



# Alaska Native Tribal Health Consortium

Consolidated Financial Statements and  
Supplementary Information  
Years Ended September 30, 2019 and 2018

(With Independent Auditor's Report Thereon)

# **Alaska Native Tribal Health Consortium**

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Consolidated Financial Statements and Supplementary Information  
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# Alaska Native Tribal Health Consortium

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## **Independent Auditor's Report**

Board of Directors  
Alaska Native Tribal Health Consortium  
Anchorage, Alaska

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Alaska Native Tribal Health Consortium (the "Consortium"), which comprise the consolidated statements of financial position as of September 30, 2019 and 2018, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

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

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

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### ***Opinion***

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Alaska Native Tribal Health Consortium as of September 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 Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The schedule of functional expenses, consolidating schedules of financial position and activities, and Alaska Native Resource Development, LLC and Subsidiaries consolidating schedules of financial position and activities are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic consolidated financial statements or to the basic consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the consolidated 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 August 20, 2020 on our consideration of Alaska Native Tribal Health Consortium'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 Alaska Native Tribal Health Consortium'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 Alaska Native Tribal Health Consortium's internal control over financial reporting and compliance.

*BDO USA, LLP*

Anchorage, Alaska  
August 20, 2020

## **Consolidated Financial Statements**

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**Alaska Native Tribal Health Consortium**  
**Consolidated Statements of Financial Position**

<i>September 30,</i>	2019	2018
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 122,740,217	\$ 108,534,805
Investments	235,379,248	235,596,618
Receivables:		
Grantors	70,015,111	57,529,870
Patient accounts, net	103,835,216	91,412,176
Other receivables	30,354,672	25,823,003
Inventory	15,207,966	13,599,961
Prepaid expenses	14,589,407	3,472,035
<b>Total Current Assets</b>	<b>592,121,837</b>	<b>535,968,468</b>
<b>Other Assets</b>		
Long-term receivables	1,732,096	1,818,477
Prepaid expenses	90,300	3,099,914
Deferred loan costs, net	-	202,609
Property and equipment, net	381,393,880	349,810,301
Investment in joint venture	16,417,866	15,938,923
Real property held for investment	56,778,802	81,222,510
Investments in beneficial interests	17,944,814	18,283,329
<b>Total Other Assets</b>	<b>474,357,758</b>	<b>470,376,063</b>
<b>Total Assets</b>	<b>\$ 1,066,479,595</b>	<b>\$ 1,006,344,531</b>

# Alaska Native Tribal Health Consortium

## Consolidated Statements of Financial Position, continued

<i>September 30,</i>	2019	2018
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 54,290,444	\$ 51,875,082
Accrued payroll and related liabilities	27,732,653	28,196,321
Accrued leave	13,909,403	14,097,595
Current portion of notes and bonds payable	2,021,670	1,101,349
Deferred revenue - grants and contracts	156,697,011	122,057,847
<b>Total Current Liabilities</b>	<b>254,651,181</b>	<b>217,328,194</b>
<b>Other Liabilities</b>		
Other long-term liabilities	740,732	34,810
Notes and bonds payable, less current portion	32,467,388	27,358,386
<b>Total Liabilities</b>	<b>287,859,301</b>	<b>244,721,390</b>
<b>Net Assets</b>		
Without Donor Restrictions	748,755,453	732,007,562
With Donor Restrictions	29,864,841	29,615,579
<b>Total Net Assets</b>	<b>778,620,294</b>	<b>761,623,141</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 1,066,479,595</b>	<b>\$ 1,006,344,531</b>

*See accompanying notes to consolidated financial statements.*



## Alaska Native Tribal Health Consortium

### Consolidated Statements of Activities

Year Ended September 30,	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues</b>			
IHS compact	\$ 186,216,375	\$ 1,338,269	\$ 187,554,644
Other grants and contracts	108,576,772	-	108,576,772
Net patient service revenue	352,286,174	-	352,286,174
Central warehouse sales revenue	34,348,564	-	34,348,564
ARUC utility revenue	4,447,103	-	4,447,103
Earnings from joint venture and beneficial interests	1,981,943	(338,514)	1,643,429
Net investment income	11,748,893	-	11,748,893
Other	53,038,057	111,211	53,149,268
Rental income	6,728,740	-	6,728,740
Tuition and fees	4,512,549	-	4,512,549
Contributions	1,281,905	2,078,983	3,360,888
Net assets released from restrictions - satisfaction of capital acquisitions and grant conditions	2,940,687	(2,940,687)	-
<b>Total Revenues</b>	<b>768,107,762</b>	<b>249,262</b>	<b>768,357,024</b>
<b>Expenses</b>			
Program services:			
Alaska Native Medical Center	507,586,159	-	507,586,159
DEHE Construction Activities	92,435,613	-	92,435,613
DEHE Program Activities	9,424,897	-	9,424,897
Facility Maintenance and Improvements	6,217,082	-	6,217,082
Community Health Services	30,442,740	-	30,442,740
Statewide Tribal Services	67,966,431	-	67,966,431
Alaska Pacific University	17,394,097	-	17,394,097
<b>Total program services</b>	<b>731,467,019</b>	<b>-</b>	<b>731,467,019</b>
Supporting services:			
Fundraising	712,817	-	712,817
AFHCAN Global Telehealth Solutions	10,371	-	10,371
Alaska Native Resource Development	6,234,653	-	6,234,653
General Administration, net of indirect cost recovery	12,935,011	-	12,935,011
<b>Total supporting services</b>	<b>19,892,852</b>	<b>-</b>	<b>19,892,852</b>
<b>Total Expenses</b>	<b>751,359,871</b>	<b>-</b>	<b>751,359,871</b>
Change in net assets	16,747,891	249,262	16,997,153
<b>Net Assets, beginning of year</b>	<b>732,007,562</b>	<b>29,615,579</b>	<b>761,623,140</b>
<b>Net Assets, end of the year</b>	<b>\$ 748,755,453</b>	<b>\$ 29,864,841</b>	<b>\$ 778,620,294</b>

*See accompanying notes to consolidated financial statements.*

# Alaska Native Tribal Health Consortium

## Consolidated Statements of Activities

Year Ended September 30,	2018		
	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues</b>			
IHS compact	\$ 177,434,881	\$ 1,632,087	\$ 179,066,968
Other grants and contracts	80,608,673	-	80,608,673
Net patient service revenue	341,454,747	-	341,454,747
Central warehouse sales revenue	29,793,790	-	29,793,790
ARUC utility revenue	3,879,154	-	3,879,154
Earnings from joint venture and beneficial interests	2,827,097	-	2,827,097
Net investment income	8,968,837	-	8,968,837
Other	38,736,676	1,371,522	40,108,198
Rental income	20,544,162	-	20,544,162
Tuition and fees	4,778,193	-	4,778,193
Contributions	1,309,103	2,663,971	3,973,074
Net assets released from restrictions - satisfaction of capital acquisitions and grant conditions	4,242,545	(4,242,545)	-
<b>Total Revenues</b>	<b>714,577,858</b>	<b>1,425,035</b>	<b>716,002,893</b>
<b>Expenses</b>			
Program services:			
Alaska Native Medical Center	481,545,483	-	481,545,483
DEHE Construction Activities	61,673,656	-	61,673,656
DEHE Program Activities	9,828,698	-	9,828,698
Facility Maintenance and Improvements	4,139,583	-	4,139,583
Community Health Services	27,299,373	-	27,299,373
Statewide Tribal Services	59,250,139	-	59,250,139
Alaska Pacific University	17,976,681	-	17,976,681
<b>Total program services</b>	<b>661,713,613</b>	<b>-</b>	<b>661,713,613</b>
Supporting services:			
Fundraising	829,302	-	829,302
AFHCAN Global Telehealth Solutions	356,692	-	356,692
Alaska Native Resource Development	2,343,172	-	2,343,172
General Administration, net of indirect cost recovery	(1,983,018)	-	(1,983,018)
<b>Total supporting services</b>	<b>1,546,148</b>	<b>-</b>	<b>1,546,148</b>
<b>Total Expenses</b>	<b>663,259,761</b>	<b>-</b>	<b>663,259,761</b>
Change in net assets	51,318,097	1,425,035	52,743,132
<b>Net Assets, beginning of year, as restated</b>	<b>641,788,023</b>	<b>28,190,544</b>	<b>669,978,567</b>
Adjustment to fair value	38,901,442	-	38,901,442
<b>Net Assets, end of the year</b>	<b>\$ 732,007,562</b>	<b>\$ 29,615,579</b>	<b>\$ 761,623,141</b>

*See accompanying notes to consolidated financial statements.*

**Alaska Native Tribal Health Consortium**  
**Consolidated Statements of Functional Expenses**

	Program Services							
	Alaska Native Medical Center	DEHE Construction Activities	DEHE Program Activities	Facility Maintenance Improvements	Community Health Services	Statewide Tribal Services	Alaska Pacific University	Total Program Services
<i>Year Ended September 30, 2019</i>								
Salaries and benefits	\$ 232,689,480	\$ 15,734,927	\$ 4,938,492	\$ 31,666	\$ 16,469,656	\$ 8,212,758	\$ 10,298,896	\$ 288,375,875
Contractual	57,403,313	56,482,751	407,072	6,157,057	8,835,247	20,800,537	982,526	151,068,503
Supplies and drugs	60,189,326	63,465	286	-	101,135	33,688,677	-	94,042,889
Construction materials	-	7,121,775	17,581	-	-	-	-	7,139,356
Travel and per diem	21,636,165	1,939,705	605,824	11,061	1,269,644	636,700	602,002	26,701,101
Depreciation	7,219,290	1,615,096	-	-	440,645	4,125	1,009,190	10,288,346
Minor equipment	3,279,663	1,546,969	40,663	-	136,156	1,064,192	1,112,857	7,180,500
Facility expense	5,269,433	789,665	-	-	76,620	612,389	378,132	7,126,239
Other	1,167,309	108,806	96,936	-	237,636	272,183	2,682,302	4,565,172
Freight	-	2,942,960	2,297	-	-	-	-	2,945,257
General supplies	1,273,408	288,497	38,035	-	891,183	618,841	292,702	3,402,666
Communications	88,159	105,273	2,563	-	43,074	523,984	35,490	798,543
Construction supplement	-	-	1,549,919	-	-	-	-	1,549,919
Allocation of pooled project costs	-	(13,475)	4,315	9,160	-	-	-	-
Allocation of equipment costs	-	-	-	-	-	-	-	-
Allocation of indirect costs	117,370,613	3,709,199	1,720,914	8,138	1,941,744	1,532,045	-	126,282,653
<b>Total Expenses</b>	<b>\$ 507,586,159</b>	<b>\$ 92,435,613</b>	<b>\$ 9,424,897</b>	<b>\$ 6,217,082</b>	<b>\$ 30,442,740</b>	<b>\$ 67,966,431</b>	<b>\$ 17,394,097</b>	<b>\$ 731,467,019</b>

**Alaska Native Tribal Health Consortium**  
**Consolidated Statements of Functional Expenses, continued**

<i>Year Ended September 30, 2019</i>	Supporting Services						Totals 2019
	DEHE Admini- strative Services	Fundraising	AFHCAN Global Telehealth Solutions	Alaska Native Resource Development	General Admini- stration	Total Supporting Services	
Salaries and benefits	\$ 1,822,627	\$ 209,057	\$ -	\$ 113,318	\$ 64,270,878	\$ 66,415,880	\$ 354,791,755
Contractual	237,275	381,578	-	92,159	37,557,363	38,268,375	189,336,878
Supplies and drugs	-	-	-	1,789	1,089,090	1,090,879	95,133,768
Construction materials	-	-	-	-	-	-	7,139,356
Travel and per diem	12,571	5,451	-	-	874,223	892,245	27,593,346
Depreciation	9,609	-	-	943,285	12,146,089	13,098,983	23,387,329
Minor equipment	28,257	1,366	-	-	8,942,157	8,971,780	16,152,280
Facility expense	1,149,048	-	-	351,481	3,759,380	5,259,909	12,386,148
Other	13,350	16,110	10,371	4,713,750	4,193,897	8,947,478	13,512,650
Freight	-	-	-	-	-	-	2,945,257
General supplies	43,109	95,500	-	14,658	2,525,545	2,678,812	6,081,478
Communications	104	3,755	-	4,213	543,092	551,164	1,349,707
Construction supplement	-	-	-	-	-	-	1,549,919
Allocation of pooled project costs	-	-	-	-	-	-	-
Allocation of equipment costs	-	-	-	-	-	-	-
Allocation of indirect costs	-	-	-	-	(126,282,653)	(126,282,653)	-
<b>Total Expenses</b>	<b>\$ 3,315,950</b>	<b>\$ 712,817</b>	<b>\$ 10,371</b>	<b>\$ 6,234,653</b>	<b>\$ 9,619,061</b>	<b>\$ 19,892,852</b>	<b>\$ 751,359,871</b>

*See accompanying notes to consolidated financial statements.*

## Alaska Native Tribal Health Consortium

### Consolidated Statement of Functional Expenses

<i>Year Ended September 30, 2018</i>	Program Services							
	Alaska Native Medical Center	DEHE Construction Activities	DEHE Program Activities	Facility Maintenance and Improve- ments	Community Health Services	Statewide Tribal Services	Alaska Pacific University	Total Program Services
Salaries and benefits	\$ 216,531,163	\$ 14,447,194	\$ 5,909,460	\$ 83,849	\$ 12,076,531	\$ 9,077,954	\$ 10,170,763	\$ 268,296,914
Contractual	34,072,262	24,640,859	157,361	3,816,306	8,941,452	12,670,885	-	84,299,125
Supplies and drugs	57,000,238	44,982	1,219	-	132,118	29,560,952	-	86,739,509
Contract health	24,365,075	-	-	-	-	-	-	24,365,075
Construction materials	1,092	10,228,368	34,069	-	1,280	-	-	10,264,809
Travel and per diem	16,317,234	1,684,926	582,128	204,711	1,483,979	717,610	452,552	21,443,140
Depreciation	8,234,364	1,650,227	-	-	1,505,264	4,223	1,322,403	12,716,481
Minor equipment	3,838,816	1,379,223	40,508	-	114,158	788,255	636,755	6,797,715
Facility expense	6,741,413	881,005	-	-	281,186	660,504	2,117,901	10,682,009
Other	1,266,256	97,502	64,227	-	413,422	327,930	2,855,882	5,025,219
Freight	-	2,828,787	4,086	-	-	-	-	2,832,873
General supplies	1,382,455	358,803	18,097	854	747,022	869,163	333,085	3,709,479
Communications	70,057	97,717	998	-	37,816	163,526	87,340	457,454
Construction supplement	-	-	965,437	-	-	-	-	965,437
Allocation of pooled project costs	-	(57,184)	44,870	12,314	-	-	-	-
Allocation of equipment costs	-	-	-	-	-	-	-	-
Allocation of indirect costs	111,725,058	3,391,247	2,006,238	21,549	1,565,145	4,409,137	-	123,118,374
<b>Total Expenses</b>	<b>\$ 481,545,483</b>	<b>\$ 61,673,656</b>	<b>\$ 9,828,698</b>	<b>\$ 4,139,583</b>	<b>\$ 27,299,373</b>	<b>\$ 59,250,139</b>	<b>\$ 17,976,681</b>	<b>\$ 661,713,613</b>

## Alaska Native Tribal Health Consortium

### Consolidated Statement of Functional Expenses, continued

Year Ended September 30, 2018	Supporting Services						Totals 2018
	DEHE Admini- strative Services	Fund- raising	AFHCAN Global Telehealth Solutions	Alaska Native Resource Development	General Admini- stration	Total Supporting Services	
Salaries and benefits	\$ 2,485,112	\$ 242,357	\$ 487	\$ 71,217	\$ 60,165,079	\$ 62,964,252	\$ 331,261,166
Contractual	214,278	305,854	-	63,415	31,313,269	31,896,816	116,195,941
Supplies and drugs	615	-	-	-	769,474	770,089	87,509,598
Contract health	-	-	-	-	-	-	24,365,075
Construction materials	130	-	-	-	-	130	10,264,939
Travel and per diem	36,503	21,535	-	-	1,718,259	1,776,297	23,219,437
Depreciation	-	-	-	881,595	10,931,069	11,812,664	24,529,145
Minor equipment	66	4,718	-	-	6,143,295	6,148,079	12,945,794
Facility expense	1,149,048	-	-	842,267	506,964	2,498,279	13,180,288
Other	34,667	13,965	356,205	468,846	2,446,319	3,320,002	8,345,221
Freight	42	-	-	-	-	42	2,832,915
General supplies	56,609	188,177	-	13,058	2,621,855	2,879,699	6,589,178
Communications	37	2,528	-	2,774	592,834	598,173	1,055,627
Construction supplement	-	-	-	-	-	-	965,437
Allocation of pooled project costs	-	-	-	-	-	-	-
Allocation of equipment costs	-	-	-	-	-	-	-
Allocation of indirect costs	-	50,168	-	-	(123,168,542)	(123,118,374)	-
<b>Total Expenses</b>	<b>\$ 3,977,107</b>	<b>\$ 829,302</b>	<b>\$ 356,692</b>	<b>\$ 2,343,172</b>	<b>\$ (5,960,125)</b>	<b>\$ 1,546,148</b>	<b>\$ 663,259,761</b>

*See accompanying notes to consolidated financial statements.*

**Alaska Native Tribal Health Consortium**  
**Consolidated Statements of Cash Flows**

<i>Years Ended September 30,</i>	2019	2018
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ 16,997,153	\$ 52,743,132
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	23,387,329	24,529,145
Real property held for investment valuation adjustment	-	(13,613,179)
Loss (gain) on disposal of property and equipment	(2,991,690)	113,751
Net increase in investment in beneficial interests	338,514	(1,281,792)
Gain on investment in joint venture	(1,981,943)	(1,948,818)
Grant receipts from capital grants	(3,928,273)	(4,021,853)
Net unrealized/realized gain on investments	(6,192,976)	(2,932,719)
(Increase) decrease in current assets:		
Accounts receivable:		
Grantors	(12,485,241)	(11,239,249)
Patient accounts, net	(12,423,040)	(26,720,469)
Other receivables	(4,445,288)	(10,361,740)
Inventory	(1,608,005)	(2,084,471)
Deferred loan costs	202,609	-
Prepaid expenses	(8,107,758)	893,539
Increase (decrease) in liabilities:		
Accounts payable	2,415,362	(8,328,011)
Accrued payroll and related liabilities	(463,668)	3,150,025
Accrued leave	(188,192)	2,176,696
Deferred revenue - grants and contracts	34,639,164	53,923,959
Other long-term liabilities	705,922	-
<b>Net cash from operating activities</b>	<b>23,869,979</b>	<b>54,997,946</b>
<b>Cash Flows for Investing Activities</b>		
Purchase of investments	(45,187,755)	(61,976,119)
Proceeds from sale of investments and maturities of debt securities	51,598,102	56,797,023
Acquisition of interests in subsidiaries, net of cash acquired of \$369,233	-	(15,554,685)
Investment in joint venture	-	(14,570,530)
Joint venture equity distribution	1,503,000	751,500
Proceeds from sale of property and equipment	337,603	417,879
Purchase of property and equipment	(27,873,113)	(42,492,722)
<b>Net cash for investing activities</b>	<b>(19,622,163)</b>	<b>(76,627,654)</b>
<b>Cash Flows from (for) Financing Activities</b>		
Proceeds from issuance of notes payable	28,500,000	-
Principal payments on notes and bonds payable	(22,470,677)	(7,918,973)
Grant receipts from capital grants	3,928,273	4,021,853
<b>Net cash from (for) financing activities</b>	<b>9,957,596</b>	<b>(3,897,120)</b>
Net increase (decrease) in cash and cash equivalents	14,205,412	(25,526,828)
<b>Cash and Cash Equivalents, beginning of year</b>	<b>108,534,805</b>	<b>134,061,633</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>\$ 122,740,217</b>	<b>\$ 108,534,805</b>

*See accompanying notes to consolidated financial statements.*

# Alaska Native Tribal Health Consortium

## Notes to the Consolidated Financial Statements Years Ended September 30, 2019 and 2018

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### 1. Summary of Significant Accounting Policies

#### *Organization*

The Alaska Native Tribal Health Consortium (the Consortium) is a tribal organization organized and controlled by tribes and tribal organizations, as authorized by Section 325 of Public Law 105-83 and by Title III of the Indian Self-Determination and Education Assistance Act, Public Law 93-638, as amended. The Consortium was incorporated as an Alaskan nonprofit corporation for the purpose of providing statewide health services and programs to the Alaska Native and American Indian people in Alaska.

The Consortium operates under a Compact of Self-Governance and a Funding Agreement with the U.S. Department of Health and Human Services. The Consortium is responsible for and provides health programs, functions, services, and activities of the Alaska Area Office of the Indian Health Service, and the Alaska Native Medical Center (ANMC), excluding those services provided by Southcentral Foundation (SCF) under separate contractual agreements.

The consolidated financial statements include the accounts of the Alaska Native Tribal Health Consortium, its wholly-owned subsidiaries and other controlled entities including Alaska Pacific University (APU), Alaska Native Resource Development, LLC (ANRD) and AFHCAN Global Telehealth Solutions, LLC (AFHCAN).

Alaska Native Tribal Health Consortium was named as the sole member of Alaska Pacific University on October 25, 2017. This has resulted in a change of reporting entity, see additional business combination information in Note 20.

Alaska Native Resource Development, LLC is a wholly-owned subsidiary of Alaska Native Tribal Health Consortium. Alaska Native Resource Development, LLC is a holding company for U-Land, LLC, which is a holding company for real estate properties and associated rental income and expenses including U Building One, LLC (UB1) , U Building Two, LLC (UB2), U-Land Grace (ULG) and U-Land Glenn (ULGN).

AFHCAN Global Telehealth Solutions, LLC is a wholly-owned subsidiary of Alaska Native Tribal Health Consortium. AFHCAN Global Telehealth Solutions, LLC holds a minority interest in UB2.

#### *Principles of Consolidation*

The consolidated financial statements include the accounts of the Alaska Native Tribal Health Consortium, its owned subsidiaries, and controlled entities. All significant intercompany balances and transactions have been eliminated.

#### *Basis of Accounting and Financial Statement Presentation*

The financial statements have been prepared on the accrual basis of accounting and, accordingly, include all significant receivables, payables, and other assets and liabilities.

The Consortium follows the financial statement presentation provisions of FASB Accounting Standards Codification (FASB ASC) 958-205. Under these provisions, net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions.



# Alaska Native Tribal Health Consortium

## Notes to the Consolidated Financial Statements

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Accordingly, net assets and changes therein are classified and reported as follows:

### *Without Donor Restrictions*

Net assets that are not subject to donor imposed stipulations.

### *With Donor Restrictions*

Net assets subject to specific donor imposed or legal stipulations that can be fulfilled by actions pursuant to those stipulations or that expire by the passage of time. Also included in this category are net assets subject to donor imposed stipulations requiring the assets be maintained in perpetuity. Generally, the donors of these assets permit the use of all or part of the income earned on the related investments for general or specific purposes.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by the donor or by law.

Expiration or satisfaction of donor restrictions on net assets are reported as net assets released from donor restrictions.

### *Investment in Unconsolidated Affiliates*

Investments in unconsolidated affiliates are accounted for under the equity method. Under the equity method, original investments are recorded at cost and adjusted by the Consortium's share of undistributed earnings or losses of these entities. The Consortium would recognize an impairment loss when there is a loss in value in the equity method investment, which is other than a temporary decline.

### *Revenues*

Revenue from the Funding Agreement is recognized as earned in the year that it is made available. A portion of those revenues related to sanitation construction projects are deferred to the extent that revenues exceed expenses incurred. The Consortium administers other grants and contracts which are generally of a cost reimbursement type which include provisions for advances and billings for costs incurred. Revenues and receivables are generally recorded when reimbursable expenses are incurred to the extent of the grant or contract amount. Amounts receivable from grantors at year end include amounts relating to expenses incurred prior to year-end, but not billed until after year end. Grant receipts in excess of revenues earned are included in deferred revenue.

Contributions, including pledges, from the general public are recognized as public support when received. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted contributions based on the nature of the restriction.

The Consortium bills and collects from third-party payors with liability for healthcare rendered in the facilities. Patient service revenue is recognized when services are performed and is recorded at the estimated net realizable value.

# Alaska Native Tribal Health Consortium

## Notes to the Consolidated Financial Statements

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A memorandum of agreement between the Consortium and Southcentral Foundation (SCF) provides that certain revenues generated and collected at ANMC and the Alaska Native Primary Care Center will be subject to revenue-sharing in accordance with the terms of the agreement. The Consortium records its revenue-sharing payments to SCF as a contractual expense. Revenue-sharing payments received from SCF are recorded as patient revenue.

The Central Warehouse records sales revenue for medical supplies and drugs when goods are shipped.

The Consortium earns interest on unrestricted moneys and on certain federal money as permitted by Public Law 93-638. All interest income is recorded as unrestricted revenue.

### ***Services Provided Under the Funding Agreement***

Certain salary and employee benefit expenses of the Consortium's Indian Health Service program employees are paid directly by the federal government through an Intragovernmental Personnel Agreement (IPA), or Memorandum of Agreement (MOA). Certain other costs are also paid directly by the federal government as provided for in the Funding Agreement. These IPA/MOA and other costs are included as revenues and program expenses in the consolidated financial statements to indicate the total operating cost of the programs.

In addition, the Consortium has negotiated separate health services purchase agreements with Southcentral Foundation which describe the level of services to be performed by the Consortium and SCF at the Alaska Native Medical Center. The agreements specify how payment for the purchases of services will be made by both parties. The Consortium records payments from SCF as other grant and contract revenue. Payments made to SCF for services purchased by the Consortium are recorded as contractual expenses.

### ***Cash and Cash Equivalents***

The Consortium's cash and cash equivalents include demand deposits and cash invested in overnight repurchase agreements.

### ***Investments***

The Consortium carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the consolidated statement of financial position. Effective October 1, 2008, the Consortium adopted FASB Accounting Standards Codification (FASB ASC) 820, Fair Value Measurements. FASB ASC 820 defines fair value, establishes a hierarchy for measuring fair value in generally accepted accounting principles (GAAP), and expands disclosures about fair measurement.

The Statement requires that assets and liabilities carried at fair value to be classified and disclosed in one of the following three input categories:

- Level 1 - Quoted market prices in active markets for identical assets or liabilities.
- Level 2 - Observable market based inputs or unobservable inputs that are corroborated by market data.
- Level 3 - Unobservable inputs that are not corroborated by market data.

Unrealized gains and losses are included in the change in net assets in the accompanying consolidated statement of activities.

# Alaska Native Tribal Health Consortium

## Notes to the Consolidated Financial Statements

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### ***Inventory***

Inventory, which consists primarily of medical supplies and drugs, are stated at the lower of cost or market, using the first-in, first-out method.

### ***Property, Equipment and Depreciation***

The Consortium operates programs under the Funding Agreement out of more than one facility or location, and uses property owned by the Consortium, Southcentral Foundation, and the Indian Health Service. The Indian Health Service holds title to certain real and personal property at the facilities.

Property and equipment purchased by the Consortium is capitalized to the extent that it has an original cost of \$5,000 or higher, an estimated useful life greater than one year, and title vests with the Consortium. Useful lives are determined by type of asset and, in general, will range from 3-5 years for furniture and other general administrative equipment, 10-15 years for specialized hospital and construction equipment and vehicles, 15-20 years for building improvements, and 40 years for buildings. Depreciation is computed on the straight-line method at rates calculated to amortize the cost of the assets over their estimated useful lives. Property and equipment purchased with contract or grant moneys, where the title vests with the grantor, are recorded as program expenditures in the department or project making the purchase. These assets are not reflected in the consolidated financial statements and depreciation is not recognized.

### ***Insurance Costs***

The Consortium is covered under the Federal Tort Claims Act for services provided under the Funding Agreement and the Alaska Tribal Health Compact including coverage for claims of medical malpractice. The Consortium purchases additional liability and other insurance as necessary for its protection, and the protection of its employees for claims not covered by the Federal Tort Claims Act.

### ***Advertising Costs***

Advertising costs are expensed as incurred.

### ***Methods Used for Allocation of Expenses from Management and General Activities***

The financial statements report certain categories of expenses attributable to one or more program or supporting functions of the Consortium including depreciation and amortization, and the supporting and administrative function expenses: salaries, travel and training, facilities, contractual expenses, and other. Supporting and administrative functions include departments such as housekeeping, information technology, human resources, compliance, risk management, finance, and general counsel. Eligible costs are accumulated, and Indirect expenses are allocated from General Administration to other funds based on the current provisional rates negotiated with the federal cognizant agency unless otherwise limited by contractual agreement. The costs are then uniformly applied across all eligible accounting units, business units, and departments based on this rate.

# Alaska Native Tribal Health Consortium

## Notes to the Consolidated Financial Statements

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### *Income Taxes*

The Consortium adopted the provisions of Topic 740 of the FASB Accounting Standards Codification relating to accounting for uncertainty in income taxes. As a result of the implementation of ASC 740, the Consortium made a comprehensive review of its portfolio of uncertain tax positions in accordance with recognition standards established by ASC 740. The Consortium is exempt from income taxes as a nonprofit corporation under Section 501(c)(3) of the Internal Revenue Code. The Consortium's policy is to recognize interest and penalties accrued on any unrecognized tax benefits as a component of income tax expense. There is no interest or penalties accrued as of the date on which the consolidated financial statements were issued. As a result of this review, the Consortium concluded that at this time there are no uncertain tax positions.

### *Use of Estimates*

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

### *Subsequent Events*

The Consortium has evaluated subsequent events through August 20, 2020, the date on which the consolidated financial statements were issued.

## **2. Description of Program and Supporting Services**

The following program and supporting services are included in the accompanying consolidated financial statements:

### *Program Descriptions:*

#### *Alaska Native Medical Center*

ANMC is the largest operating division of the Consortium and includes a 173 bed hospital providing inpatient, medical, and support services. The Consortium and Southcentral Foundation share ANMC management and operations in accordance with revenue sharing and health service purchase agreements.

#### *Community Health Services*

This division oversees, trains, assesses, and provides technical assistance in the areas of public health, and community-based health services for tribes and tribal health organizations in Alaska.

#### *Statewide Tribal Services*

The statewide tribal services programs provide assistance in areas such as professional recruiting, business office development, scholarship programs, pass through funding to support primary care services, and develop, maintain, and support technical medical care and assistance via distance delivery. Statewide Tribal Services also manages a central supply warehouse to provide medical and pharmaceutical supplies to health facilities and healthcare providers in Alaska.

# Alaska Native Tribal Health Consortium

## Notes to the Consolidated Financial Statements

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### *Alaska Pacific University*

Alaska Pacific University is a small liberal arts college located in Anchorage, Alaska that emphasizes experiential and active learning in collaboration with students, communities, and Tribal partners.

### *Environmental Health and Engineering (DEHE)*

This division provides the following services:

#### *DEHE Construction Activities*

This component is project funding for the planning, design and construction of public health infrastructure. It includes health clinics, and safe water and sanitary waste disposal systems.

#### *DEHE Program Activities*

This component is staffing and support for development, planning and implementation of public health infrastructure projects.

It also funds community and institutional environmental health support, community water and sewer systems operations support and technical assistance, and healthcare facilities consultation technical assistance services.

#### *Facility Maintenance and Improvements*

This component is project funding for the renovation and improvement of eligible healthcare facilities throughout the State of Alaska.

### *Supporting Services*

Supporting services consist of the following:

#### *DEHE Administrative Services*

This component provides support services for all programs and services offered by DEHE. This includes administrative services, information technology and construction finance. Facilities costs are also included in DEHE administration. These services are reported in the financial statements under general administration.

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# Alaska Native Tribal Health Consortium

## Notes to the Consolidated Financial Statements

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### *Fundraising*

Provides the structure necessary to encourage and secure private financial support from individuals, foundations, and corporations for its Healthy Alaska Natives Foundation (HANF), which raises awareness and responds to critical challenges the Alaska Native health system faces today.

### *AFHCAN Global Telehealth Solutions, LLC*

AFHCAN is a limited liability company that offers a complete telehealth solution for healthcare delivery, including a diagnostic platform with the ability to send data from biomedical peripherals and associated case data for consultation remotely.

### *Alaska Native Resource Development, LLC*

ANRD is a limited liability company operating in Alaska. ANRD incorporated for the purpose of engaging in business and investment activities, including the acquisition, development, and management of real estate.

### *General Administration*

Provides supporting services for all programs and services offered by the Consortium. This includes administrative operations, human resources, information services, finance, business office operations, executive direction, and board of directors' expenses. General Administration also provides supporting services related to the physical plant operations of the Consortium, including repair and maintenance, housekeeping, laundry, communications and lease management.

## 3. Cash and Cash Equivalents

Cash and cash equivalents consist of the following at September 30, 2019:

	Bank Balance	Carrying Amount
<b>Demand Deposits and Repurchase Agreement</b>	\$ 130,571,314	\$ 122,740,217

Cash and cash equivalents consist of the following at September 30, 2018:

	Bank Balance	Carrying Amount
<b>Demand Deposits and Repurchase Agreement</b>	\$ 121,339,507	\$ 108,534,805

Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to a \$250,000 limit per institution. Bank balances of \$1,931,428 and \$1,483,277 from APU were in excess of the FDIC limits at June 30, 2019 and 2018, respectively, and bank balances of \$780,335 and \$1,264,254 from AFHCAN and ANRD were in excess of the FDIC limits at September 30, 2019 and 2018, respectively. All amounts associated with the Consortium were fully collateralized.

The Consortium is not a party to any financial instruments with off-balance sheet risk. Financial instruments which potentially subject the Consortium to concentrations of credit risk are demand deposits and temporary cash investments held in financial institutions.

**Alaska Native Tribal Health Consortium**  
**Notes to the Consolidated Financial Statements**

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**4. Investments**

Investments are recorded at fair value and consist of the following at September 30, 2019 and 2018:

	2019		2018	
	Cost	Fair Value (Market)	Cost	Fair Value (Market)
Cash and cash equivalents	\$ 5,544,848	\$ 5,544,848	\$ 6,905,265	\$ 6,905,264
Mutual funds	1,067,875	1,156,142	38,640	33,485
Equities	36,379,833	49,089,928	33,433,918	45,459,848
Corporate bonds	113,037,554	114,655,345	112,477,044	109,776,154
Government bonds	34,566,555	35,205,569	42,717,235	42,724,906
Exchange trade funds - bonds	7,602,350	7,243,940	8,554,642	8,352,053
Exchange trade funds - equities	19,163,128	22,483,476	18,773,400	22,344,908
<b>Total Investments</b>	<b>\$ 217,362,143</b>	<b>\$ 235,379,248</b>	<b>\$ 222,900,144</b>	<b>\$ 235,596,618</b>

As described in Note 1 under Investments, fair value is determined through one of three input categories. All of the investments held are classified as Level 1 at September 30, 2019 and 2018.

Investment gains consists of the following for the year ended September 30, 2019 and 2018:

	2019	2018
Interest and dividend income	\$ 5,757,588	\$ 6,402,625
Net unrealized gain on securities	5,630,587	3,158,689
Net realized gain on securities	970,934	49,767
Fees	(610,216)	(642,244)
	<b>\$ 11,748,893</b>	<b>\$ 8,968,837</b>

Management determines the most desirable allocation of the Consortium's assets to various investment types in order to achieve the Corporation's investment objectives. The Consortium invests in derivative instruments such as futures contracts to provide for growth of capital and preservation of their investment, while at the same time operating with the goal of staying ahead of the Consumer Price Index plus 5%.

Management considers many factors when determining what to invest in, such as return, risk, liquidity, diversity, corporate strengths and weaknesses, and long-term goals and mission statement.

The Consortium invests in various securities. Investment securities are exposed to various risks such as interest rate, market, credit, foreign currency, and leverage risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect amounts reported in the consolidated statement of financial position.

**Alaska Native Tribal Health Consortium**  
**Notes to the Consolidated Financial Statements**

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**5. Patient Accounts Receivable**

Patient accounts receivable consist of the following at September 30, 2019 and 2018:

	2019	2018
Third-party insurance and self-pay	\$ 109,143,328	\$ 101,121,268
Medicare	64,324,274	60,980,695
Medicaid	132,799,810	107,608,769
Total patient accounts receivable	306,267,412	269,710,732
Less allowance for contractual adjustments	(202,432,196)	(178,298,556)
<b>Patient Accounts Receivable, net</b>	<b>\$ 103,835,216</b>	<b>\$ 91,412,176</b>

**6. Long-term Receivables**

Long-term receivables consist of past services rendered by the Consortium on behalf of other Indian Health Services healthcare providers. Management believes that these balances are fully collectible.

**7. Property and Equipment**

Property and equipment consist of the following at September 30, 2019 and 2018:

	2019	2018
Land	\$ 40,230,306	\$ 40,230,306
Building	275,755,824	237,162,949
Equipment	167,172,417	154,751,184
Construction in progress	7,812,108	10,250,017
Leasehold improvements	68,819,692	62,271,268
Less accumulated depreciation	(178,396,467)	(154,855,423)
<b>Property and Equipment, net</b>	<b>\$ 381,393,880</b>	<b>\$ 349,810,301</b>

**8. Investment in Joint Venture**

The Consortium has interests in and advances to the below joint venture. The company, the business in which they are engaged, percentage of ownership and investment amount are as follows:

<i>September 30,</i>	Business	Percentage of Ownership	2019	2018
	Anchorage Hotel Portfolio, LLC	Hotels	50.1 % \$ 16,417,866	\$ 15,938,923



**Alaska Native Tribal Health Consortium**  
**Notes to the Consolidated Financial Statements**

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Summarized combined financial information for the Consortium's joint venture is as follows:

<i>September 30,</i>	2019
Current assets	\$ 6,429,591
Long-term assets	78,269,959
<b>Total Assets</b>	<b>\$ 84,699,550</b>
Current liabilities	\$ 877,369
Long-term liabilities	51,051,989
Equity	32,770,192
<b>Total Liabilities And Equity</b>	<b>\$ 84,699,550</b>
Results of operations:	
Revenue	\$ 25,262,595
Expenses	(21,306,622)
<b>Net Income</b>	<b>\$ 3,955,973</b>
<b>Equity In Earnings (Loss) Of Unconsolidated Affiliates Allocable To The Corporation</b>	<b>\$ 1,981,943</b>
<b>Consortium's Investment In Affiliate</b>	<b>\$ 16,417,866</b>

### 9. Real Property Held for Investment

Real property held for investment consists of APU's real estate holdings in developed, undeveloped and leased land and are classified as Level 3 as the inputs are not observable. To the extent available, APU's real property held for investment is recorded at fair value based on the best available information. Valuation usually requires a degree of judgment and can be determined considering a wide range of factors including market data, comparable transactions and discounted cash flow analysis. Selecting an appropriate valuation technique may be affected by the availability and reliability of relevant inputs. In some cases, one valuation technique may provide the best indication of fair value while in other circumstances, multiple valuation techniques may be appropriate.

APU records its real property held for investment at fair value and routinely secures a property valuation of the entire campus.

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# Alaska Native Tribal Health Consortium

## Notes to the Consolidated Financial Statements

The following table summarizes APU's Level 3 real property investment activities and transfers as of June, 30:

	Beginning Balance June 30, 2018	Additions	Deletions	Net Unrealized Gain (Loss)	Ending Balance June 30, 2019
<b>Real Property Held for Investment</b>	\$ 81,222,510	\$ 1,064,600	\$ (25,508,308)	-	\$ 56,778,802

	Beginning Balance June 30, 2017	Additions	Deletions	Net Unrealized Gain (Loss)	Ending Balance June 30, 2018
<b>Real Property Held for Investment</b>	\$ 67,761,742	-	\$ (152,411)	\$ 13,613,179	\$ 81,222,510

The following table presents the APU's Level 3 investments, the valuation techniques used to measure the fair value of those investments, and the range of the significant unobservable inputs as of June 30, 2019. Level 3 investment fair value measurement may include both observable and unobservable inputs. The classification of an investment within Level 3 is based on the extent of the significance of unobservable inputs to the overall valuation. The observable inputs used in the valuation techniques, as presented below, are not included in the table.

For each investment category and respective valuation technique, the range of the significant unobservable input is dependent on the nature and characteristics of the investment. The input range and weighted average values may vary at each statement of financial position date.

<i>Investment Category</i>	2019 Fair Value	2018 Fair Value	Valuation Technique	Significant Unobservable Inputs	Range		Impact to Valuation from an Increase In Input
					Min	Max	
Improved Real Estate	\$ -	\$ 10,298,000	Discounted cash flow Market approach	Capitalization rate Comparable sales	5.75%	10%	Increase
		21,350,000			\$ 103sf	\$ 555sf	Increase
Leased Land Unimproved Land	23,739,425	16,535,133	Discounted cash flow Market approach	Capitalization rate Comparable sales	5.75%	10%	Increase
		33,039,377			\$ 2.75sf	\$ 33sf	Increase

<b>Real Property Held For Investment</b>	\$ 56,778,802	\$ 81,222,510
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# Alaska Native Tribal Health Consortium

## Notes to the Consolidated Financial Statements

### 10. Investments in Beneficial Interests

#### *Alaska Pacific University Foundation, Inc.*

The Alaska Pacific University Foundation, Inc. (APUF) was established March 15, 1994, to solicit donations and to hold and manage assets for the benefit of APU. APUF reimbursed APU for the direct costs of administrative services in the amount of \$42,569 and \$55,639, and direct fundraising support costs in the amount of \$142,255 and \$91,041 for the years ended June 30, 2019 and 2018 respectively.

#### *Cardinal Newman Professorship Foundation, Inc.*

The Cardinal Newman Professorship Foundation, Inc. (CNPF) was established October 8, 1993, to invest, manage, and administer the initial donation and all other assets donated to it to pay for the expenses of the chaired professorship of Catholic Theology at APU.

#### *DeWolf Kellogg Trust*

The DeWolf Kellogg Trust (the Trust) was established October 30, 1974, to make real estate available for education, scientific and literacy purposes to private institutions.

APU is currently using the land for a master's program in compliance with the land use agreement.

Summarized financial data of the beneficial interests for the year ended June 30, 2019 is as follows:

	Alaska Pacific University Foundation, Inc.	Cardinal Newman Professorship Foundation, Inc.	DeWolf Kellogg Trust	Total
Summary of financial position:				
Cash, investments and other	\$ 14,241,051	\$ 1,677,606	\$ 867,977	\$ 16,786,634
Land and building	-	-	1,158,180	1,158,180
<b>Total Assets</b>	<b>\$ 14,241,051</b>	<b>\$ 1,677,606</b>	<b>\$ 2,026,157</b>	<b>\$ 17,944,814</b>
<b>Net Assets</b>	<b>\$ 14,241,051</b>	<b>\$ 1,677,606</b>	<b>\$ 2,026,157</b>	<b>\$ 17,944,814</b>

#### Summary of activity:

Revenues including contributed support	\$ 69,110	\$ -	\$ 40,924	\$ 110,034
Realized gain on investments	699,029	89,979	2,479	791,487
Unrealized gain/(loss) on investments	(146,961)	(35,674)	-	(182,635)
<b>Total Revenues</b>	<b>\$ 621,178</b>	<b>\$ 54,305</b>	<b>\$ 43,403</b>	<b>\$ 718,886</b>

# Alaska Native Tribal Health Consortium

## Notes to the Consolidated Financial Statements

	Alaska Pacific University Foundation, Inc.	Cardinal Newman Professorship Foundation, Inc.	DeWolf Kellogg Trust	Total
Support to Alaska Pacific University	\$ 630,523	\$ 90,397	\$ -	\$ 720,920
Other, including contributed services	283,207	-	53,273	336,480
<b>Total Expenses</b>	<b>\$ 913,730</b>	<b>\$ 90,397</b>	<b>\$ 53,273</b>	<b>\$ 1,057,400</b>
<b>Increase (Decrease) In Net Assets</b>	<b>\$ (292,552)</b>	<b>\$ (36,092)</b>	<b>\$ (9,870)</b>	<b>\$ (338,514)</b>

Summarized financial data of the beneficial interests for the year ended June 30, 2018 is as follows:

	Alaska Pacific University Foundation, Inc.	Cardinal Newman Professorship Foundation, Inc.	DeWolf Kellogg Trust	Total
Summary of financial position:				
Cash, investments and other	\$ 14,533,603	\$ 1,713,698	\$ 884,428	\$ 17,131,729
Land and building	-	-	1,151,600	1,151,600
<b>Total Assets</b>	<b>\$ 14,533,603</b>	<b>\$ 1,713,698</b>	<b>\$ 2,036,028</b>	<b>\$ 18,283,329</b>
<b>Net Assets</b>	<b>\$ 14,533,603</b>	<b>\$ 1,713,698</b>	<b>\$ 2,036,028</b>	<b>\$ 18,283,329</b>

Summary of activity:

Revenues including contributed support	\$ 277,098	\$ -	\$ 41,603	\$ 318,701
Realized gain on investments	641,521	67,208	798,954	1,507,683
Unrealized gain/(loss) on investments	391,379	92,017	-	483,396
<b>Total Revenues</b>	<b>\$ 1,309,998</b>	<b>\$ 159,225</b>	<b>\$ 840,557</b>	<b>\$ 2,309,780</b>
Support to Alaska Pacific University	\$ 633,667	\$ 112,953	\$ -	\$ 746,620
Other, including contributed services	222,508	-	58,860	281,368
<b>Total Expenses</b>	<b>\$ 856,175</b>	<b>\$ 112,953</b>	<b>\$ 58,860</b>	<b>\$ 1,027,988</b>
<b>Increase (Decrease) In Net Assets</b>	<b>\$ 453,823</b>	<b>\$ 46,272</b>	<b>\$ 781,697</b>	<b>\$ 1,281,792</b>

# Alaska Native Tribal Health Consortium

## Notes to the Consolidated Financial Statements

### 11. Southcentral Foundation (SCF) Revenue Sharing

The SCF revenue-sharing agreement, as described in Note 1 under Revenues resulted in a payable at September 30, 2019 and 2018 of \$16,544,976 and \$11,582,729, respectively, and a receivable of \$4,505,438 and \$3,740,962 respectively. Revenue-sharing payments remitted to the SCF under the agreement were \$138,238,101 and \$129,029,159 for the years ended September 30, 2019 and 2018, respectively.

### 12. Deferred Revenue

Deferred revenue consists of the following at September 30, 2019 and 2018:

	2019	2018
Construction grants and contracts	\$ 144,319,931	\$ 112,967,417
Other grants	459,328	54,319
Other	11,917,752	9,036,111
<b>Total Deferred Revenue</b>	<b>\$ 156,697,011</b>	<b>\$ 122,057,847</b>

### 13. APU Notes and Bonds Payable

Notes and bonds payable consists of the following at June 30:

	2019	2018
Other notes payable secured by equipment and vehicles, with interest rates between 3.5% and 7.9%, payable under various terms from monthly to quarterly maturing in 12 to 60 months.	\$ 284,581	\$ 408,774
Notes fully paid during the year ended June 30, 2019	-	26,041,077
Total notes and bonds payable	284,581	26,449,851
Less current maturities	(120,256)	(4,269,581)
<b>Notes and Bonds Payable, Net of Current Portion</b>	<b>\$ 164,325</b>	<b>\$ 22,180,270</b>

Principal maturities of total notes payable for each of the five years subsequent to June 30, 2019, are as follows:

Year Ending June 30,	Notes Payable
2019	\$ 120,256
2020	111,515
2021	52,810
2022	-
2023	-
Thereafter	-
	<b>\$ 284,581</b>

# Alaska Native Tribal Health Consortium

## Notes to the Consolidated Financial Statements

### 14. Notes Payable

During 2015, APU sold real property, on which APU had an associated note payable with Washington Capital Joint Master Trust Mortgage Income Fund. Included in the consideration received for the sale of the real property is an agreement that the purchaser will make all future payments on this unassumed note payable on behalf of APU. An assigned receivable was recorded for the payments the purchaser will pay to Washington Capital Joint Master Trust Mortgage Income Fund on behalf of APU. This assigned receivable is secured by the real property. During November 2017, ANRD purchased 100% ownership stake in U Building One, LLC, the entity which owns title to both the building and the associated debt.

In May 2019, U-Land, LLC (a wholly owned subsidiary of ANRD) filed Articles of Incorporation and became the sole member and owner of U-Land Glenn Olds, LLC and U-Land Grace, LLC. Two buildings were purchased from APU. Glenn Olds Hall was purchased from APU by U-LAND Glenn Olds, LLC, and Grace Hall was purchased by U-LAND Grace LLC. Each of those buildings were partially financed by conventional mortgages held by these entities. The remaining purchase price of each building was financed by the Consortium through a separate loan, for a total of all three loans of \$28,500,000 financed through a bank.

The notes payable consists of the following at September 30:

	2019	2018
Note payable to Washington Capital Joint Master Trust Mortgage Income Fund with a fixed interest rate of 5.75%, due in monthly principal and interest payments of \$43,990 through August 1, 2024. The underlying real property collateral was sold during 2015, payments on this note are now made on behalf of APU by the purchaser of the real property, which was U Building One, LLC as of November 2017. This is the June 30 balance.	\$ 6,265,691	\$ 6,428,191
Note payable to bank, due in monthly payments of \$107,355, including interest of 4.996% through May 2024. The note is secured by the assets of the Consortium.	5,343,797	-
Note payable to bank, due in monthly payments between \$17,701 and \$48,629, plus interest at 2.2% plus LIBOR, currently at 4.68% through May 2039. The note is secured by real property with a book value of \$9,104,167.	7,307,231	-
Note payable to bank, due in monthly payments between \$36,552 and \$101,294, plus interest at 2.2% plus LIBOR, currently at 4.68% through May 2039. The note is secured by real property with a book value of \$19,098,958.	15,287,758	-
Total	34,204,477	6,428,191
Less current maturities	(1,901,414)	(162,500)
<b>Notes Payable, Net of Current Portion</b>	<b>\$ 32,303,063</b>	<b>\$ 6,265,691</b>

**Alaska Native Tribal Health Consortium**  
**Notes to the Consolidated Financial Statements**

Principal maturities of the notes payable are as follows:

<i>Year Ending June 30,</i>	Unassumed Note Payable	Bank Notes Payable	Total
2020	\$ 172,100	\$ 1,729,314	\$ 1,901,414
2021	182,300	1,822,563	2,004,863
2022	193,000	1,916,778	2,109,778
2023	204,400	2,015,864	2,220,264
2024	216,500	1,685,120	1,901,620
Thereafter	5,297,391	18,769,147	24,066,538
	<b>\$ 6,265,691</b>	<b>\$ 27,938,786</b>	<b>\$ 34,204,477</b>

**15. Maintenance and Improvement Projects**

The following activity relates to the Consortium's maintenance and improvement projects (M&I) for the years ended September 30, 2019 and 2018:

	2019	2018
M&I funding available, beginning of year	\$ 8,973,085	\$ 3,694,245
Current year receipts	6,141,920	9,418,423
<b>Total funds available</b>	<b>15,115,005</b>	<b>13,112,668</b>
Disbursements:		
Alaska Native Medical Center	43,731	479,064
Arctic Slope Native Association	37,827	1,091,234
Bristol Bay Area Health Corporation	1,547,643	94,940
Council of Athabascan Tribal Governments	33,163	-
Ketchikan Indian Community	-	67,650
Native Village of Eyak	-	-
Kodiak Area Native Association	37,118	70,951
Maniilaq Association	973,854	1,234,288
Norton Sound Health Corporation	123,526	-
Seldovia Village Tribe	24,739	-
Southcentral Foundation	245,066	-
Southeast Alaska Regional Health Consortium	1,163,184	512,341
Tanana Chiefs Conference	341,377	346,675
Tanana Tribal Council	18,900	28,059
Valdez Native Tribe	25,269	4,019
Yukon-Kuskokwim Health Corporation	583,905	9
Other	1,017,780	210,353
<b>Total disbursements</b>	<b>6,217,082</b>	<b>4,139,583</b>
<b>M&amp;I Funding Available, End of Year</b>	<b>\$ 8,897,923</b>	<b>\$ 8,973,085</b>

# Alaska Native Tribal Health Consortium

## Notes to the Consolidated Financial Statements

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### 16. Retirement Plans

The Consortium participates in both a 401(a) and 403(b) retirement plan. To be eligible for enrollment in the plans, an employee must have completed one year of employment with no less than 1000 hours worked. The employer’s contribution is 3% of the employee’s base salary into the 401(a) Plan. The employer also contributes a match for employees who are participating in the 403(b) Plan for up to 5% of an employee’s elected deferral percentage. ANTHC makes employer contributions annually after the end of the Plan year. The Consortium’s total retirement plan expense for the years ended September 30, 2019 and 2018 was \$11,554,148 and \$11,399,582 respectively.

Eligible APU employees with one year of service may contribute up to 100% of their wages or the maximum set by the Internal Revenue Service, whichever is less, to a defined contribution retirement plan. There is a 100% employer match of employee deferrals up to 6% of Plan compensation. APU retirement match contribution expense totaled \$217,765 and \$228,556 respectively for the years ended June 30, 2019 and 2018.

### 17. Operating Leases

The Consortium rents commercial office and warehouse space under noncancellable leases. Certain leases are at a fixed rate over the life of the lease. Other leases are adjusted annually at a fixed rate or based on the consumer price index (CPI) or operating cost increases. Future operating lease payments are as follows:

*Year Ending September 30:*

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2020	\$ 2,069,592
2021	2,106,502
2022	2,148,392
2023	1,243,401
2024	907,324
Thereafter	1,261,523

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**Total Operating Lease** **\$ 9,736,734**

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Rent expense for facilities under noncancellable leases was approximately \$2,102,692 and \$1,528,474 for the years ended September 30, 2019 and 2018, respectively.

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**Alaska Native Tribal Health Consortium**  
**Notes to the Consolidated Financial Statements**

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**18. Business Combinations**

***Alaska Pacific University (APU)***

In October 2017, ANTHC was named as the sole member of APU. This change in legal control led to a change in reporting entity and required consolidation of APU financial statements. No consideration was transferred during this arrangement. The following outlines the fair value change that resulted from the acquisition.

Beginning equity, July 1, 2018	\$ 83,479,858
Change in net assets	11,957,486
Adjustment to fair value	32,610,845
<b>Ending Equity, June 30, 2018</b>	<b>\$ 128,048,189</b>

***Alaska Native Resource Development, LLC (ANRD)***

Alaska Native Resource Development, LLC (ANRD) was incorporated in November 2017. ANRD acquired U Building One, LLC (UB1) and U Building Two, LLC (UB2) in November 2017, in exchange for consideration. ANRD is accounting for these investments as a business combination pursuant to ASC 805-10, whereby ANRD assessed the fair value of the assets and liabilities acquired. No difference was identified between the fair value and consideration paid.

The following outlines the components of the acquisition of UB1 and UB2:

	UB1	UB2
Property, plant and equipment	\$ 15,148,645	\$ 13,600,972
Other assets	1,290,955	426,330
Long-term debt	(6,388,435)	-
Other liabilities	(307,744)	(112,935)
Equity at time of acquisition	9,743,421	13,914,367
Fair value adjustment	8,862,515	(20,303)
<b>Consideration Paid</b>	<b>\$ 18,605,936</b>	<b>\$ 13,894,064</b>

On May 3, 2019, the Consortium purchased two properties from APU under newly formed wholly owned subsidiaries, U-Land Grace, LLC and U-Land Glenn Olds, LLC. These properties were purchased at fair value for \$9,200,000 and \$19,300,000, respectively.

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# Alaska Native Tribal Health Consortium

## Notes to the Consolidated Financial Statements

### 19. Net Assets with Donor Restrictions

Net assets with donor restrictions may consist of time or purpose restrictions as designated by the donor. Certain net assets at APU are required to be held in perpetuity and only the income is made available to support educational and general programs. At September 30, 2019 and 2018, the Consortium had the following net assets with donor restrictions:

	2019	2018
IHS Compact - various programs	\$ 4,562,483	\$ 3,931,470
Healthy Alaska Native Foundation	1,255,383	1,160,113
APU - restricted for time or purpose	8,588,452	9,076,642
<b>Total</b>	<b>14,406,318</b>	<b>14,168,225</b>
APU - held in perpetuity	15,458,523	15,447,354
<b>Total Net Assets with Donor Restrictions</b>	<b>\$ 29,864,841</b>	<b>\$ 29,615,579</b>

Net assets released from restrictions are as follows:

	2019	2018
IHS Compact - various programs	\$ 707,256	\$ 2,185,031
APU - educational and general programs	2,224,931	2,048,877
APU - capital activities	8,500	8,637
<b>Total Net Assets Released from Restrictions</b>	<b>\$ 2,940,687</b>	<b>\$ 4,242,545</b>

### 20. Designated Net Assets

Designated net assets at September 30, 2019 and 2018, consist of the following:

	2019	2018
Facilities/development acquisition/IT infrastructure and upgrades	\$ 2,216,700	\$ 2,849,900
Equipment, building replacement and depreciation	87,499,136	81,165,803
Grant and contract program completion	11,565,511	21,162,729
Facility Expansion (Heliport)	1,500,000	1,500,000
Facility Expansion (Daycare)	780,000	780,000
Patient Housing (State portion)	34,101,575	6,702,852
Parking Garage (FTA portion)	6,395,856	34,428,275
Health Community Building critical care unit	2,250,000	4,099,000
Facility expansion/acquisition	16,248,757	17,798,757
Endowment - scholarships	1,366,923	11,286,667
Endowment - education center	11,286,667	1,315,557
Operation reserves	93,673,561	92,686,885
<b>Total</b>	<b>\$ 268,884,686</b>	<b>\$ 275,776,425</b>

# Alaska Native Tribal Health Consortium

## Notes to the Consolidated Financial Statements

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### 21. Liquidity and Availability

The Consortium is required to provide the following information to reflect how the organization manages its liquid assets to meet cash needs for general expenditures within one year of the Statement of Financial Position (SOFP) date, including:

- Qualitative information on how the Consortium manages its liquid available resources and its liquidity risk
- Quantitative information that communicates the availability of the Consortium's current financial assets at the SOFP (balance sheet) date to meet cash needs for general expenditures (on the face and/or in the notes)

Availability of financial assets may be affected by the nature of the asset, external limits imposed by donors, laws or contracts with others, or internal limits imposed by governing board decisions.

The Consortium monitors liquidity on an ongoing basis, sets and monitors budgets, and communicates financial results regularly with the Board of Directors.

The following reflects the Consortium's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions (Note 19) or Board designated use (Note 20) within one year of the balance sheet date. Amounts not available include \$213,482,569 and \$214,286,049 at September 30, 2019 and 2018, respectively, that have been set aside for long-term purposes that could be drawn upon if the governing board approves that action.

<i>September 30,</i>	2019	2018
Total current assets	\$ 592,121,836	\$ 535,968,468
<i>Less those unavailable for general expenditures within one year:</i>		
Contractual or donor-imposed restrictions:		
Restricted by donor with time or purpose restrictions	(15,458,523)	(15,447,354)
Subject to appropriation and satisfaction of donor restrictions	(14,406,318)	(14,168,225)
Board designations:		
Quasi-endowment funds for scholarships and education center	(12,653,590)	(12,602,224)
Grant and contract program completion	(11,565,511)	(21,162,729)
<i>Less amounts set aside for:</i>		
Liquidity reserve	(93,673,561)	(92,686,885)
Facility and equipment infrastructure and upgrades	(110,494,593)	(121,599,164)
Amounts restricted for government funded assets	(40,497,431)	(27,725,423)
	<b>\$ 293,372,309</b>	<b>\$ 230,576,464</b>

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# Alaska Native Tribal Health Consortium

## Notes to the Consolidated Financial Statements

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### 22. Concentrations of Business

The Consortium receives a substantial portion of its revenue from the IHS Compact and the related third-party payor revenue. Significant changes in these revenue sources could have a material effect on the operations of the Consortium.

### 23. Commitments and Contingencies

#### *Grant and Contract Expenses*

The Consortium's primary source of income is its Funding Agreement under the Compact of Self-Governance. The amount of the Funding Agreement is negotiated prior to the beginning of the fiscal year and is modified periodically throughout the year. Funding is generally dispersed by the IHS as it becomes available. The Consortium has reconciled its actual cash receipts to the Funding Agreement and has included in grants receivable an estimate for certain items not awarded in the Funding Agreement.

Additionally, certain expenses related to the Funding Agreement are paid directly by the federal government. Such items are invoiced to the Consortium by IHS. The Consortium received a final billing from the IHS for items paid directly by them and for services provided.

Adjustments of amounts received under the Funding Agreement and amounts payable to IHS, could result based upon final settlement with IHS. Management does not believe that such adjustments, if any, would be material and, accordingly, no provision for liability from such adjustments, if any, is included in the accompanying financial statements.

Significant revenues are received from federal and other grants and contracts. The final expenses may be subject to an agency's compliance audit to determine the allowability of costs for which reimbursement has previously been granted. Adjustments of amounts received under grants and contracts could result if the grants and contracts are audited by such agencies. Management does not believe that such adjustments, if any, would be material and, accordingly, no provision for liability from such adjustments, if any, is included in the accompanying financial statements.

#### *Indirect Expenses*

Amounts charged to individual grants and contracts as indirect expenses have generally been based on provisional rates. The amount of indirect expenses ultimately recoverable from funding agencies will depend upon final negotiations with the cognizant agency, and adjustments could result. Management does not believe that such adjustments, if any, would be material and, accordingly, no provision for liability from such adjustments, if any, is included in the accompanying financial statements.

#### *Litigation*

The Consortium is a party to various claims, legal actions and complaints arising in the ordinary course of business. In the opinion of management, the outcome of these actions will not have a material adverse effect on the financial statements of the Consortium.

# Alaska Native Tribal Health Consortium

## Notes to the Consolidated Financial Statements

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### 24. Change in Accounting Principle

#### *Not-for-Profit Entities (Topic 958) and Health Care Entities (Topic 954) - Presentation of Financial Statements of Not-for-Profit Entities*

In August 2016, the Financial Accounting Standards Board (FASB) issued accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958) and Health Care Entities (Topic 954) - Presentation of Financial Statements of Not-for-Profit Entities*. The ASU amends the current reporting model for nonprofit organizations and enhances their required disclosures. The major changes include: (a) requiring the presentation of only two classes of net assets now entitled “net assets without donor restrictions” and “net assets with donor restrictions”, (b) modifying the presentation of underwater endowment funds and related disclosures, (c) requiring the use of the placed in service approach to recognize the expirations of restrictions on gifts used to acquire or construct long-lived assets absent explicit donor stipulations otherwise, (d) requiring that all nonprofits present an analysis of expenses by function and nature in their statement of activities, a separate statement, or in the notes and disclose a summary of the allocation methods used to allocate costs, (e) requiring the disclosure of quantitative and qualitative information regarding liquidity and availability of resources, (f) presenting investment return net of external and direct expenses, and (g) modifying other financial statement reporting requirements and disclosures intended to increase usefulness of nonprofit financial statements. The ASU adopted the ASU in 2019 and retrospectively applied to all periods presented. There was no effect on net assets or the change in net assets as a result of adoption.

### 25. Recent Accounting Pronouncements

#### *Revenue from Contracts with Customers*

In May 2014, the FASB issued Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers (ASU 2014-09), which supersedes nearly all existing revenue recognition guidance under U.S. GAAP. The core principle of ASU 2014-09 is to recognize revenues when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled for those goods or services. ASU 2014-09 defines a five-step process to achieve this core principle and, in doing so, more judgment and estimates may be required within the revenue recognition process than are required under existing U.S. GAAP.

The standard is effective for annual periods beginning after December 15, 2018, and interim periods within annual periods that begin after December 15, 2019, using either of the following transition methods: (i) a full retrospective approach reflecting the application of the standard in each prior reporting period with the option to elect certain practical expedients, or (ii) a retrospective approach with the cumulative effect of initially adopting ASU 2014-09 recognized at the date of adoption (which includes additional footnote disclosures). The Corporation is currently evaluating the impact of its pending adoption of ASU 2014-09 on its financial statements and have not yet determined the method by which it will adopt the standard in 2019.

#### *Leases*

In February 2016, the FASB issued Accounting Standards Update No. 2016-02, Leases (ASU 2016-02). The core principle is that a lessee should recognize the assets and liabilities that arise from leases. All leases create an asset and a liability for the lessee in accordance with FASB Concepts Statement No. 6, Elements of Financial Statements, and, therefore, recognition of those lease assets and lease liabilities represents an improvement over previous GAAP, which did not require lease assets and

# Alaska Native Tribal Health Consortium

## Notes to the Consolidated Financial Statements

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lease liabilities to be recognized for most leases. A lessee should recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee have not significantly changed from previous GAAP. There continues to be a differentiation between finance leases and operating leases.

However, the principal difference from previous guidance is that the lease assets and lease liabilities arising from operating leases should be recognized in the statement of financial position. The accounting applied by a lessor is largely unchanged from that applied under previous GAAP.

The amendments in this Update are effective for fiscal years beginning after December 15, 2021. Early application of the amendments in this Update is permitted for all entities. The Consortium is currently evaluating the impact of its pending adoption of ASU 2016-02 on its financial statements and has not determined the method by which it will adopt the standard.

### 26. Subsequent Events

The following events have occurred between September 30, 2019 and August 20, 2020, the date on which the financial statements were available to be issued.

#### **COVID-19**

The 2019 Novel Coronavirus infection ('coronavirus') or 'COVID-19' outbreak poses a serious public health threat. It has interrupted the movement of people and goods throughout the world, and many levels of government have instituted restrictions on individuals and businesses, although these have begun to lift as of the date of this report. The resulting impact on financial operations has been and may continue to be significant.

Significant development and spread of the coronavirus began in January 2020 with the World Health Organization announcing the coronavirus as a global health emergency on January 30, 2020. This prompted national governments to put actions in place to slow the spread of COVID-19 beginning in early 2020, which included significant measures taken by the Chinese government and by private sector organizations. As the outbreak and resulting actions began after the end of the fiscal year, the outbreak represents a non-recognized subsequent event for purposes of September 30, 2019 financial statements. In contrast, COVID-19 will have significant impact financial statement impact on the period ending September 30, 2020.

#### *Effect on Operations*

The impact of COVID-19 on financial reporting arises from the impacts on business activity, which include, among other possible impacts:

- The Consortium's suppliers have decreased production due to factory closures or reduced operating hours in those facilities. While the Consortium considers this disruption to be temporary, continued disruption in the supply chain may lead to a delayed receipt by the Consortium of necessary materials and supplies, including personal protective equipment.

# Alaska Native Tribal Health Consortium

## Notes to the Consolidated Financial Statements

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- The COVID-19 pandemic has caused disruptions in the supply chain due to the surge in demand for items like personal protective equipment (PPE), lab diagnostic supplies and cleaning supplies. All of these items with increased demand have been in very short supply. As suppliers entered the market, the pricing for many items increased, in some cases doubling. Much of the PPE and lab diagnostic supplies and medications are made by non-US based manufacturers. Some of these manufacturers were heavily impacted in their countries by the pandemic requiring the factories to cease or decrease operations for a period of time. While the Consortium considers this disruption to be temporary, continued disruption in the supply chain may lead to a delayed receipt by the Consortium of necessary materials and supplies, including personal protective equipment.
- The adverse economic effects of the COVID-19 outbreak have materially decreased demand for the Consortium's services based on the restrictions in place by governments trying to curb the outbreak. State of Alaska Health Mandate 005, issued on March 19, 2020 and in effect until May 4, 2020, required patients, providers, hospitals, and surgical centers to postpone or cancel non-urgent or elective procedures. Additionally, Health Mandate 012, issued on March 28, 2020, prohibits in-state travel between communities unless travel is to support critical infrastructure, or for critical personal needs. This mandate is in effect as of the date of this report, however, the restrictions were partially lifted by Mandate 018 which allows travel between communities on the road system or serviced by Alaska Marine Highway System or the Inter-Island Ferry System. This has led to the Consortium providing fewer services and decreased revenue in fiscal year 2020 and the Consortium's overall liquidity.
- The extent of the impact of COVID-19 on our operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and the impact on our patients, employees, and vendors, all of which are uncertain and cannot be predicted. Given these uncertainties, we cannot reasonably estimate the related impact to our business, operating results, and financial condition. While expected to be temporary, these disruptions will negatively impact the Consortium's patient service revenue, its results of operations, financial condition, and liquidity in 2020.
- The outbreak has had a continued material adverse impact on economic and market conditions and triggered a period of global economic slowdown, which has impacted the Consortium's investment values.

### *Federal Funding*

On March 27, 2020 the Coronavirus Aid, Relief and Economic Security (CARES) Act was enacted. The CARES Act, among other things, includes provisions relating to refundable payroll tax credits, deferment of employer social security payments, and increased limitations on qualified charitable contributions, as well as supplemental funding for certain eligible sectors of the economy. The relief granted in the CARES Act is anticipated to have a positive impact on the financial position, results of operations, and cash flows for the Consortium. Additional grant funding for COVID related purposes has been awarded for \$50 million and additional funding is anticipated, but cannot yet be quantified, and is therefore excluded from recognition within the financial statements.

## Supplementary Information

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**Alaska Native Tribal Health Consortium**  
**Schedule of Functional Expenses by Division**

<i>Year Ended September 30, 2019</i>	Alaska Native Medical Center and General Administration Services						Division of Environmental Health and Engineering	
	Alaska Native Medical Center	Community Health Services	Statewide Tribal Services	HANF Admini- stration (Non-event)	General Admini- stration	Subtotal ANMC and General Administrative Services	Construction Activities	
							Project Delivery Program Construction	Project Delivery Program Self-Sustaining
Salaries and benefits	\$ 232,689,480	\$ 16,469,656	\$ 8,212,758	\$ 209,057	\$ 64,270,878	\$ 321,851,829	\$ 15,443,452	\$ 291,475
Contractual	57,403,313	8,835,247	26,522,580	340	37,557,363	130,318,843	-	-
Supplies and drugs	60,189,326	101,135	33,688,677	-	1,089,090	95,068,228	-	-
Construction materials	-	-	-	-	-	-	-	-
Travel and per diem	21,636,165	1,269,644	636,700	2,331	874,223	24,419,063	-	-
Depreciation	7,219,290	440,645	4,125	-	12,146,089	19,810,149	-	-
Minor equipment	3,279,663	136,156	1,064,192	1,366	8,942,157	13,423,534	-	-
Facility expense	5,269,433	76,620	612,389	-	3,759,380	9,717,822	-	-
Other	1,167,309	237,636	272,183	8,711	4,193,897	5,879,736	-	-
Freight	-	-	-	-	-	-	-	-
General supplies	1,273,408	891,183	618,841	290	2,525,545	5,309,267	-	-
Communications	88,159	43,074	523,984	2,531	543,092	1,200,840	-	-
Construction supplement	-	-	-	-	-	-	-	-
Allocation of pooled project costs	-	-	-	-	-	-	-	-
Allocation of equipment costs	-	-	-	-	-	-	-	-
Indirect expense/(recovery)	117,370,613	1,941,744	1,532,045	-	(126,282,653)	(5,438,251)	-	-
<b>Total Expenses</b>	<b>\$ 507,586,159</b>	<b>\$ 30,442,740</b>	<b>\$ 73,688,474</b>	<b>\$ 224,626</b>	<b>\$ 9,619,061</b>	<b>\$ 621,561,060</b>	<b>\$ 15,443,452</b>	<b>\$ 291,475</b>

**Alaska Native Tribal Health Consortium**  
**Schedule of Functional Expenses by Division, continued**

<i>Year Ended September 30, 2019</i>	Division of Environmental Health and Engineering							Totals	
	Construction Activities		Program Activities			Maintenance and Improve- ments	DEHE Admini- strative Services		Subtotal Division of Environmental Health and Engineering
	Construction Project Direct	Operations Project Direct	Nonproject Program Services	Project Management Program Services	Project Management Program Services				
Salaries and benefits	\$ -	\$ -	\$ 431,136	\$ 4,507,356	\$ 31,666	\$ 1,822,627	\$ 22,527,712	\$ 344,379,541	
Contractual	53,754,361	2,728,390	-	407,072	6,157,057	237,275	63,284,155	193,602,998	
Supplies and drugs	745	62,720	-	286	-	-	63,751	95,131,979	
Construction materials	6,409,901	711,874	5,428	12,153	-	-	7,139,356	7,139,356	
Travel and per diem	1,813,667	126,038	46,164	559,660	11,061	12,571	2,569,161	26,988,224	
Depreciation	1,615,096	-	-	-	-	9,609	1,624,705	21,434,854	
Minor equipment	1,258,899	288,070	12,154	28,509	-	28,257	1,615,889	15,039,423	
Facility expense	358,639	431,026	-	-	-	1,149,048	1,938,713	11,656,535	
Other	68,024	40,782	6,761	90,175	-	13,350	219,092	6,098,828	
Freight	2,742,903	200,057	976	1,321	-	-	2,945,257	2,945,257	
General supplies	97,013	191,484	283	37,752	-	43,109	369,641	5,678,908	
Communications	69,712	35,561	-	2,563	-	104	107,940	1,308,780	
Construction supplement	-	-	-	1,549,919	-	-	1,549,919	1,549,919	
Allocation of pooled project costs	(13,475)	-	-	4,315	9,160	-	-	-	
Allocation of equipment costs	-	-	-	-	-	-	-	-	
Indirect expense/(recovery)	3,634,290	74,909	129,246	1,591,668	8,138	-	5,438,251	-	
<b>Total Expenses</b>	<b>\$ 71,809,775</b>	<b>\$ 4,890,911</b>	<b>\$ 632,148</b>	<b>\$ 8,792,749</b>	<b>\$ 6,217,082</b>	<b>\$ 3,315,950</b>	<b>\$ 111,393,542</b>	<b>\$ 732,954,602</b>	

## Alaska Native Tribal Health Consortium

### Consolidating Schedule of Financial Position

September 30, 2019

	ANTHC	ANRD	APU	AFHCAN	Healthy Alaska Native Foundation	Eliminations	Total Consolidated
<b>Assets</b>							
<b>Current Assets</b>							
Cash and cash equivalents	\$ 113,764,685	\$ 3,965,388	\$ 2,086,777	\$ 823,370	\$ 2,099,997	\$ -	\$ 122,740,217
Investments	235,379,248	-	-	-	-	-	235,379,248
Receivables:							
Grantors	69,846,856	-	168,255	-	-	-	70,015,111
Patient accounts, net	103,835,216	-	-	-	-	-	103,835,216
Other receivables	72,185,036	108,101	512,905	99,040	11,484,144	(54,034,554)	30,354,672
Inventory	15,191,264	-	16,702	-	-	-	15,207,966
Prepaid expenses	14,257,686	180,839	150,882	-	-	-	14,589,407
<b>Total Current Assets</b>	<b>624,459,991</b>	<b>4,254,328</b>	<b>2,935,521</b>	<b>922,410</b>	<b>13,584,141</b>	<b>(54,034,554)</b>	<b>592,121,837</b>
<b>Other Assets</b>							
Long-term receivables	1,732,096	-	6,093,591	-	-	(6,093,591)	1,732,096
Prepaid expenses	-	-	90,300	-	-	-	90,300
Property and equipment, net	258,973,964	71,492,562	50,927,354	-	-	-	381,393,880
Investment in joint venture	16,417,866	-	-	-	-	-	16,417,866
Real property held for investment	-	-	56,778,802	-	-	-	56,778,802
Investments in beneficial interests	-	-	17,944,814	-	-	-	17,944,814
<b>Total Other Assets</b>	<b>277,123,926</b>	<b>71,492,562</b>	<b>131,834,861</b>	<b>-</b>	<b>-</b>	<b>(6,093,591)</b>	<b>474,357,758</b>
<b>Total Assets</b>	<b>\$ 901,583,917</b>	<b>\$ 75,746,890</b>	<b>\$ 134,770,382</b>	<b>\$ 922,410</b>	<b>\$ 13,584,141</b>	<b>\$ (60,128,145)</b>	<b>\$ 1,066,479,595</b>
<b>Liabilities and Net Assets</b>							
<b>Current Liabilities</b>							
Accounts payable	\$ 58,550,648	\$ 8,939,074	\$ 697,138	\$ 376,994	\$ 5,829,662	\$ (20,103,072)	\$ 54,290,444
Accrued payroll and related liabilities	27,278,804	-	453,849	-	-	-	27,732,653
Accrued leave	13,714,536	-	194,867	-	-	-	13,909,403
Current portion of notes and bonds payable	1,040,921	860,493	292,356	-	-	(172,100)	2,021,670
Deferred revenue - grants and contracts	156,547,942	-	149,069	-	-	-	156,697,011
<b>Total Current Liabilities</b>	<b>257,132,851</b>	<b>9,799,567</b>	<b>1,787,279</b>	<b>376,994</b>	<b>5,829,662</b>	<b>(20,275,172)</b>	<b>254,651,181</b>
<b>Other Liabilities</b>							
Other long-term liabilities	-	-	740,732	-	-	-	740,732
Notes and bonds payable, less current portion	4,302,876	61,759,569	6,257,916	-	-	(39,852,973)	32,467,388
<b>Total Liabilities</b>	<b>261,435,727</b>	<b>71,559,136</b>	<b>8,785,927</b>	<b>376,994</b>	<b>5,829,662</b>	<b>(60,128,145)</b>	<b>287,859,301</b>
<b>Net Assets</b>							
Without Donor Restrictions	635,585,707	4,187,754	101,937,480	545,416	6,499,096	-	748,755,453
With Donor Restrictions	4,562,483	-	24,046,975	-	1,255,383	-	29,864,841
<b>Total Net Assets</b>	<b>640,148,190</b>	<b>4,187,754</b>	<b>125,984,455</b>	<b>545,416</b>	<b>7,754,479</b>	<b>-</b>	<b>778,620,294</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 901,583,917</b>	<b>\$ 75,746,890</b>	<b>\$ 134,770,382</b>	<b>\$ 922,410</b>	<b>\$ 13,584,141</b>	<b>\$ (60,128,145)</b>	<b>\$ 1,066,479,595</b>

## Alaska Native Tribal Health Consortium

### Consolidating Schedule of Activities

Year Ended September 30, 2019

	ANTHC	ANRD	APU	AFHCAN	Healthy Alaska Native Foundation	Eliminations	Total Consolidated
<b>Revenues</b>							
IHS compact	\$ 187,554,644	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 187,554,644
Other grants and contracts	108,027,428	-	549,344	-	-	-	108,576,772
Net patient service revenue	352,286,174	-	-	-	-	-	352,286,174
Central warehouse sales revenue	34,348,564	-	-	-	-	-	34,348,564
ARUC utility revenue	4,447,103	-	-	-	-	-	4,447,103
Earnings from joint venture and beneficial interests	1,981,943	-	(338,514)	-	-	-	1,643,429
Net investment income	11,743,512	-	(229)	-	5,610	-	11,748,893
Other	48,066,590	-	5,055,978	26,700	-	-	53,149,268
Rental income	-	4,358,949	2,861,094	-	-	(491,303)	6,728,740
Tuition and fees	-	-	4,512,549	-	-	-	4,512,549
Contributions	-	-	2,690,141	-	12,046,424	(11,375,677)	3,360,888
<b>Total Revenues</b>	<b>748,455,958</b>	<b>4,358,949</b>	<b>15,330,363</b>	<b>26,700</b>	<b>12,052,034</b>	<b>(11,866,980)</b>	<b>768,357,024</b>
<b>Expenses</b>							
Program services:							
Alaska Native Medical Center	507,586,159	-	-	-	-	-	507,586,159
DEHE Construction Activities	92,435,613	-	-	-	-	-	92,435,613
Program Activities	9,424,897	-	-	-	-	-	9,424,897
Facility Maintenance and Improvements	6,217,082	-	-	-	-	-	6,217,082
Community Health Services	30,442,740	-	-	-	-	-	30,442,740
Statewide Tribal Services	73,688,474	-	-	-	-	(5,722,043)	67,966,431
Alaska Pacific University	-	-	17,394,097	-	-	-	17,394,097
<b>Total program services</b>	<b>719,794,965</b>	<b>-</b>	<b>17,394,097</b>	<b>-</b>	<b>-</b>	<b>(5,722,043)</b>	<b>731,467,019</b>
Supporting services:							
AFHCAN Global Telehealth Solutions	-	-	-	10,371	-	-	10,371
Alaska Native Resource Development	-	6,725,955	-	-	-	(491,303)	6,234,652
Fundraising	224,626	-	-	-	6,141,825	(5,653,634)	712,817
General Administration, net of indirect cost recovery	12,935,011	-	-	-	-	-	12,935,011
<b>Total supporting services</b>	<b>13,159,637</b>	<b>6,725,955</b>	<b>-</b>	<b>10,371</b>	<b>6,141,825</b>	<b>(6,144,937)</b>	<b>19,892,851</b>
<b>Total Expenses</b>	<b>732,954,602</b>	<b>6,725,955</b>	<b>17,394,097</b>	<b>10,371</b>	<b>6,141,825</b>	<b>(11,866,980)</b>	<b>751,359,870</b>
Change in net assets	15,501,356	(2,367,006)	(2,063,734)	16,329	5,910,209	-	16,997,154
<b>Net Assets, beginning of year</b>	<b>624,646,834</b>	<b>6,554,760</b>	<b>128,048,189</b>	<b>529,087</b>	<b>1,844,270</b>	<b>-</b>	<b>761,623,140</b>
<b>Net Assets, end of the year</b>	<b>\$ 640,148,190</b>	<b>\$ 4,187,754</b>	<b>\$ 125,984,455</b>	<b>\$ 545,416</b>	<b>\$ 7,754,479</b>	<b>\$ -</b>	<b>\$ 778,620,294</b>

## Alaska Native Tribal Health Consortium

### Consolidating Schedule of Financial Position

Alaska Native Resource Development, LLC Subsidiaries (ANRD)

September 30, 2019

	ANRD, LLC	UB1	UB2	U-Land Grace	U-Land Glenn	Eliminations	ANRD Consolidated
<b>Assets</b>							
<b>Current Assets</b>							
Cash and cash equivalents	\$ 456,965	\$ 1,484,739	\$ 686,814	\$ 483,439	\$ 853,431	\$ -	\$ 3,965,388
Receivables:							
Other receivables	-	-	108,101	-	-	-	108,101
Prepaid expenses	-	326,949	153,890	-	-	(300,000)	180,839
<b>Total Current Assets</b>	<b>456,965</b>	<b>1,811,688</b>	<b>948,805</b>	<b>483,439</b>	<b>853,431</b>	<b>(300,000)</b>	<b>4,254,328</b>
<b>Other Assets</b>							
Property and equipment, net	5,114,138	23,687,303	14,487,996	9,104,167	19,098,958	-	71,492,562
<b>Total Assets</b>	<b>\$ 5,571,103</b>	<b>\$ 25,498,991</b>	<b>\$ 15,436,801</b>	<b>\$ 9,587,606</b>	<b>\$ 19,952,389</b>	<b>\$ (300,000)</b>	<b>\$ 75,746,890</b>
<b>Liabilities and Net Assets</b>							
<b>Current Liabilities</b>							
Accounts payable	\$ 8,759,591	\$ 6	\$ 86,084	\$ 30,203	\$ 63,190	\$ -	\$ 8,939,074
Deferred revenue	300,000	-	-	-	-	(300,000)	-
Current portion of notes and bonds payable	-	172,100	-	222,627	465,766	-	860,493
<b>Total Current Liabilities</b>	<b>9,059,591</b>	<b>172,106</b>	<b>86,084</b>	<b>252,830</b>	<b>528,956</b>	<b>(300,000)</b>	<b>9,799,567</b>
<b>Other Liabilities</b>							
Notes and bonds payable, less current portion	-	18,319,097	15,149,045	9,133,518	19,157,909	-	61,759,569
<b>Total Liabilities</b>	<b>9,059,591</b>	<b>18,491,203</b>	<b>15,235,129</b>	<b>9,386,348</b>	<b>19,686,865</b>	<b>(300,000)</b>	<b>71,559,136</b>
<b>Net Assets</b>							
Without Donor Restriction	(3,488,488)	7,007,788	201,672	201,258	265,524	-	4,187,754
<b>Total Liabilities and Net Assets</b>	<b>\$ 5,571,103</b>	<b>\$ 25,498,991</b>	<b>\$ 15,436,801</b>	<b>\$ 9,587,606</b>	<b>\$ 19,952,389</b>	<b>\$ (300,000)</b>	<b>\$ 75,746,890</b>

## Alaska Native Tribal Health Consortium

### Consolidating Schedule of Activities

Alaska Native Resource Development, LLC Subsidiaries (ANRD)

*Year Ended September 30, 2019*

	ANRD, LLC	UB1	UB2	U-Land Grace	U-Land Glenn	Eliminations	ANRD Consolidated
<b>Revenues</b>							
Rental income	\$ 125,281	\$ 2,207,273	\$ 817,812	\$ 484,254	\$ 824,329	\$ (100,000)	\$ 4,358,949
<b>Expenses</b>							
Supporting services - Alaska Native Resource Development	3,613,769	1,809,447	560,938	282,996	558,805	(100,000)	6,725,955
Change in net assets	(3,488,488)	397,826	256,874	201,258	265,524	-	(2,367,006)
<b>Net Assets (Deficit), beginning of year</b>	-	6,609,962	(55,202)	-	-	-	6,554,760
<b>Net Assets (Deficit), end of the year</b>	\$ (3,488,488)	\$ 7,007,788	\$ 201,672	\$ 201,258	\$ 265,524	\$ -	\$ 4,187,754



# Alaska Native Tribal Health Consortium

Federal and State Single Audit Reports  
Year Ended September 30, 2019

# **Alaska Native Tribal Health Consortium**

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Federal and State Single Audit Reports  
Year Ended September 30, 2019



# Alaska Native Tribal Health Consortium

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## **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***

Board of Directors  
Alaska Native Tribal Health Consortium  
Anchorage, Alaska

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 consolidated financial statements of Alaska Native Tribal Health Consortium (the "Consortium"), which comprise the consolidated statement of financial position as of September 30, 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated August 20, 2020.

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

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

*BDO USA, LLP*

Anchorage, Alaska  
August 20, 2020



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## **Independent Auditor’s Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

Board of Directors  
Alaska Native Tribal Health Consortium  
Anchorage, Alaska

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

We have audited Alaska Native Tribal Health Consortium’s (the “Consortium”) 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 Consortium’s major federal programs for the year ended September 30, 2019. The Consortium’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 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 Consortium’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 Consortium’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 Consortium’s compliance.

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

In our opinion, the Consortium 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 September 30, 2019.

### **Report on Internal Control Over Compliance**

Management of the Consortium is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Consortium'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 Consortium's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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.

## Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the consolidated financial statements of Alaska Native Tribal Health Consortium as of and for the year ended September 30, 2019, and have issued our report thereon dated August 20, 2020, which contained an unmodified opinion on those consolidated financial statements. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

*BDO USA, LLP*

Anchorage, Alaska  
August 20, 2020

**Alaska Native Tribal Health Consortium**

**Schedule of Expenditures of Federal Awards**  
Year Ended September 30, 2019

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster-Title</i>	<i>Federal CFDA Number</i>	<i>Grant Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Provided to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. Department of Health and Human Services</b>					
Tribal Self-Governance Program: IHS Compact/Funding Agreements					
IHS Compact	93.210	58G990058	N/A	\$ 17,363,425	\$ 180,470,896
IHS Compact - DEHE Division	93.210	58G990058	N/A	12,048,663	36,369,675
Pass-Through Southcentral Foundation - Purchases Service Agreement	93.210	None	None	-	7,083,748
<i>Total Tribal Self-Governance Program: IHS Compact/Funding Agreements</i>				29,412,088	223,924,319
Epidemiology Cooperative Agreements					
Alaska Native Epidemiology Center	93.231	U1B1IHS0008-15-01	N/A	-	343,697
Alaska Native Epidemiology Center	93.231	U1B1IHS0008-15-01	N/A	-	293,074
Alaska Native Epidemiology Center	93.231	U1B1IHS0008-15-01	N/A	-	13,133
EPI Evaluation DVPI MSPI	93.231	U1B1IHS0008-18-00	N/A	-	(1,467)
<i>Total Epidemiology Cooperative Agreements</i>				-	648,437
Special Diabetes Program for Indians Diabetes Prevention and Treatment Projects					
Special Diabetes Program for Indians-Diabetes Prevention & Treatment	93.237	H1D4IHS0036-20-00	N/A	-	59,180
Special Diabetes Program for Indians-Diabetes Prevention & Treatment	93.237	H1D4IHS0036-21-00	N/A	-	257,488
<i>Total Special Diabetes Program for Indians Diabetes Prevention and Treatment Projects</i>				-	316,668
Substance Abuse and Mental Health Services Projects of Regional and National Significance					
Navigation of Services	93.243	5H79SM061935-05	N/A	50,000	143,679
Rural Alcohol Prevention for Native Youth Thriving	93.243	1H79SP080972-01	N/A	99,651	175,295
Family-Centered Services for Alaska Native Young Adults and Youth with Substance Use Disorders Passed through the University of Iowa - Navigation of Services	93.243	1H79TI081295-01	N/A	-	273,735
Navigation of Services	93.243	1H79 TI080814-01	W001058670	-	482
<i>Total Substance Abuse and Mental Health Services Projects of Regional and National Significance</i>				149,651	593,191
Drug Abuse and Addiction Research Programs					
Passed through the Mayo Clinic:					
Drug Abuse and Addiction Research Program	93.279	5 R34DA046008-02	ALA239893-01	-	32,442
Drug Abuse and Addiction Research Program	93.279	5 R34DA046008-02	ALA239893-01	-	53,726
Passed through the University of Washington -					
Drug Abuse and Addiction Research Program	93.279	5P30DA015625-09	705373	-	1,008
<i>Total Drug Abuse and Addiction Research Programs</i>				-	87,176

Alaska Native Tribal Health Consortium

Schedule of Expenditures of Federal Awards, continued  
Year Ended September 30, 2019

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster-Title</i>	<i>Federal CFDA Number</i>	<i>Grant Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Provided to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. Department of Health and Human Services, continued</b>					
State Partnership Grant Program to Improve Minority Health					
Closing the Gap at the Top of the World:					
Reducing Racial Disparities in Smoking in Alaska's North Slope Borough	93.296	5 STTMP151113-05	N/A	-	13,432
Reducing Racial Disparities in Smoking in Alaska's North Slope Borough	93.296	5 STTMP151113-04	N/A	49,825	162,877
<i>Total State Partnership Grant Program to Improve Minority Health</i>				49,825	176,309
Cancer Research Manpower					
Distance Education to Engage Alaskan Community Health Aides in Cancer Control	93.398	5R25CA186882-04 REVISED	N/A	-	(912)
Distance Education to Engage Alaskan Community Health Aides in Cancer Control	93.398	5R25CA186882-05	N/A	-	119,896
<i>Total Cancer Research Manpower</i>				-	118,984
Cancer Cause and Prevention Research					
Passed through University of Pittsburg:					
Randomized Controlled Trial of Resistant Starch to Reduce Colon Cancer Risk in Alaska Native People	93.393	1R01CA204403-01A1	0053235 (129072-1)	-	35,812
Randomized Controlled Trial of Resistant Starch to Reduce Colon Cancer Risk in Alaska Native People	93.393	1R01CA204403-01A1	0053235 (129072-1)	-	84,916
<i>Total Cancer Cause and Prevention Research</i>				-	120,728
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations					
Alaska Native Tribal Health Consortium Comprehensive Cancer Control Program	93.898	NU58DP006325-02	N/A	-	102,731
Alaska Native Tribal Health Consortium Comprehensive Cancer Control Program	93.898	NU58DP006325-03	N/A	-	80,128
<i>Total Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations</i>				-	182,859
Child Health and Human Development Extramural Research					
Clinical Sites for the IDEA States Pediatric Clinical Trials Network	93.865	8UG10D024944-02 REVISED	N/A	11,250	352,338
Passed through University of Arkansas for Medical Sciences					
IDEA States Pediatric Clinical Trials Network	93.865	N/A	ANTHC-18-M-6055	-	15,456
<i>Total Child Health and Human Development Extramural Research</i>				11,250	367,794



Alaska Native Tribal Health Consortium

Schedule of Expenditures of Federal Awards, continued  
Year Ended September 30, 2019

Federal Grantor/Pass-Through Grantor/Program or Cluster-Title	Federal CFDA Number	Grant Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
<b>U.S. Department of Health and Human Services, continued</b>					
Research on Healthcare Costs, Quality and Outcomes					
Evaluation of Telemedicine for Chronic Disease Specialty Care	93.226	1R01HS026208-01A1	N/A	1,379	100,778
Indian Self-Determination					
Passed through the North West Portland Area Indian Health Board -					
HIV Promotion	93.441	248-96-0011	C19-04	-	97,948
Biomedical Research and Research Training					
Biomedical Research and Research Training	93.859	1S06GM127911-01	N/A	56,650	112,256
Biomedical Research and Research Training	93.859	1S06GM127911-01	N/A	111,840	278,196
Biomedical Research and Research Training	93.859	1S06GM127911-01	N/A	68,855	132,988
Biomedical Research and Research Training	93.859	1S06GM127911-01	N/A	45,531	45,531
Biomedical Research and Research Training	93.859	1S06GM127911-02	N/A	-	8,541
Biomedical Research and Research Training	93.859	1S06GM127911-02	N/A	-	12,272
Biomedical Research and Research Training	93.859	1S06GM127911-02	N/A	-	13,359
Passed through Montana State University:					
AI-ANCTR REDBS Core	93.859	1U54GM11537-01	MSU G119-17-W6220	-	(2,490)
AI-ANCTR REDBS Core	93.859	1U54GM11537-01	MSU G146-19-W7388	-	251,599
AI-ANCTR REDBS Core	93.859	1U54GM11537-01	MSU G141-20-W8005	-	11,239
Biomedical Research and Research Training	93.859	5U54GM115371-03	N/A	-	4,661
Exploring Risk Factors for Colorectal Cancer Among Alaska Native People	93.859	5U54GM115371-03	MSU G136-19-W7439	10,859	61,908
<i>Total Biomedical Research and Research Training</i>				293,735	930,060
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease					
Ryan White HIV / AIDS Program	93.918	6 H76HA00723-17-01	N/A	55,740	410,347
Ryan White HIV / AIDS Program	93.918	6 H76HA00723-16-01	N/A	83,232	160,034
Ryan White HIV Title III HIV Capacity Development and Planning	93.918	1 P06HA31398-01-01	N/A	-	33,948
<i>Total Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease</i>				138,972	604,329
Demonstration Projects for Indian Health					
NARCH VIII	93.933	U261IHS0084-04-02	N/A	-	61,630
NARCH VIII	93.933	U261IHS0084-04-02	N/A	-	3,266
Dental Preventive and Clinical Support Centers	93.933	U3D2IHS0020-03-00	N/A	-	1,106
Dental Preventive and Clinical Support Centers	93.933	U3D2IHS0020-04-00	N/A	-	249,604
Alaska Domestic Violence Prevention Initiative	93.933	BH15IHS0003-03-02	N/A	-	(576)
Alaska Domestic Violence Prevention Initiative	93.933	BH15IHS0003-04	N/A	10,698	193,797
Alaska Methamphetamine and Suicide Initiative	93.933	BH16IHS0005-04	N/A	-	169,951
Alaska Methamphetamine and Suicide Initiative	93.933	BH16IHS0005-03-02	N/A	-	116

Alaska Native Tribal Health Consortium

Schedule of Expenditures of Federal Awards, continued  
Year Ended September 30, 2019

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster-Title</i>	<i>Federal CFDA Number</i>	<i>Grant Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Provided to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. Department of Health and Human Services, continued</b>					
Passed through Norton Sound Health Corporation - Methamphetamine Suicide Prevention Generation Indigenous Initiative Support	93.933	BH16IHS0145-01-00	ANTHC-18-M-106291	-	(980)
<i>Total Demonstration Projects for Indian Health</i>				10,698	677,914
Public Health Emergency Preparedness Passed through State of Alaska Department of Health and Social Services - Bioterrorism	93.069	NU90TP922041	601-299-20001	-	12,359
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements Passed through State of Alaska Department of Health and Social Services - Bioterrorism	93.074	NU90TP921914	601-299-19001	-	154,787
HIV-Related Training and Technical Assistance Passed through the University of Washington - AIDS Education and Training Centers Program	93.145	U10HA29296-05-00	UWSC11343	-	18,111
Telehealth Programs					
Telehealth Resource Center Grant Program	93.211	6 G22RH30364-02-01	N/A	-	2,998
Telehealth Resource Center Grant Program	93.211	5 G22RH30364-03-00	N/A	-	358,021
Telehealth Resource Center Grant Program	93.211	5 G22RH30364-04-00	N/A	-	9,447
<i>Total Telehealth Programs</i>				-	370,466
GSMNPBPL9986					
Passed through the University of New Mexico: Alaska Native Tumor Registry	93.000	N/A	3REK2	-	180,529
Alaska Native Tumor Registry	93.000	N/A	3REK2	-	247,932
<i>Total GSMNPBPL9986</i>				-	428,461

Alaska Native Tribal Health Consortium

Schedule of Expenditures of Federal Awards, continued  
Year Ended September 30, 2019

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster-Title</i>	<i>Federal CFDA Number</i>	<i>Grant Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Provided to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>Nursing Research</b>					
Back to Basics: Addressing Childhood Obesity Through Traditional Foods In Alaska	93.361	5R01NR015417-03	N/A	-	24,860
Back to Basics: Addressing Childhood Obesity Through Traditional Foods In Alaska	93.361	5R01NR015417-02	N/A	165,791	424,363
<i>Total Nursing Research</i>				165,791	449,223
<b>A Comprehensive Approach to Good Health and Wellness in Indian Country - financed solely by Prevention and Public Health</b>					
A Comprehensive Approach to Good Health and Wellness in Indian Country	93.762	5 NU58DP005422-04-00	N/A	-	408
A Comprehensive Approach to Good Health and Wellness in Indian Country	93.762	6 NU58DP005422-05-01	N/A	237,500	907,964
A Comprehensive Approach to Good Health and Wellness in Indian Country	93.762	6 NU58DP005422-05-01	N/A	-	109,851
A Comprehensive Approach to Good Health and Wellness in Indian Country	93.762	6 NU58DP006379-02-01	N/A	-	838,524
A Comprehensive Approach to Good Health and Wellness in Indian Country	93.762	6 NU58DP006379-02-01	N/A	-	1
A Comprehensive Approach to Good Health and Wellness in Indian Country	93.762	6 NU58DP006379-02-01	N/A	-	23,103
A Comprehensive Approach to Good Health and Wellness in Indian Country	93.762	6 NU58DP006379-02-01	N/A	-	100,732
A Comprehensive Approach to Good Health and Wellness in Indian Country	93.762	6 NU58DP006390-03	N/A	-	115
A Comprehensive Approach to Good Health and Wellness in Indian Country	93.762	6 NU58DP006390-01-03	N/A	-	(1,388)
A Comprehensive Approach to Good Health and Wellness in Indian Country	93.762	6 NU58DP006390-02	N/A	-	647,221
<i>Total A Comprehensive Approach to Good Health and Wellness in Indian Country - financed solely by Prevention Public Health</i>				237,500	2,626,531
Good Health and Wellness in Indian Country	93.479	1 NU58DP006726-01-00	N/A	-	(344)
<b>NON-ACA/PPHF - Building Capacity of the Public Health System to Improve Population Health through National Nonprofit Organizations Passed through the Council of State &amp; Territorial Epidemiologists (CSTE) - Evaluation for Good Health and Wellness in Indian Country Program</b>					
Evaluation for Good Health and Wellness in Indian Country Program	93.424	5U380T000143-05	CTE V#111740	-	4,088
<b>Tribal Public Health Capacity Building and Quality Improvement Umbrella Cooperative Agreement</b>					
Tribal Public Health Capacity Building and Quality Improvement Umbrella Cooperative Agreement	93.772	6 NU380T000277-01-02	N/A	-	21,274
Tribal Public Health Capacity Building and Quality Improvement Umbrella Cooperative Agreement	93.772	NU380T000277-02-01	N/A	-	1,099

**Alaska Native Tribal Health Consortium**

Schedule of Expenditures of Federal Awards, continued  
Year Ended September 30, 2019

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster-Title</i>	<i>Federal CFDA Number</i>	<i>Grant Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Provided to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. Department of Health and Human Services, continued</b>					
Development of the Tribal Health Network (THN) Data Management, Mapping and Social Networking System for Improving Understanding of - Community Health Services	93.772	5 NU38OT000277-02-00	N/A	-	34,645
Development of the Tribal Health Network (THN) Data Management, Mapping and Social Networking System for Improving Understanding of - Community Health Services	93.772	6 NU38OT000277-01-01	N/A	-	680,397
<i>Total Tribal Public Health Capacity Building and Quality Improvement Umbrella Cooperative Agreement</i>				-	737,415
<b>Cardiovascular Diseases Research</b>					
Passed through The Board of Trustees of the Leland Stanford Junior University - Technology Innovations for Supporting Health Among Alaska Native People	93.837	1R01HL117736-01A1	60685646-107635	-	338,561
<b>National Bioterrorism Hospital Preparedness Program</b>					
Passed through State of Alaska Department of Health and Social Services - ASPR Grant	93.889	1 NU90TP92194-01-04	N/A	-	14,894
<b>HIV Emergency Relief Project Grants</b>					
Passed through The Fenway Institute - Passed through AIDS United: Using Evidence-Informed Interventions to Improve Health Outcomes among People Living with HIV Initiative	93.914	U69HA310670100	1 U69HA310670100	-	15,199
Using Evidence-Informed Interventions to Improve Health Outcomes among People Living with HIV Initiative	93.914	U69HA310670100	1 U69HA310670100	-	137,055
<i>Total HIV Emergency Relief Project Grants</i>				-	152,254
<b>HIV Prevention Activities Health Department Based</b>					
Passed through State of Alaska Department of Health and Social Services: HIV / AIDS Prevention	93.940	N/A	601-281-20001	-	2,075
HIV / AIDS Prevention	93.940	N/A	601-281-19001	-	51,641
<i>Total HIV Prevention Activities Health Department Based</i>				-	53,716
<b>Total Department of Health and Human Services</b>				30,470,889	234,308,016
<b>Denali Commission</b>					
<b>Denali Commission Program</b>					
ANTHC Grant Center for Environmentally Threatened Communities	90.100	01501-00	N/A	-	198,597
Papillomavirus Study	90.100	01514-00	N/A	-	12,455
ETC Mertarvik Townsite Development and Sanitation Facility Designs	90.100	FAA 01508	N/A	-	16,182,499
ETC Support Program	90.100	FAA 01488	N/A	-	96,884
Sanitation Facilities Improvements In Statewide, Alaska	90.100	FAA1484	N/A	-	97,226
Sanitation Energy Efficiency	90.100	FAA01467	N/A	-	94,812
SPARC Energy	90.100	FAA01472	N/A	-	136,024

Alaska Native Tribal Health Consortium

Schedule of Expenditures of Federal Awards, continued  
Year Ended September 30, 2019

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster-Title</i>	<i>Federal CFDA Number</i>	<i>Grant Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Provided to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>Denali Commission, continued</b>					
Tribal Water Center - Study of Unregulated Drinking Water	90.100	FAA01470	N/A	-	59,376
Backhaul Alaska Steering Committee	90.100	FAA01559-01	N/A	-	15,355
Sanitation Facilities Construction Program	90.100	FAA01534	N/A	-	(2,352)
Passed through City of Ambler					
Sanitation Facilities Construction Program	90.100	FAA01538	N/A	-	46,910
Passed through Yukon Kuskokwim Health Corp					
Respiratory Syncytial Virus (RSV) Study	90.100	FAA01531	17-M-100691	-	9,980
					-
<b>Total Denali Commission</b>					<b>16,947,766</b>
<b>U.S. Department of Agriculture</b>					
Community Food Projects	10.225	2018-33800-28391	N/A	-	33,341
Food Distribution Program on Indian Reservations					
Food Distribution Program for Indian Reservations	10.567	7AK430NT4	N/A	-	945
Food Distribution Program for Indian Reservations	10.567	7AK430NT4	N/A	-	666,475
Food Distribution Program for Indian Reservations	10.567	7AK430NT4	N/A	-	6,736
					-
<i>Total Food Distribution Program on Indian Reservations</i>					<i>674,156</i>
Food Distribution Program on Indian Reservations Nutrition Education Grants					
Food Distribution Program on Indian Reservations Nutrition Education Grants	10.594	FDD-PNE-FY18-ANTHC-01	N/A	-	73,414
Food Distribution Program on Indian Reservations Nutrition Education Grants	10.594	FDD-PNE-17-ANTHC-04	N/A	-	4,477
					-
<i>Total Food Distribution Program on Indian Reservations Nutrition Education Grants</i>					<i>77,891</i>
Water and Waste Disposal Systems for Rural Communities					
Statewide Rural Utility Cooperative	10.760	TAT FFY17	N/A	-	(2,810)
Statewide Rural Utility Cooperative	10.760	TAT FFY18	N/A	-	171,731
Sanitation Facilities Construction Program	10.760	N/A	N/A	-	552,022
Sanitation Facilities Construction Program	10.760	N/A	N/A	-	393,017

**Alaska Native Tribal Health Consortium**

Schedule of Expenditures of Federal Awards, continued  
Year Ended September 30, 2019

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster-Title</i>	<i>Federal CFDA Number</i>	<i>Grant Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Provided to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. Department of Agriculture, continued</b>					
Passed through State of Alaska - Department of Environmental Conservation - Sanitation Facilities Construction Program (Note 5)	10.760	N/A	Various	-	11,341,877
<i>Total Water and Waste Disposal Systems for Rural Communities</i>				-	12,455,837
Distance Learning and Telemedicine Loans and Grants	10.855	ALASKA 711-F17	N/A	-	534,203
Assistance to High Energy Cost Rural Communities High Energy Efficiency Project	10.859	Various	N/A	-	1,143,180
Passed through the City of Hydaburg - Partnership Agreements	10.669	N/A	N/A		146,885
<b>Total Department of Agriculture</b>				-	15,065,493
<b>U.S. Department of Housing and Urban Development</b>					
Community Development Block Grant	14.218	N/A	N/A	-	27,545
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	17-CDBG-01	N/A	-	166,712
Indian Community Development Block Grant Program					
Sanitation Facilities Project	14.862	B-16-SR-02-0046	N/A	-	776
Sanitation Facilities Project	14.862	B-15-SR-02-1188	N/A	-	6,094
Sanitation Facilities Project	14.862	B-17-SR-02-1370	N/A	-	136,350
<i>Total Indian Community Development Block Grant Program</i>				-	143,220
<b>Total Department of Housing and Urban Development</b>				-	337,477
<b>Environmental Protection Agency</b>					
Science To Achieve Results (STAR) Research Program Building Tribal Capacity for Assessment Monitoring	66.509	RD-83559701-2	N/A	1,173	145,754
Indian Environmental General Assistance Programs (GAP) - Alaska Making A Visible Difference- Climate Resiliency in Alaska Native Villages	66.926	GA-01J27701-2	N/A	-	158,898

**Alaska Native Tribal Health Consortium**

Schedule of Expenditures of Federal Awards, continued  
Year Ended September 30, 2019

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster-Title</i>	<i>Federal CFDA Number</i>	<i>Grant Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Provided to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>Environmental Protection Agency, continued</b>					
State and Tribal Response Program Grants					
ANTHC Brownsfield Tribal Response Program	66.817	RP 00J26508-0	N/A	-	166,751
ANTHC Brownsfield Tribal Response Program	66.817	RP-00J26507-3	N/A	-	8,470
				<hr/>	<hr/>
<i>Total State and Tribal Response Program Grants</i>				-	175,221
<b>Brownsfields Training, Research, and Technical Assistance Grants and Cooperative Agreements</b>					
Passed through Kansas State University -					
Technical Assistance to Brownsfields Communities - US EPA Regions 5,6 7, 8, and					
National/Technical Assistance to Tribal Communities Addressing Brownsfields	66.814	83684001	SA18100	-	67,859
				<hr/>	<hr/>
Training, Investigations, and Special Purpose Activities of Federally-Recognized Indian Tribes Consistent With the					
Clean Air Act (CAA), Tribal Sovereignty and the Protection and Management of Air Quality -					
ANTHC Tribal Air Quality Program	66.038	TX01J19201-0	N/A	12,645	48,606
				<hr/>	<hr/>
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air					
ANTHC Tribal Air Quality Program	66.034	01J43001	N/A	13,967	217,048
				<hr/>	<hr/>
Clean Water State Revolving Fund Cluster -					
Capitalization Grants for Clean Water State Revolving Funds -					
Sanitation Facilities Construction Program (Note 5)	66.458	Various	N/A	2,969,303	5,857,051
				<hr/>	<hr/>
Drinking Water State Revolving Fund Cluster -					
Capitalization Grants for Drinking Water State Revolving Funds -					
Sanitation Facilities Construction Program (Note 5)	66.468	Various	N/A	1,870,044	2,633,183
				<hr/>	<hr/>
Congressionally Mandated Projects					
Sanitation Facilities Construction Program (Note 5) - St. Mary's	66.202	Various	N/A	-	99
Passed through State of Alaska - Department of Environmental Conservation -					
Sanitation Facilities Construction Program (Note 5)	66.202	N/A	Various	-	1,676,049
				<hr/>	<hr/>
<i>Total Congressionally Mandated Projects</i>				-	1,676,148
				<hr/>	<hr/>
<b>Total Environmental Protection Agency</b>				4,867,132	10,979,768
				<hr/>	<hr/>

Alaska Native Tribal Health Consortium

Schedule of Expenditures of Federal Awards, continued  
Year Ended September 30, 2019

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster-Title</i>	<i>Federal CFDA Number</i>	<i>Grant Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Provided to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>Department of Energy</b>					
Renewable Energy Research and Development					
Energy Efficiency Project	81.087	DE-IE0000031	N/A	-	493,672
Passed through the City of Noorvik - Reducing Energy Use and Making Energy More Efficient in Noorvik	81.087	DE-EE0007857.0000	N/A	-	65,072
<i>Total Renewable Energy Research and Development</i>				-	558,744
<b>Total Department of Energy</b>				-	558,744
<b>Department of Defense</b>					
Uniformed Services University Medical Research Projects					
Passed through Henry M. Jackson Foundation for the Advancement of Military Medicine, Inc. - Gynecologic Cancer Center of Excellence	12.750	HU0001-16-2-0006	4129	-	29,290
Basic and Applied Scientific Research					
Passed through University of Alaska Fairbanks	12.300	N00014-17-1-2673	UAF 18-0117		35,080
<b>Total Department of Defense</b>				-	64,370
<b>Department of Labor</b>					
H-1B Job Training Grants					
Passed through State of Alaska - Department of Labor and Workforce Development - American Competitiveness and Workforce Improvement Act	17.268	AAI-18-801	AP-28014-15-60-A-3	-	56,963



**Alaska Native Tribal Health Consortium**

Schedule of Expenditures of Federal Awards, continued  
Year Ended September 30, 2019

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster-Title</i>	<i>Federal CFDA Number</i>	<i>Grant Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Provided to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>Department of the Interior</b>					
Agriculture on Indian Lands					
Passed through Oscarville Traditional Council - Technical Service Assistance Agreement	15.034	A16AV01011	N/A	-	7,256
Bureau of Ocean Energy Management (BOEM) Environmental Studies (ES)					
AK-16-05 Community-Based Monitoring in Arctic and Cook Inlet Coastal Zones - Extension of the Local Environmental Observer (LEO) Network	15.423	M16AC00010-4	N/A	-	79,274
<b>Total Department of the Interior</b>				-	86,530
<b>Department of Homeland Security</b>					
Passed through State of Alaska - Department of Military and Veterans Affairs - Passed through Newtok Village Council - Disaster Grants - Public Assistance (Presidentially Declared Disasters) American Competitiveness and Workforce Improvement Act					
	97.036	AN-16-D24	N/A	-	(686)
<b>Department of Justice</b>					
Passed through Alaska Network on Domestic Violence and Sexual Assault - Rural Domestic Violence, Dating Violence, Sexual Assault, and Stalking Assistance Program Integrated Services Project					
	16.589	2018-WR-AX-0010	N/A	-	18,381
<b>Total Expenditures of Federal Awards</b>				\$ 35,338,021	\$ 278,422,822

*The accompanying notes are an integral part of this schedule.*

# Alaska Native Tribal Health Consortium

## Notes to the Schedule of Expenditures of Federal Awards *For the Year Ended September 30, 2019*

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### 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of the Alaska Native Tribal Health Consortium (the “Consortium”) under programs of the federal government for the year ended September 30, 2019. 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 a selected portion of the operations of the Consortium, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Consortium.

### 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in Office of Management and Budget Circular A-122, *Cost Principles for Non-Profit Organizations*, or the 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* (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

### 3. Indirect Rate

The Alaska Native Tribal Health Consortium has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

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## Alaska Native Tribal Health Consortium

### Notes to the Schedule of Expenditures of Federal Awards, continued

#### 4. Deferred Revenue

Deferred revenue for all programs consisted of the following:

<i>Program Title</i>	CFDA Number	Amount
DEHE Construction Grants and Contracts	93.210	\$ 122,733,304
Maintenance and Improvements	93.210	8,897,923
Center of Disease Control Prevention and Investigation	93.283	116,685
Epidemiology Cooperative Agreements	93.231	3,383
Traumatic Brain Injury State Demonstration Grant Programs	93.234	(1,260)
Special Diabetes Program for Indians Diabetes Prevention and Treatment Projects	93.237	57,064
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	32,487
Minority Health and Health Disparities Research	93.307	1,335
Research on Healthcare Costs, Quality and Outcomes	93.226	1,175
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	2
Demonstration Projects for Indian Health	93.933	8,189
Public Health Emergency Preparedness	93.069	(34,845)
Telehealth Programs	93.211	5,850
NIH Research Support Grant	93.310	548
Nursing Research	93.361	488
A Comprehensive Approach to Good Health and Wellness in Indian Country - financed solely by Prevention and Public Health	93.762	11,847
Good Health and Wellness in Indian Country	93.479	344
Tribal Public Health Capacity Building and Quality Improvement Umbrella Cooperative Agreement	93.772	62,048
Denali Commission Program	90.100	347,245
Building Cultural Resilience and Skills Program	93.127	1,260
Food Distribution Program on Indian Reservations	10.567	1,776
Water and Waste Disposal Systems for Rural Communities	10.760	5,626,448
Distance Learning and Telemedicine Loans and Grants	10.855	170,504
Indian Community Development Block Grant Program	14.862	30,822
Science to Achieve Results (STAR) Research Program	66.509	4,355
State and Tribal Response Program Grants	66.817	9,973
Other Federal Funding:		
Sanitation Facilities Construction Program	66.458	422,665
Sanitation Facilities Construction Program	66.468	44,232
Sanitation Facilities Construction Program	66.202	408,868
Energy Efficiency Project	81.087	268
Agriculture on Indian Lands	15.034	1,217
Other nonfederal funding	N/A	17,730,811
		\$ 156,697,011

# Alaska Native Tribal Health Consortium

## Notes to the Schedule of Expenditures of Federal Awards, continued

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### **5. Memorandum of Understanding with State of Alaska**

The funds identified on the Schedule of Expenditures of Federal Awards as (Note 5) have been passed through the State of Alaska from the Environmental Protection Agency and granted to the Consortium pursuant to Memorandums of Understanding and Funds Transfer Agreement between the Indian Health Service and the State of Alaska Department of Environmental Conservation effective May 1, 2006.



## **Independent Auditor’s Report on Compliance for Each Major State Program; Report on Internal Control Over Compliance; and Report on the Schedule of State Financial Assistance Required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits***

Board of Directors  
Alaska Native Tribal Health Consortium  
Anchorage, Alaska

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

We have audited Alaska Native Tribal Health Consortium’s (the “Consortium”) compliance with the types of compliance requirements described in the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* that could have a direct and material effect on each of the Consortium’s major state programs for the year ended September 30, 2019. The Consortium’s major state programs are identified in the accompanying schedule of state financial assistance.

#### ***Management’s Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

#### ***Auditor’s Responsibility***

Our responsibility is to express an opinion on compliance for each of the Consortium’s major state 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 the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Those standards and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* 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 state program occurred. An audit includes examining, on a test basis, evidence about the Consortium’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 state program. However our audit does not provide a legal determination of the Consortium’s compliance.

### ***Opinion on Each Major State Program***

In our opinion, the Consortium complied, in all material respects, with the type of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended September 30, 2019.

### **Report on Internal Control over Compliance**

Management of the Consortium is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Consortium's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, 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 Consortium'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 state 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 state 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 state 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 *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of State Financial Assistance Required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits***

We have audited the consolidated financial statements of the Consortium as of and for the year ended September 30, 2019, and have issued our report thereon dated August 20, 2020, which contained an unmodified opinion on those consolidated financial statements. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of state financial assistance is presented for purposes of additional analysis as required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 state financial assistance is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*BDO USA, LLP*

Anchorage, Alaska  
August 20, 2020

# Alaska Native Tribal Health Consortium

## Schedule of State Financial Assistance

Year Ended September 30, 2019

State Grantor/Program Title	Grant Number	State Expenditures
Department of Environmental Conservation -		
Major programs -		
Direct -		
Sanitation Facilities Construction Programs (1)	Various	\$ 4,339,319
Department of Commerce, Community and Economic Development:		
Major programs -		
Direct -		
Passed through City of Elim - Fire Response and Protection System Extension	13-DC-048	322,186
Nonmajor programs:		
Direct:		
Energy Efficiency Project - Alaska Rural Utilities Collaborative Facilities Repair and Retrofit	15-DC-185	(437)
Energy Efficiency Project - Alaska Rural Utilities Collaborative Expansion	14-DC-160	31,725
Passed through City of Russian Mission - Sanitation Facilities Improvement Project	13-DC-400	761
New Landfill and Dump Closure	14-DC-212	68,833
Total Department of Commerce, Community and Economic Development		423,068
Department of Health and Social Services -		
Nonmajor programs -		
Tobacco Prevention and Control (Community Based Grants)	601-294-19008	39,089
Department of Military and Veterans Affairs:		
Nonmajor programs:		
Passed through City of Nunam Iqua - Emergency Debris Removal	PA-10-AK-4162-PW-0039	1,198
Passed through City of Kotlik - Emergency Response	PA-10-AK-4162-PW-0019	(36,491)
Passed through City of Fort Yukon -		
Sanitation Facilities Improvement Project	PA-10-AK-4122-PW-0007	45,948
Total Department of Military and Veterans Affairs		10,655



**Alaska Native Tribal Health Consortium**  
**Schedule of State Financial Assistance, continued**  
*Year Ended September 30, 2019*

State Grantor / Program Title	Grant Number	State Expenditures
Department of Transportation - Nonmajor programs - Sanitation Facilities Construction Program	7600590100	(5,254)
<b>Total State Financial Assistance</b>		<b>\$ 4,806,877</b>

**(1) Memorandum of Understanding with State of Alaska**

These funds have been passed through the Indian Health Service, Department of Health and Human Services, pursuant to the Memorandum of Understanding between State of Alaska Department of Environmental Conservation and the Indian Health Service effective May 1, 2006.

**(2) Basis of Accounting**

The accompanying schedule of state financial assistance (the "Schedule") includes the state award activity of Alaska Native Tribal Health Consortium under programs of the state government for the year ended September 30, 2019. The information in this Schedule is presented in accordance with the requirements of the State of Alaska Audit Guide and Compliance Supplement for State Single Audits. Because the Schedule presents only a selected portion of the operations of Alaska Native Tribal Health Consortium, it is not intended to and does not present the financial position, changes in net assets or cash flows of Alaska Native Tribal Health Consortium.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

# Alaska Native Tribal Health Consortium

## Schedule of Findings and Questioned Costs Year Ended September 30, 2019

**Section I - Summary of Auditor's Results**

***Financial Statements***

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

Internal control over financial reporting:

Material weakness(es) identified?     yes   X   no

Significant deficiency(ies) identified?     yes   X   (none reported)

Noncompliance material to financial statements noted?     yes   X   no

***Federal Awards***

Internal control over major federal programs:

Material weakness(es) identified?     yes   X   no

Significant deficiency(ies) identified?     yes   X   (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 Section 2 CFR 200.516 (a)?     yes   X   no

Identification of major federal programs:

<i>CFDA Number</i>	<i>Name of Federal Program or Cluster</i>	<i>Agency</i>
10.760	Water and Waste Disposal Systems for Rural Communities	Department of Agriculture
90.100	Denali Commission Program	Denali Commission
93.210	Tribal Self-Governance Program: IHS Compact/Funding Agreement	Department of Health and Human Services

Dollar threshold used to distinguish between type A and type B programs: \$ 3,000,000

Auditee qualified as low-risk auditee?   X   yes     no

***State Financial Assistance***

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

Internal control over major programs:

Material weakness(es) identified?     yes   X   no

Significant deficiency(ies) identified?     yes   X   (none reported)

Dollar threshold used to distinguish a state major program: \$ 150,000

# Alaska Native Tribal Health Consortium

## Schedule of Findings and Questioned Costs, continued Year Ended September 30, 2019

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### Section II - Financial Statement Findings Required to be Reported in Accordance with *Government Auditing Standards*

There were no findings related to the financial statements which are required to be reported in accordance with the standards applicable to financial audits contained in *Government Auditing Standards*.

### Section III - Federal Award Findings and Questioned Costs

There were no findings and questioned costs for federal awards (as defined in 2 CFR 200.516 (a)) that are required to be reported.

### Section IV - State Award Findings and Questioned Costs

There were no findings and questioned costs for State awards (as defined in the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*) that are required to be reported.



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## Independent Auditor's Report on Supplementary Information

Board of Directors  
Alaska Native Tribal Health Consortium  
Anchorage, AK

We have audited, the consolidated financial statements of the Alaska Native Tribal Health Consortium (the Consortium), as of September 30, 2019, and have issued our report thereon dated August 20, 2020 which expressed an unmodified opinion on those consolidated financial statements. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements that collectively comprise the Consortium's consolidated financial statements. The accompanying Schedules of Revenues and Expenses – Department of Health and Social Services Programs - Budget and Actual are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates to directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements taken as a whole.

*BDO USA, LLP*

Anchorage, Alaska  
August 20, 2020

**Alaska Native Tribal Health Consortium**  
**Department of Health and Social Services**  
**Bioterrorism**  
**Grant #601-299-19001**  
**Schedule of Revenues and Expenses - Budget and Actual**  
*Three Months Ended September 30, 2019*

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues - federal sources passed through the State of Alaska</b>	\$ 284,572	\$ 230,352	\$ (54,220)
<b>Expenses</b>			
Direct expenses:			
Personnel services	207,243	193,960	13,283
Travel	41,950	9,471	32,479
Supplies	6,550	3,006	3,544
Other	1,556	1,838	(282)
Total direct expenses	257,299	208,275	49,024
Indirect expenses	27,273	22,077	5,196
<b>Total Expenses</b>	284,572	230,352	54,220
<b>Excess of Revenues Over Expenses</b>	\$ -	\$ -	\$ -

**Alaska Native Tribal Health Consortium**  
**Department of Health and Social Services**  
**Bioterrorism**  
**Grant #601-299-29001**  
**Schedule of Revenues and Expenses - Budget and Actual**  
*Three Months Ended June 30, 2020*

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues - federal sources passed through the State of Alaska</b>	\$ 298,500	\$ 12,359	\$ (286,141)
<b>Expenses</b>			
Direct expenses:			
Personnel services	180,491	11,922	168,569
Travel	44,100	-	44,100
Supplies	4,000	437	3,563
Other	41,300	-	41,300
Total direct expenses	269,891	12,359	257,532
Indirect expenses	28,609	-	28,609
<b>Total Expenses</b>	298,500	12,359	286,141
<b>Excess of Revenues Over Expenses</b>	\$ -	\$ -	\$ -

**Alaska Native Tribal Health Consortium**  
**Department of Health and Social Services**  
**HIV/AIDS Prevention**  
**Grant #601-281-18001**  
**Schedule of Revenues and Expenses - Budget and Actual**  
*Grant Year Ended June 30, 2019*

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues - federal sources passed through the State of Alaska</b>	\$ 149,025	-	\$ (149,025)
<b>Expenses</b>			
Direct expenses:			
Personnel services	68,083	-	68,083
Travel	5,578	-	5,578
Supplies	27,800	-	27,800
Other	35,677	-	35,677
Facility	-	-	-
Total direct expenses	137,138	-	137,138
Indirect expenses	11,887	-	11,887
<b>Total Expenses</b>	149,025	-	149,025
<b>Excess of Revenues Over Expenses</b>	\$ -	\$ -	\$ -

**Alaska Native Tribal Health Consortium**  
**Department of Health and Social Services**  
**HIV/AIDS Prevention**  
**Grant #601-281-19001**  
**Schedule of Revenues and Expenses - Budget and Actual**  
*Three Months Ended September 30, 2019*

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues - federal sources passed through the State of Alaska</b>	\$ 63,025	\$ 63,025	\$ -
<b>Expenses</b>			
Direct expenses:			
Personnel services	44,545	44,545	-
Travel	605	605	-
Supplies	9,530	9,530	-
Other	1,500	1,500	-
Facility	805	805	-
Total direct expenses	56,985	56,985	-
Indirect expenses	6,040	6,040	-
<b>Total Expenses</b>	63,025	63,025	-
<b>Excess of Revenues Over Expenses</b>	\$ -	\$ -	\$ -



**Alaska Native Tribal Health Consortium**  
**Department of Health and Social Services**  
**ASPR**  
**Grant #1NU90TP921914-01-04**  
**Schedule of Revenues and Expenses - Budget and Actual**  
*Grant Year Ended May 30, 2019*

	Budget	Actual		Total	Variance Favorable (Unfavorable)
		Prior Year	Current Year		
<b>Revenues - federal sources passed</b>					
through the State of Alaska	\$ 17,700	\$ -	\$ 14,894	\$ 14,894	\$ (2,806)
<b>Expenses</b>					
Direct expenses -					
emergency preparedness	17,700	-	14,894	14,894	2,806
<b>Excess of Revenues Over Expenses</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**Alaska Native Tribal Health Consortium**  
**Department of Health and Social Services**  
**Tobacco Prevention and Control**  
**Grant #601-294-19008**  
**Schedule of Revenues and Expenses - Budget and Actual**  
*Three Months Ended September 30, 2019*

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues - federal sources passed through the State of Alaska</b>	\$ 100,000	\$ 39,089	\$ (60,911)
<b>Expenses</b>			
Direct expenses:			
Personnel services	87,319	31,085	56,234
Supplies	3,097	4,257	(1,160)
Other	9,584	-	9,584
Total direct expenses	100,000	35,342	64,658
Indirect expenses	-	3,747	(3,747)
<b>Total Expenses</b>	100,000	39,089	60,911
<b>Excess of Revenues Over Expenses</b>	\$ -	\$ -	\$ -