160,899	2,446,301
Rent and utilities	1,289,769	7,390	105,166	190,946	-	1,593,271	458,140	2,051,411	2,003,860
Repairs and maintenance	412,582	1,529	26,733	89,325	-	530,169	6,987	537,156	489,028
Minor equipment	145,915	414	8,955	17,609	-	172,893	13,834	186,727	63,495
Insurance	56,114	-	-	68	-	56,182	39,267	95,449	84,743
Total occupancy	3,076,176	9,333	140,854	1,287,051	-	4,513,414	518,228	5,031,642	5,087,427
Other:									
Professional services	868,946	97,436	111,853	98,029	25,270	1,201,534	1,846,533	3,048,067	3,097,253
Medical supplies	1,595,122	196,908	353,163	41,610	-	2,186,803	-	2,186,803	1,675,877
Bad debts	818,305	111,322	128,206	-	-	1,057,833	-	1,057,833	1,252,017
Communications	16,270	-	-	2,225	-	18,495	544,549	563,044	573,848
Dues, subscriptions and miscellaneous	88,474	62,659	34,786	3,242	30	189,191	337,416	526,607	471,175
Office, supplies and related	73,342	7,814	23,561	48,905	3,279	156,901	293,411	450,312	880,468
Sub-grant awards	-	-	-	211,023	-	211,023	-	211,023	232,989
Recruitment	4,093	6,869	795	-	-	11,757	176,507	188,264	308,498
Printing and postage	46,591	2,949	5,266	2,783	442	58,031	73,559	131,590	109,355
Marketing	-	-	-	-	-	-	112,227	112,227	126,371
Fundraising	-	-	-	-	27	27	76,158	76,185	71,370
Insurance	5,905	-	1,250	8	-	7,163	53,409	60,572	70,815
Patient transportation	24,490	-	-	29,005	-	53,495	-	53,495	63,869
Travel	5,484	1,586	773	8,715	3,594	20,152	9,127	29,279	23,822
Total other	3,547,022	487,543	659,653	445,545	32,642	5,172,405	3,522,896	8,695,301	8,957,727
Total expenses before allocations	31,298,562	6,976,353	7,949,181	3,276,845	278,365	49,779,306	18,466,187	68,245,493	64,818,594
Community Health Center Allocation	(2,252,811)	2,248,699	-	4,112	-	-	-	-	-
Total expenses before general and administrative allocation	29,045,751	9,225,052	7,949,181	3,280,957	278,365	49,779,306	18,466,187	68,245,493	64,818,594
General and Administrative Allocation	12,372,345	2,954,590	2,400,604	553,986	184,662	18,466,187	(18,466,187)	-	-
Total expenses	\$ 41,418,096	\$ 12,179,642	\$ 10,349,785	\$ 3,834,943	\$ 463,027	\$ 68,245,493	\$ -	\$ 68,245,493	\$ 64,818,594

The accompanying notes are an integral part of these statements.

GREATER LAWRENCE FAMILY HEALTH CENTER, INC.

Statement of Functional Expenses
For the Year Ended June 30, 2018

	Program Expenses					Total Program Expenses	General and Administrative	Total
	Community Health Center	Family Practice Residency	Pharmacy	Community Support Services	Area Health and Education Center			
Personnel:								
Salaries	\$ 19,495,182	\$ 5,172,391	\$ 5,494,307	\$ 1,126,204	\$ 175,456	\$ 31,463,540	\$ 9,420,269	\$ 40,883,809
Payroll taxes and fringe benefits	3,216,562	831,192	884,975	323,563	28,960	5,285,252	1,389,201	6,674,453
Purchased and contracted services	800,910	22,560	178,144	409	2,512	1,004,535	1,598,205	2,602,740
Staff training and development	72,769	120,102	18,218	15,481	475	227,045	385,393	612,438
Total personnel	<u>23,585,423</u>	<u>6,146,245</u>	<u>6,575,644</u>	<u>1,465,657</u>	<u>207,403</u>	<u>37,980,372</u>	<u>12,793,068</u>	<u>50,773,440</u>
Occupancy:								
Depreciation	1,202,872	-	-	1,243,429	-	2,446,301	-	2,446,301
Rent and utilities	1,299,160	6,881	92,571	187,634	-	1,586,246	417,614	2,003,860
Repairs and maintenance	356,710	113	18,196	85,097	-	460,116	28,912	489,028
Minor equipment	32,815	2,880	6,875	10,594	-	53,164	10,331	63,495
Insurance	47,336	-	-	58	-	47,394	37,349	84,743
Total occupancy	<u>2,938,893</u>	<u>9,874</u>	<u>117,642</u>	<u>1,526,812</u>	<u>-</u>	<u>4,593,221</u>	<u>494,206</u>	<u>5,087,427</u>
Other:								
Professional services	874,908	100,889	98,644	62,782	10,933	1,148,156	1,949,097	3,097,253
Medical supplies	1,224,413	122,299	295,551	33,169	-	1,675,432	445	1,675,877
Bad debts	686,317	88,199	477,501	-	-	1,252,017	-	1,252,017
Communications	14,422	-	-	2,231	-	16,653	557,195	573,848
Dues, subscriptions and miscellaneous	60,461	65,217	41,708	3,416	25	170,827	300,348	471,175
Office, supplies and related	49,811	13,225	25,330	75,567	2,104	166,037	714,431	880,468
Sub-grant awards	-	-	-	232,989	-	232,989	-	232,989
Recruitment	6,643	5,157	-	44,560	-	56,360	252,138	308,498
Printing and postage	52,831	4,013	2,315	966	546	60,671	48,684	109,355
Marketing	345	-	-	-	-	345	126,026	126,371
Fundraising	-	-	-	-	2,000	2,000	69,370	71,370
Insurance	38,273	-	1,250	47	-	39,570	31,245	70,815
Patient transportation	39,594	-	-	24,275	-	63,869	-	63,869
Travel	4,196	951	323	4,196	3,416	13,082	10,740	23,822
Total other	<u>3,052,214</u>	<u>399,950</u>	<u>942,622</u>	<u>484,198</u>	<u>19,024</u>	<u>4,898,008</u>	<u>4,059,719</u>	<u>8,957,727</u>
Total expenses before allocations	29,576,530	6,556,069	7,635,908	3,476,667	226,427	47,471,601	17,346,993	64,818,594
Community Health Center Allocation	<u>(2,237,331)</u>	<u>2,235,148</u>	<u>-</u>	<u>2,183</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses before general and administrative allocation	27,339,199	8,791,217	7,635,908	3,478,850	226,427	47,471,601	17,346,993	64,818,594
General and Administrative Allocation	<u>11,622,485</u>	<u>2,775,519</u>	<u>2,255,109</u>	<u>520,410</u>	<u>173,470</u>	<u>17,346,993</u>	<u>(17,346,993)</u>	<u>-</u>
Total expenses	<u>\$ 38,961,684</u>	<u>\$ 11,566,736</u>	<u>\$ 9,891,017</u>	<u>\$ 3,999,260</u>	<u>\$ 399,897</u>	<u>\$ 64,818,594</u>	<u>\$ -</u>	<u>\$ 64,818,594</u>

The accompanying notes are an integral part of these statements.

GREATER LAWRENCE FAMILY HEALTH CENTER, INC.

Notes to Financial Statements
June 30, 2019 and 2018

1. OPERATIONS, NONPROFIT STATUS AND SIGNIFICANT ACCOUNTING POLICIES

OPERATIONS AND NONPROFIT STATUS

Greater Lawrence Family Health Center, Inc. (the Health Center) was incorporated in 1980, and provides comprehensive family health services to the residents of Lawrence, Massachusetts and surrounding communities. The Health Center also operates an accredited Family Practice Residency training program. The Health Center has been accredited by the Joint Commission on Accreditation of Healthcare Organizations. A substantial portion of operational funding is from grants, contracts and contributions and third-party payments from governmental agencies (see Note 6).

The Health Center is exempt from Federal income taxes as an organization (not a private foundation) formed for charitable purposes under Section 501(c)(3) of the Internal Revenue Code (IRC). The Health Center is also exempt from state income taxes. Donors may deduct contributions made to the Health Center within the IRC requirements.

The Health Center collaborates with Lawrence General Hospital (the Hospital) through a program limited to admission privileges of the Health Center's physicians and the provision of inpatient rotations of Family Practice residents.

SIGNIFICANT ACCOUNTING POLICIES

The Health Center prepares its financial statements in accordance with generally accepted accounting standards and principles (U.S. GAAP) established by the Financial Accounting Standards Board (FASB). References to U.S. GAAP in these notes are to the FASB Accounting Standards Codification (ASC).

Recently Adopted Accounting Pronouncement

In fiscal year 2019, the Health Center adopted FASB's Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. This ASU modified the current guidance over several criteria, of which the following affected the Health Center's financial statements:

- Net assets are segregated into two categories, "with donor restrictions" and "without donor restrictions", as opposed to the previous requirement of three classes of net assets.
- Qualitative and quantitative information relating to management of liquidity and the availability of financial assets to cover short-term cash needs within one year from the statement of financial position date.
- A more detailed explanation of the methods used to allocate costs among program and supporting (general and administrative and fundraising) functions has been included in the notes to the financial statements.

The Health Center has applied a modified retrospective adoption of the above standard and, as a result, is not presenting a liquidity disclosure for the year ended June 30, 2018. The adoption of the ASU did not impact the Health Center's net asset balance, changes in net assets, or cash flows for the year ended June 30, 2018.

Statements of Activities and Changes in Net Assets

Transactions deemed by management to be ongoing, major, or central to the provision of program services are reported as operating revenues and expenses in the accompanying statements of activities and changes in net assets. Non-operating activity reflects property and equipment related activity.

GREATER LAWRENCE FAMILY HEALTH CENTER, INC.

Notes to Financial Statements
June 30, 2019 and 2018

1. OPERATIONS, NONPROFIT STATUS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

Cash and cash equivalents - operating and cash and cash equivalents - Board designated consist of savings, checking, overnight investments, and money market accounts. Only the cash and cash equivalents - operating are considered for the accompanying statements of cash flows.

Accounts Receivable - Patient Services, Pharmacy, Grants, Contracts and Other and Health Safety Net

Accounts receivable are stated at unpaid balances, less an allowance for uncollectible accounts. The allowance is based on experience, third-party contracts, and other circumstances which may affect the ability of the Health Center to collect the receivables. Receivables are considered impaired if full payments are not received in accordance with the contractual terms. It is the Health Center's policy to charge-off uncollectible accounts receivable when management determines the receivable will not be collected.

Pharmacy Inventory

Pharmacy inventory consists of pharmaceuticals on hand and is recorded at the lower of cost (as determined by the first-in, first-out method) or net realizable value, net of reserves for obsolescence of \$166,616 and \$264,798 at June 30, 2019 and 2018, respectively.

Expense Allocation

Expenses related directly to a program are distributed to that program, while other expenses are allocated based upon management's estimate of the percentage attributable to each program. Certain direct pharmacy expenses are netted with pharmacy revenue on the statement of activities. Total expenses for the years ended June 30, 2019 and 2018 are \$91,283,793 and \$82,312,659, respectively, including the netted pharmacy expenses.

Certain categories of expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis that is consistently applied. The expenses that are allocated are salaries, payroll taxes and fringe benefits, which are allocated on the basis of estimates of time and effort; occupancy costs and depreciation, which are allocated on a square footage basis; and supplies and communications, which are allocated based on estimates of historical usage.

Property and Equipment and Depreciation

Purchased property and equipment are recorded at cost. Donated property and equipment are recorded at fair value at the time of donation. Improvements are capitalized, while repairs and maintenance are expensed as they are incurred. Depreciation is computed using the straight-line method over the following estimated useful lives:

Land improvements	5 - 40 years
Buildings and improvements	5 - 40 years
Computer and other equipment	3 - 7 years
Leasehold improvements	Life of lease

GREATER LAWRENCE FAMILY HEALTH CENTER, INC.

Notes to Financial Statements
June 30, 2019 and 2018

1. OPERATIONS, NONPROFIT STATUS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment and Depreciation (Continued)

Land is not depreciated.

The Health Center accounts for the carrying value of its long-lived assets in accordance with the requirements of *Accounting for the Impairment or Disposal of Long-Lived Assets*. The carrying value is evaluated annually for impairment. No impairment loss was recognized in fiscal year 2019 or 2018.

Construction in progress relates to projects that are not yet in service. These assets are not depreciated until they are placed in service.

Revenue Recognition

Patient service revenue is recorded as services are provided. The Health Center establishes fees for services to patients based upon the patient's ability to pay for these services. Net patient service revenue reflects the amounts to be collected after provision for contractual allowances, sliding fee adjustments, and free care. Contractual allowances are accrued on an estimated basis in the period the related services are rendered. Net patient service revenue is adjusted as required based upon agreed upon rates and final settlements. In general, the Health Center is reimbursed from third-party payors based on negotiated rates, procedural fee schedules, and discounted charges. Contractual allowances were approximately \$24,055,000 and \$19,751,000 for the years ended June 30, 2019 and 2018, respectively.

Contract revenue is recorded over the contract period as services are provided and costs are incurred. Grants and contributions without donor restrictions are recorded as revenue when received or unconditionally pledged. Grants and contributions that are designated by donors for specific purposes are reported as net assets with donor restrictions when received or unconditionally pledged. Transfers are made from net assets with donor restrictions to net assets without donor restrictions as costs are incurred or as program restrictions are met and are shown as net assets released from restrictions in the accompanying statements of activities and changes in net assets. Pharmacy sales are recorded at the time of sale and are net of direct cost of goods sold in the accompanying statements of activities and changes in net assets. Other revenue is recognized when earned.

Measuring Charity Care

The Health Center has a policy of providing free care services to patients who are unable to pay or to those who may be underinsured, without charge or at amounts less than its established rates. The Health Center does not pursue collection of amounts determined to qualify as free care and these amounts are not reported as revenue. The Health Center provided \$5,684,276 and \$6,333,087 of free care during the years ended June 30, 2019 and 2018, respectively. The cost of providing these services was \$3,686,687 and \$4,510,689 for the years ended June 30, 2019 and 2018, respectively. The cost of providing free care was calculated by multiplying the percentage of gross free care charges to gross patient charges by the total cost of providing patient services. Massachusetts law provides coverage for these healthcare services via Health Safety Net (HSN).

In fiscal years 2019 and 2018, the Health Center billed HSN approximately \$3,845,000 and \$4,640,000, respectively, for free care services provided to eligible patients. This revenue is included in net patient service revenue and net pharmacy sales in the accompanying statements of activities and changes in net assets.

GREATER LAWRENCE FAMILY HEALTH CENTER, INC.

Notes to Financial Statements
June 30, 2019 and 2018

1. OPERATIONS, NONPROFIT STATUS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Net Assets

Net Assets Without Donor Restrictions:

Net assets without donor restrictions are those net resources that bear no external restrictions and are generally available for use by the Health Center. The Health Center has grouped its net assets without donor restrictions into the following categories:

Operating - Represent resources available to carry on the operations of the Health Center.

Board designated - Represent resources set aside by the Board of Directors for future programs or projects of the Health Center and include \$1,000,000 of funds set aside to hedge against potential losses on alternative payment contracts (see Note 9). These funds may only be used with the approval of the Board of Directors.

Property and equipment - Represent the Health Center's investment in property and equipment.

Net Assets With Donor Restrictions:

The Health Center receives grants and contributions which are designated by donors for specific purposes. These grants and contributions are recorded as net assets with donor restrictions until they are expended for their designated purposes.

Net assets with donor restrictions at June 30, 2019 and 2018, were restricted for the following:

	<u>2019</u>	<u>2018</u>
Purpose restricted - Operating	\$ 788,947	\$ 753,200
Purpose restricted - Capital	<u>470,525</u>	<u>-</u>
	<u>\$ 1,259,472</u>	<u>\$ 753,200</u>

Fair Value Measurements

The Health Center follows the accounting and disclosure standards pertaining to ASC Topic, *Fair Value Measurements*, for qualifying assets and liabilities. Fair value is defined as the price that the Health Center would receive upon selling an asset or pay to settle a liability in an orderly transaction between market participants.

GREATER LAWRENCE FAMILY HEALTH CENTER, INC.

Notes to Financial Statements
June 30, 2019 and 2018

1. OPERATIONS, NONPROFIT STATUS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurements (Continued)

The Health Center uses a framework for measuring fair value that includes a hierarchy that categorizes and prioritizes the sources used to measure and disclose fair value. This hierarchy is broken down into three levels based on inputs that market participants would use in valuing the financial instruments based on market data obtained from sources independent of the Health Center. Inputs refer broadly to the assumptions that market participants would use in pricing the financial instrument, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the financial instrument developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset developed based on the best information available.

The three-tier hierarchy of inputs is as follows:

Level 1 - Inputs that reflect unadjusted quoted prices in active markets for identical assets at the measurement date.

Level 2 - Inputs other than quoted prices that are observable for the asset either directly or indirectly, including inputs in markets that are not considered to be active.

Level 3 - Inputs that are unobservable and which require significant judgment or estimation.

An asset or liability's level within the framework is based upon the lowest level of any input that is significant to the fair value measurement. All qualifying assets and liabilities are valued using Level 1 inputs.

Subsequent Events

Subsequent events have been evaluated through October 29, 2019, which is the date the financial statements were available to be issued. There were no events that met the criteria for recognition or disclosure in the financial statements.

Accounting for Uncertainty in Income Taxes

The Health Center accounts for uncertainty in income taxes in accordance with ASC Topic, *Income Taxes*. This standard clarifies the accounting for uncertainty in tax positions and prescribes a recognition threshold and measurement attribute for the financial statements regarding a tax position taken or expected to be taken in a tax return. The Health Center has determined that there are no uncertain tax positions which qualify for either recognition or disclosure in the financial statements at June 30, 2019 or 2018. The Health Center's information and tax returns are subject to examination by the Federal and state jurisdictions.

GREATER LAWRENCE FAMILY HEALTH CENTER, INC.

Notes to Financial Statements
June 30, 2019 and 2018

2. LINES OF CREDIT

The Health Center has available a \$1,000,000 operating line of credit with a bank. Borrowings under the line of credit are due on demand, and interest is payable monthly at the lower of 3% or the *Wall Street Journal's* prime rate (WSJPR) (5.5% and 5% at June 30, 2019 and 2018, respectively), less 0.5%. There was no outstanding balance under the line of credit as of June 30, 2019 or 2018. The line of credit is secured by a first lien on all business assets of the Health Center, and is subject to specified covenants.

The Health Center also has available a \$2,000,000 property and equipment line of credit with a bank. Borrowings under the line of credit are due on demand, and interest is payable monthly at the lower of 3% or the WSJPR (see above), less 0.5%. There was no outstanding balance under the line of credit as of June 30, 2019 or 2018. The line of credit is secured by a first lien on all business assets of the Health Center, as well as a separate purchase money security interest filing against any equipment or property purchased, and is subject to specified covenants.

3. OPERATING LEASES

The Health Center rents various facilities under operating lease agreements. The Health Center is responsible for utilities and maintenance (CAM charges) and must maintain specified insurance coverage. The aggregate monthly facility rental payments were approximately \$75,000 and \$80,000 for the years ended June 30, 2019 and 2018, respectively. The leases expire at various intervals through March 2031, and contain provisions for renewal options.

Remaining lease payments under non-cancelable lease obligations are as follows:

<u>Fiscal Years</u>	
2020	\$ 929,362
2021	\$ 886,770
2022	\$ 847,466
2023	\$ 758,731
2024	\$ 759,981
2025 and thereafter	\$ 2,936,072

Rent expense, including CAM changes, was \$1,610,681 and \$1,506,173 for the years ended June 30, 2019 and 2018, respectively, and is included in rent and utilities in the accompanying statements of functional expenses.

4. RETIREMENT PLAN

The Health Center has a defined contribution pension plan for employees under Section 403(b) of the IRC. All eligible employees are automatically enrolled with an option to opt out. The Health Center contributed 2% of each employee's annual compensation for the year ended June 30, 2019. The Health Center contributed 2% of each employee's salary earned during a portion of fiscal year 2018.

The Health Center's expense under this plan for the years ended June 30, 2019 and 2018, was \$656,139 and \$346,462, respectively, which is included in payroll taxes and fringe benefits in the accompanying statements of functional expenses.

GREATER LAWRENCE FAMILY HEALTH CENTER, INC.

Notes to Financial Statements
June 30, 2019 and 2018

5. FUNDING

Third-Party

Charges made to most third-party payors for patient services are periodically reviewed and adjusted based upon the submission of cost reports and possible subsequent audits by Federal agencies. In the opinion of management, the effect of such cost determinations or adjustments, if any, will not have a material effect on the financial position of the Health Center as of June 30, 2019 and 2018, or on the changes in its net assets for the years then ended.

The Health Center is entitled to receive settlements based upon the submission of cost reports. These settlements are not readily determinable and are therefore not recorded until the cost reports are finalized.

U.S. Department of Health and Human Services

The Health Center receives a significant portion of its total operating revenues from the U.S. Department of Health and Human Services (HHS) under Federal grants. These grants are subject to audit by HHS. In the opinion of management, the results of such audits, if any, will not have a material effect on the financial position of the Health Center as of June 30, 2019 and 2018, or on the changes in its net assets for the years then ended.

Residency

The Health Center receives reimbursement for direct and indirect costs it incurs in the training and supervision of residents in the Family Practice Residency program, as allowed by Federal guidelines. Reimbursement from Federal and other third-party payors is passed through the Hospital to the Health Center under a contractual arrangement, which renews annually unless prior notice is given by either of the parties. Reimbursement under this program was approximately \$3,400,000 for the years ended June 30, 2019 and 2018, and is included in grants, contracts and contributions in the accompanying statements of activities and changes in net assets. The Health Center has also entered into a contract with the Hospital to support and further the services of the Health Center's obstetrics and inpatient programs. Total revenue for this contract was \$1,000,000 for the years ended June 30, 2019 and 2018, which is also included in grants, contracts and contributions in the accompanying statements of activities and changes in net assets. As of June 30, 2019 and 2018, \$366,667 and \$397,950, respectively, of this revenue was included in accounts receivable - grants, contracts and other in the accompanying statements of financial position.

6. CONCENTRATIONS

The Health Center maintains its cash balances in certain banks in Massachusetts. The Federal Deposit Insurance Corporation (FDIC) insures balances at each bank up to certain amounts. At certain times during the year, cash balances exceeded the insured amounts. The Health Center has not experienced any losses in such accounts. The Health Center believes it is not exposed to any significant credit risk on cash and cash equivalents.

Twenty-three percent and twelve percent of accounts receivable - grants, contracts and other for the years ended June 30, 2019 and 2018, respectively, are from the Hospital.

GREATER LAWRENCE FAMILY HEALTH CENTER, INC.

Notes to Financial Statements
June 30, 2019 and 2018

6. CONCENTRATIONS (Continued)

At June 30, 2019 and 2018, revenues and receivables from third-party payors consisted of the following concentrations:

<u>Payor</u>	<u>2019</u>		<u>2018</u>	
	<u>Percentage of Net Patient Revenue</u>	<u>Percentage of Gross Patient Accounts Receivable</u>	<u>Percentage of Net Patient Revenue</u>	<u>Percentage of Gross Patient Accounts Receivable</u>
Medicaid and MVACO (see Note 10)	65%	49%	52%	58%
NHP	1%	2%	11%	2%
Medicare	11%	9%	11%	7%

Twenty-three percent and eighteen percent of grants, contracts and contributions revenue are related to MVACO for the years ended June 30, 2019 and 2018, respectively. Five percent and forty-eight percent of grants, contracts and other receivables are related to MVACO for the years ended June 30, 2019 and 2018, respectively.

7. CONTINGENCIES

From time-to-time, the Health Center may be involved in various claims and lawsuits arising in the normal course of business. Management believes that any financial responsibility that may be incurred in settlements of such claims and lawsuits would not be material to the Health Center's financial position. As of June 30, 2019, management is not aware of any outstanding claims or lawsuits against the Health Center.

8. MEDICAL MALPRACTICE INSURANCE

Compliance with healthcare industry laws and regulations are subject to future government review and interpretation as well as regulatory actions unknown or unasserted at the present time. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, and reimbursement laws and regulations.

The Health Center is insured for professional liability coverage through the Federal Bureau of Primary Health Care, known as the Federal Tort Claims Act (FTCA), in accordance with the Public Health Services Act. This coverage is provided to the Health Center through its Section 330 Community Health Center grant administered by the Health Resources and Services Administration (HRSA). The coverage afforded the Health Center is comparable to an occurrence-based policy without a monetary cap. The coverage is applicable to the Health Center, its officers, Board members, employees, and contractors who are physicians or other licensed or certified health care practitioners. In addition, the Health Center maintains additional malpractice gap insurance.

9. ACCOUNTABLE CARE ORGANIZATION

The Health Center has partnered with the Hospital and Always Health Partners (a Massachusetts health insurance provider) to form the Merrimack Valley Accountable Care Organization (MVACO). MVACO is a non-profit health care corporation formed in 2017 and organized to take responsibility for managing the cost and quality of health care for its members, who are located primarily in the Merrimack Valley region of Massachusetts. The Health Center could be subject to settlements due back to MVACO if the actual spending is more than the targeted spending based upon certain criteria as defined in the MVACO contract.

GREATER LAWRENCE FAMILY HEALTH CENTER, INC.

Notes to Financial Statements
June 30, 2019 and 2018

10. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Financial assets available for use by the Health Center within one year from the statement of financial position date are as follows as of June 30, 2019:

Cash and cash equivalents without donor restrictions	\$ 7,044,390
Patient services, pharmacy and Health Safety Net accounts receivable, net of allowances	8,530,225
Grants, contracts and other receivables without donor restrictions	<u>1,608,550</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 17,183,165</u>

The Health Center has a policy to structure its financial assets to be available and liquid as its obligations become due. As of June 30, 2019, the Health Center has financial assets equal to approximately three months of operating expenses. In addition, the Health Center has a line of credit agreement which allows for additional available liquidity up to \$1,000,000 (see Note 2).

11. RECLASSIFICATIONS

Certain amounts in the fiscal year 2018 financial statements have been reclassified to conform to the fiscal year 2019 presentation.

GREATER LAWRENCE FAMILY HEALTH CENTER, INC.

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
U.S. Department of Health and Human Services:				
Direct Programs:				
Health Center Program Cluster:				
Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	93.224	N/A	\$ 3,693,092	\$ -
Grants for New and Expanded Services under the Health Center Program	93.527	N/A	<u>136,557</u>	<u>-</u>
Total Health Center Program Cluster			3,829,649	-
Teaching Health Center Graduate Medical Education Payment	93.530	N/A	1,200,000	-
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	N/A	594,734	211,023
Pass-through Boston Public Health:				
HIV Emergency Relief Project Grants	93.914	PO201901763 PO201901762	578,137	-
Pass-through Commonwealth of Massachusetts, Department of Public Health:				
HIV Prevention Activities Health Department Based	93.940	4944MM3181926021	131,560	-
Opioid STR	93.788	4944MM3181926021 2351M03W19026069	287,076	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	4944MM3181926021 2351M03183626041	25,838	-
Pass-through University of Massachusetts Medical School - Worcester:				
Area Health Education Centers	93.107	6U77HP03016-25-01	<u>108,948</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 6,755,942</u>	<u>\$ 211,023</u>

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the Federal assistance activity of the Health Center and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Note 2. Indirect Cost Rate

The Health Center has elected not to use the 10% de minimis cost rate for its Federal programs.



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**Report on Internal Control Over Financial Reporting and on Compliance and Other
Matters Based on an Audit of Financial Statements Performed in Accordance
With Government Auditing Standards**

Independent Auditor's Report

To the Board of Directors of
Greater Lawrence Family Health Center, Inc.:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Greater Lawrence Family Health Center, Inc. (the Health Center), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities and changes in net assets, cash flows and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 29, 2019.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Health Center's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

AAFCPA, Inc.

Westborough, Massachusetts
October 29, 2019



**Report on Compliance for Each Major Federal Program and Report on Internal Control
Over Compliance Required by the Uniform Guidance**

Independent Auditor's Report

To the Board of Directors of
Greater Lawrence Family Health Center, Inc.:

Report on Compliance for Each Major Federal Program

We have audited Greater Lawrence Family Health Center, Inc.'s (the Health Center) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Health Center's major Federal programs for the year ended June 30, 2019. The Health Center's major Federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Health Center's major Federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the Health Center's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the Health Center 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 June 30, 2019.

Report on Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

AAFCPA, Inc.

Westborough, Massachusetts
October 29, 2019

GREATER LAWRENCE FAMILY HEALTH CENTER, INC.

Schedule of Findings and Questioned Costs
June 30, 2019

1. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Is a "going concern" emphasis-of-matter paragraph included in the auditor's report? Yes No

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major Federal programs:

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

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

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

Identification of major Federal programs:

<u>Name of Federal Program or Cluster</u>	CFDA Number
Health Center Program Cluster	93.224 93.527
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918

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

Auditee qualified as low-risk auditee? Yes No

GREATER LAWRENCE FAMILY HEALTH CENTER, INC.

Schedule of Findings and Questioned Costs
June 30, 2019

2. FINANCIAL STATEMENT FINDINGS

None

3. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None