

# **Long Island FQHC, Inc.**

Financial Statements and  
Supplementary Information

December 31, 2020 and 2019

# Long Island FQHC, Inc.

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## Independent Auditors' Report

To the Board of Directors of  
Long Island FQHC, Inc.

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

We have audited the accompanying financial statements of Long Island FQHC, Inc. (LIFQHC), which comprise the balance sheets as of December 31, 2020 and 2019, and the related statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

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

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

### ***Auditors' Responsibility***

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

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

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Long Island FQHC, Inc. as of December 31, 2020 and 2019, the results of its operations, changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Report on Supplementary Information**

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

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2021 on our consideration of LIFQHC'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 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 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 LIFQHC's internal control over financial reporting and compliance.

The image shows a handwritten signature in black ink that reads "Baker Tilly US, LLP". The signature is written in a cursive, flowing style.

New York, New York

May 27, 2021 (Except for paragraphs 7 and 8 above, which is as of June 28, 2021)

**Long Island FQHC, Inc.**

Balance Sheets

December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 13,485,825	\$ 9,750,855
Patient services receivable, net (Note 2)	3,146,664	3,278,690
Grants receivable	4,602,005	894,070
Delivery System Reform Incentive Payment (DSRIP) receivable	-	2,392,839
Patient Activation Measure Survey (PAM) contract receivable	-	260,260
NYS meaningful use receivable	144,500	201,450
Care management receivable	166,454	327,453
Value based contract receivable	524,883	858,882
Other receivable	218,892	276,365
Prepaid expenses and other current assets	609,915	643,989
	<u>22,899,138</u>	<u>18,884,853</u>
Total current assets	22,899,138	18,884,853
<b>Property and Equipment, Net (Note 4)</b>	17,767,342	13,976,705
<b>Security Deposits</b>	58,379	58,379
	<u>58,379</u>	<u>58,379</u>
Total assets	<u>\$ 40,724,859</u>	<u>\$ 32,919,937</u>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Current portion of long-term debt (Note 5)	\$ 432,979	\$ 2,323,413
Short-term note payable (Note 6)	-	2,100,000
Accounts payable and accrued expenses	3,064,874	1,912,518
Accrued compensation	1,495,002	980,545
Refundable advances	5,861,302	1,799,832
Due to Co-Applicant and other party (Note 8 and Note 10)	785,233	2,485,814
	<u>11,639,390</u>	<u>11,602,122</u>
Total current liabilities	11,639,390	11,602,122
<b>Long-Term Debt, Net of Current Portion (Note 5)</b>	5,301,088	-
	<u>5,301,088</u>	<u>-</u>
Total liabilities	16,940,478	11,602,122
<b>Net Assets</b>		
Net assets without donor restrictions	23,784,381	21,317,815
	<u>23,784,381</u>	<u>21,317,815</u>
Total liabilities and net assets	<u>\$ 40,724,859</u>	<u>\$ 32,919,937</u>

See notes to financial statements

**Long Island FQHC, Inc.**Statements of Operations and Changes in Net Assets  
Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<b>Revenues Without Donor Restrictions</b>		
Net patient service revenues	\$ 20,409,313	\$ 22,096,043
Managed care medical home and bonuses	2,307,643	2,165,606
NYS meaningful use	28,051	-
Grant revenue:		
Article VI	5,000,000	5,000,000
WIC grant revenue	1,529,346	1,527,372
Residency grant revenue	3,265,585	3,138,495
Sub-recipient grant revenue	1,772,155	1,025,149
Paycheck Protection Program grant revenue	4,286,476	-
Other grant revenue	3,643,157	561,748
Other revenue:		
Delivery System Reform Incentive Payment (DSRIP) revenue	506,631	1,612,406
Care management revenue	2,853,355	2,852,146
Patient Activation Measure Survey (PAM) contract revenue	-	248,750
Other revenue	726,049	796,886
<b>Total revenues</b>	<u>46,327,761</u>	<u>41,024,601</u>
<b>Expenses</b>		
Salaries and wages	19,438,449	18,722,429
Fringe benefits	4,650,061	4,330,620
Contract labor, providers	7,518,413	7,933,228
Professional services	2,054,958	2,125,499
Supplies	2,675,857	2,304,120
Laboratory, radiology	1,253,060	1,469,693
Travel, conference and meeting	93,357	231,351
Space costs	1,793,079	2,058,779
Equipment repairs/maintenance	162,640	177,165
Insurance	133,471	132,629
Telecommunications	445,698	379,180
Dues, licensing and subscriptions	581,951	552,283
Printing, publication and postage	116,298	146,028
Recruitment and public information	142,479	71,743
Interest	247,121	146,343
COVID-19 expenses	1,352,044	-
Other	282,691	160,081
<b>Total expenses</b>	<u>42,941,627</u>	<u>40,941,171</u>
<b>Total operating income before depreciation</b>	3,386,134	83,430
<b>Depreciation</b>	<u>1,138,577</u>	<u>807,698</u>
<b>Revenues in excess of (less than) expenses</b>	2,247,557	(724,268)
<b>Capital Restructuring Finance Program (CRFP)</b>	2,461	22,906
<b>Delivery System Reform Incentive Payment (DSRIP)</b>	<u>216,548</u>	<u>1,676,601</u>
<b>Increase in net assets without donor restrictions</b>	2,466,566	975,239
<b>Net Assets Without Donor Restrictions, Beginning</b>	<u>21,317,815</u>	<u>20,342,576</u>
<b>Net Assets Without Donor Restrictions, Ending</b>	<u>\$ 23,784,381</u>	<u>\$ 21,317,815</u>

See notes to financial statements

## Long Island FQHC, Inc.

### Statements of Cash Flows

Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<b>Cash Flows From Operating Activities</b>		
Increase in net assets without donor restrictions	\$ 2,466,566	\$ 975,239
Adjustments to reconcile increase in net assets without donor restrictions to net cash flows from operating activities:		
Depreciation	1,138,577	807,698
Capital grants	(219,009)	(1,699,507)
Changes in assets and liabilities:		
Patient services receivable	132,026	2,139,835
Other receivable	57,473	498,438
Delivery System Reform Incentive Payment (DSRIP) receivable	2,392,839	(1,142,155)
Grants receivable	(3,707,935)	170,642
Patient Activation Measure Survey (PAM) contract receivable	260,260	62,109
NYS meaningful use receivable	56,950	178,500
Care management receivable	160,999	(15,063)
Value based contract receivable	333,999	(546,532)
Prepaid expenses and other current assets	34,074	(180,651)
Security deposits	-	37,915
Due to Co-Applicant and other party	(1,700,581)	592,985
Accounts payable and accrued expenses	1,152,356	(137,404)
Accrued compensation	514,457	181,477
Refundable advances	4,061,470	-
	<u>7,134,521</u>	<u>1,923,526</u>
Net cash flows from operating activities		
	<u>7,134,521</u>	<u>1,923,526</u>
<b>Cash Flows From Investing Activities</b>		
Purchases of property and equipment	(1,149,214)	(4,630,024)
	<u>(1,149,214)</u>	<u>(4,630,024)</u>
Net cash flows from investing activities		
	<u>(1,149,214)</u>	<u>(4,630,024)</u>
<b>Cash Flows From Financing Activities</b>		
Repayment of long-term debt	(369,346)	(262,997)
Proceeds from capital grants	219,009	1,699,507
Proceeds from issuance of short-term note payable	-	2,100,000
Repayment of short-term note payable	(2,100,000)	-
	<u>(2,250,337)</u>	<u>3,536,510</u>
Net cash flows from financing activities		
	<u>(2,250,337)</u>	<u>3,536,510</u>
Increase in cash and cash equivalents	3,734,970	830,012
<b>Cash and Cash Equivalents, Beginning</b>	<u>9,750,855</u>	<u>8,920,843</u>
<b>Cash and Cash Equivalents, Ending</b>	<u>\$ 13,485,825</u>	<u>\$ 9,750,855</u>
<b>Supplemental Disclosure of Cash Flow Information</b>		
Interest paid	<u>\$ 247,121</u>	<u>\$ 119,459</u>
Building purchase financed with mortgage	<u>\$ 3,780,000</u>	<u>\$ -</u>

See notes to financial statements

# Long Island FQHC, Inc.

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Notes to Financial Statements  
December 31, 2020 and 2019

## 1. Organization

Long Island FQHC, Inc. (LIFQHC) is an independent not-for-profit corporation formed on May 14, 2009 and established by the New York State Department of Health (NYSDOH) on June 15, 2010, as a co-operator of four community health centers and a school-based clinic, previously operated solely by the Nassau Health Care Corporation (NHCC), in order to meet federal governance requirements and obtain designation from the Health Resources and Services Administration (HRSA) as a public entity federally qualified health center (FQHC) "Look Alike" organization. LIFQHC is licensed under Article 28 of the New York State public health law.

As of December 31, 2020, LIFQHC is the co-operator of seven in-scope community health centers in Nassau County.

NHCC is a public benefit corporation created for the purposes of acquiring the health facilities owned by Nassau County, New York (County), operating these facilities more efficiently than the County could and competing with other health care providers in a rapidly changing health care marketplace.

HRSA recognizes two governance models through which the operations of a FQHC can be overseen: the *voluntary model* and the *public-entity model*. In the voluntary model, HRSA requires the governing entity to be a not-for-profit corporation with at least 51 percent of the directors on the board obtaining health care services from the FQHC. In the public entity model, HRSA permits health centers to be co-operated by a public entity, such as a public benefit corporation, in conjunction with an independent not-for-profit FQHC entity, again with at least 51 percent of the directors of the not-for-profit board obtaining care from the FQHC. In the public entity model, the public entity's board and the not-for-profit's FQHC operate under a Co-Applicant Agreement. The Co-Applicant Agreement delineates the rights and responsibilities of each governing board, consistent with the minimum governance requirements set forth by HRSA.

NHCC and LIFQHC executed a Co-Applicant Agreement. LIFQHC, through the Co-Applicant Agreement, was empowered to adopt health center policies, including those on the scope and availability of services, location and hours of services and quality control; approve the annual budget; approve the selection and dismissal of the Executive Director of the FQHC; approve the application for subsequent grants and FQHC recertification; evaluate FQHC activities; and implement a compliance program.

NHCC retained the right to establish personnel policies and procedures to NHCC employees only; provide staff to the current health centers; develop financial and operational management systems; and guide the long range strategic planning process. HRSA granted Look Alike status under the public entity model, and LIFQHC became operational in June 2010. In July of 2011, LIFQHC received grantee status with HRSA as a sub-recipient of Hudson River Healthcare.

## 2. Significant Accounting Policies

### Use of Estimates

The preparation of 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

### Cash and Cash Equivalents

Cash and cash equivalents include money market funds. LIFQHC maintains its cash and cash equivalents in bank deposit accounts which, at times, may exceed federally insured limits. LIFQHC has not experienced any losses in such accounts.

**Long Island FQHC, Inc.**

Notes to Financial Statements

December 31, 2020 and 2019

**Patient Services Receivable, Net**

Patient services receivable result from the health care services provided by LIFQHC. Patient services receivable are recorded at net realizable value at the transaction price based on standard charges for services provided, reduced by both implicit and explicit price adjustments provided to third-party payors. Sliding fee scale, explicit price concession, is offered to uninsured patients if they are eligible in accordance with LIFQHC's policies, or implicit price concessions if collection is not expected to be collected on the patient portion, and/or implicit price concessions provided to uninsured or underinsured patients, and do not bear interest. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to patient revenues in the period of the change.

Patient services receivable, net of contractual allowances and discounts, consists of the following:

	<b>2020</b>		
	<b>Gross Receivables</b>	<b>Contractual and Charitable Allowances and Price Concessions</b>	<b>Net Patient Services Receivable</b>
Medicaid	\$ 4,426,107	\$ 4,018,616	\$ 407,491
Medicaid managed care	39,469,949	39,129,707	340,242
Medicare	16,969,163	16,610,160	359,003
Private insurance	12,068,834	11,905,507	163,327
Self-pay	24,254,287	24,253,945	342
	<u>\$ 97,188,340</u>	<u>\$ 95,917,935</u>	1,270,405
NYS Medicaid Wrap, net Safety net payments			148,475 <u>1,727,784</u>
Total			<u>\$ 3,146,664</u>
	<b>2019</b>		
	<b>Gross Receivables</b>	<b>Contractual and Charitable Allowances and Price Concessions</b>	<b>Net Patient Services Receivable</b>
Medicaid	\$ 3,372,594	\$ 2,593,079	\$ 779,515
Medicaid managed care	30,075,212	29,424,343	650,869
Medicare	12,930,120	12,243,360	686,760
Private insurance	9,196,180	8,883,741	312,439
Self-pay	18,481,220	18,480,567	653
	<u>\$ 74,055,326</u>	<u>\$ 71,625,090</u>	2,430,236
NYS Medicaid Wrap, net Safety net payments			284,028 <u>564,426</u>
Total			<u>\$ 3,278,690</u>

## Long Island FQHC, Inc.

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Notes to Financial Statements  
December 31, 2020 and 2019

### Property and Equipment, Net

Property and equipment acquisitions are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 39 years using a half month convention. Maintenance, repairs and minor renewals are expensed as incurred. Assets are written off when disposed of or fully depreciated as determined by management. Leasehold improvements are amortized on a straight-line basis over the estimated useful life of the improvement or the term of the lease, whichever is less.

Property and equipment are evaluated for impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. If long-lived assets are deemed impaired, the impairment to be recognized is measured as the amount by which the carrying amount of the assets exceeds fair value. No impairments were recorded in 2020 and 2019.

### Revenue Recognition

Net patient service revenues are recognized at the amount that reflects the consideration to which LIFQHC expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews and investigations. Generally, LIFQHC bills the patients and third-party payors several days after the services are performed. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by LIFQHC. Revenue for performance obligations satisfied at a point in time are recognized when services are provided and LIFQHC does not believe it is required to provide additional services to the patient.

LIFQHC determines the transaction price based on standard charges for services provided, reduced by contractual adjustments provided to third-party payors. Sliding fee scale is offered to uninsured patients if they are eligible in accordance with LIFQHC's policy. LIFQHC determines its estimates of contractual adjustments and discounts based on contractual agreements, its discount policies and historical experience. LIFQHC determines its estimate of implicit price concessions based on its historical collection experience with this class of patients.

### Grant Revenue

Revenue from government grants and contracts designated for use in specific activities is recognized in the period when expenditures have been incurred in compliance with the grantor's restrictions. Grants and contracts awarded for the acquisition of long-lived assets are reported as net assets without donor restriction, in the absence of donor stipulations to the contrary, when placed in service. Cash received in excess of revenue recognized is recorded as refundable advances. Grant and contract receivables are reported at their outstanding unpaid balances. LIFQHC writes off accounts receivable against the allowance when a balance is determined to be uncollectible.

Under an executed agreement between NHCC and the County, LIFQHC received \$5,000,000 in 2020 and 2019 in Article VI health center grants. The agreement was originally in effect until December 31, 2014. On December 19, 2016, the agreement was extended to December 31, 2020. LIFQHC is in process of extending this agreement. The Article VI health center grants are given to LIFQHC as part of the agreement to provide medical services such as HIV screening and tuberculosis testing.

### Other Revenue

Other revenue consist of care management revenue as well as other types of revenue. Care management revenue is recognized at the amount that reflects the consideration to which LIFQHC expects to be entitled in exchange for the related service. Generally, LIFQHC bills the patients and third-party payors several days after the services are performed. Revenue is recognized as performance obligations are satisfied.

## Long Island FQHC, Inc.

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Notes to Financial Statements  
December 31, 2020 and 2019

Also included within other revenue is 340B program revenue, which is recognized when the performance obligation is satisfied, and contribution income, which is recorded at fair value on the date they are received as unconditional promises to give.

### Charity Care

LIFQHC maintains records to identify and monitor the level of charity care that it provides. The costs associated with the charitable care services provided are estimated by applying the cost-to-charge ratio from the most recently filed cost report, to the amount of gross uncompensated charges for the patients receiving charity care net of the Safety Net Payment. Total such costs were \$2,241,161 and \$3,168,991 for the years ended December 31, 2020 and 2019, respectively.

### Refundable Advances

Refundable advances represent amounts received subject to certain conditions. Refundable advances will be recognized as revenue when performance obligations are met.

### Revenues In Excess of (Less Than) Expenses

The statements of operations and changes in net assets include the determination of revenues in excess of (less than) expenses. LIFQHC considers all of its health care and related activities to be part of normal operations and considers the caption revenues less than expenses to be its performance indicator.

Changes in net assets without donor restrictions, which are excluded from revenues less than expenses, consistent with industry practice, includes contributions of long-lived assets (including assets acquired using contributions, which by donor restriction were used for the purpose of acquiring such assets) and capital contributions.

### Income Taxes

LIFQHC is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code (IRC) and is exempt from federal income taxes on its exempt income under Section 501(a) of the IRC. LIFQHC accounts for uncertainty in income taxes using a recognition threshold of more-likely-than-not to be sustained upon examination by the appropriate taxing authority. Measurement of the tax uncertainty occurs if the recognition threshold has been met. Management determined that there were no tax uncertainties that met the recognition threshold in 2020 and 2019.

### New Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*. ASU 2016-02 was issued to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. Under the provisions of ASU No. 2016-02, a lessee is required to recognize a right-to-use asset and lease liability, initially measured at the present value of the lease payments, in the balance sheet. In addition, lessees are required to provide qualitative and quantitative disclosures that enable users to understand more about the nature of the lessee's leasing activities. LIFQHC will be required to adopt the guidance in ASU No. 2016-02 for years beginning after December 15, 2021. LIFQHC has not yet determined the impact of adoption of ASU No. 2016-02 on its financial statements.

In September 2020, the FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958) Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. ASU 2020-07 improves financial reporting by providing new presentation and disclosure requirements about contributed nonfinancial assets, including additional disclosure requirements for recognized contributed services. The standard will be required to be applied retrospectively for annual periods beginning after June 15, 2021. Early adoption is permitted. Management is currently evaluating the impact of ASU 2020-07 on LIFQHC's financial statements.

## Long Island FQHC, Inc.

Notes to Financial Statements  
December 31, 2020 and 2019

### 3. Net Patient Service Revenues

LIFQHC recognizes patient service revenues associated with services provided to patients who have Medicaid, Medicare, Third-Party Payor and Managed Care plans coverage on the basis of contractual rates for services rendered. For uninsured self-pay patients that do not qualify for charity care, LIFQHC recognizes revenue on the basis of its standard rates for services provided or on the basis of discounted rates if negotiated or provided by LIFQHC's policy. Charity care services are computed using a sliding fee scale based on patient income and family size. On the basis of historical experience, a significant portion of LIFQHC's uninsured patients will be unable or unwilling to pay for the services provided. Thus, LIFQHC records implicit price concessions adjusting the transaction price to the realizable value related to uninsured patients in the period the services are provided.

Patient service revenues, net of charitable and contractual allowances and discounts, consists of the following:

	2020		
	<b>Gross Charges</b>	<b>Contractual and Charitable Allowances and Price Concessions</b>	<b>Net Patient Service Revenues</b>
Medicaid	\$ 957,420	\$ 282,545	\$ 674,875
Medicaid managed care	15,243,366	9,743,137	5,500,229
Medicare	5,300,104	3,432,724	1,867,380
Private insurance	5,578,020	4,355,797	1,222,223
Self-pay	7,689,437	7,055,452	633,985
	<u>\$ 34,768,347</u>	<u>\$ 24,869,655</u>	9,898,692
Safety net payment			2,292,211
NYS Medicaid Wrap			8,218,410
Total			<u>\$ 20,409,313</u>

  

	2019		
	<b>Gross Charges</b>	<b>Contractual and Charitable Allowances and Price Concessions</b>	<b>Net Patient Service Revenues</b>
Medicaid	\$ 1,219,547	\$ 238,543	\$ 981,004
Medicaid managed care	17,193,417	11,264,786	5,928,631
Medicare	9,281,541	6,611,248	2,670,293
Private insurance	5,879,493	4,252,494	1,626,999
Self-pay	9,806,437	8,847,774	958,663
	<u>\$ 43,380,435</u>	<u>\$ 31,214,845</u>	12,165,590
Safety net payment			2,212,834
NYS Medicaid Wrap			7,717,619
Total			<u>\$ 22,096,043</u>

## Long Island FQHC, Inc.

Notes to Financial Statements  
December 31, 2020 and 2019

### 4. Property and Equipment, Net

Property and equipment, net, consists of the following:

	<u>2020</u>	<u>2019</u>
Land	\$ 1,568,250	\$ 1,095,750
Leasehold improvements	4,441,192	4,121,257
Buildings	11,161,750	7,381,750
Furniture and fixtures	395,932	378,911
Movable equipment	768,409	646,008
Fixed equipment	270,800	270,800
Computer equipment	688,599	687,790
Vehicles	27,694	27,694
Software	61,518	61,518
	<u>19,384,144</u>	<u>14,671,478</u>
Less accumulated depreciation	(3,834,995)	(2,696,418)
Plus construction in progress	<u>2,218,193</u>	<u>2,001,645</u>
Total	<u>\$ 17,767,342</u>	<u>\$ 13,976,705</u>

### 5. Long-Term Debt

In connection with the purchases of the Elmont property, LIFQHC entered into a \$1,500,000 mortgage from a financial institution. The mortgage carries a 4.25 percent interest per annum, is for a ten year term and requires monthly interest and principal payments. In connection with the purchase of the Freeport property, LIFQHC also obtained a \$1,500,000 mortgage from a bank for a period of ten years at a rate of 4.40 percent per annum. This mortgage also requires monthly interest and principal payments. In connection with the purchase of the Roosevelt property, LIFQHC also obtained a \$3,780,000 mortgage from a bank for a period of ten years at a rate of 2.75 percent per annum. This mortgage also requires monthly interest and principal payments.

In addition, LIFQHC has a line of credit with the financial institution for \$1,500,000. There are no amounts outstanding on the line of credit as of December 31, 2020 and 2019. The line of credit has a variable interest rate equal to one-half percent per annum above the financial institution's prime rate. The line of credit expires on July 31, 2021.

Long-term debts are as follows as of December 31:

	<u>2020</u>	<u>2019</u>
Mortgage (Elmont)	\$ 999,625	\$ 1,138,056
Mortgage (Freeport)	1,049,308	1,185,357
Mortgage (Roosevelt)	3,685,134	-
Term Note	-	2,100,000
	<u>5,734,067</u>	<u>4,423,413</u>
Less current maturities	<u>432,979</u>	<u>4,423,413</u>
Total	<u>\$ 5,301,088</u>	<u>\$ -</u>

## Long Island FQHC, Inc.

Notes to Financial Statements

December 31, 2020 and 2019

Scheduled principal repayments per agreement on long-term debt are as follows:

Years ending December 31:	
2021	\$ 432,979
2022	449,942
2023	467,595
2024	485,583
2025	505,080
Thereafter	<u>3,392,888</u>
Total	<u>\$ 5,734,067</u>

The mortgages are secured by the fixed assets of LIFQHC. LIFQHC is required to meet certain financial covenants in accordance with the debt agreements. As of December 31, 2020, LIFQHC was in compliance with these covenants.

### 6. Short-Term Note Payable

During 2019, in connection with the purchase of the Oceanside property, LIFQHC entered into a term note in the amount of \$2,100,000. This note bore interest at 2.38 percent plus the one month LIBOR rate (1.78 percent at December 31, 2019) per annum, required monthly interest only payments and was due August 2020. This note was paid in full in 2020.

### 7. Medical Malpractice Claims Coverage

Under the Services Agreement between NHCC and LIFQHC, NHCC provides professional liability insurance covering the medical services provided by staff to patients of LIFQHC. The insurance requirement is limited to claims arising from services rendered during the term of the Services Agreement, whether the claims arise while the Services Agreement is in effect or after it expires or is terminated by either party. The professional liability insurance coverage provided by NHCC to LIFQHC is in the minimum amount of \$1,000,000 per occurrence and \$3,000,000 in the aggregate.

LIFQHC maintains its medical malpractice coverage under the Federal Tort Claims Act (FTCA) for services provided by employees. FTCA provides malpractice coverage to eligible Public Health Service-supported programs and applies to the LIFQHC and its employees while providing services within the scope of employment included under grant-related activities. The Attorney General, through the U.S. Department of Justice, has the responsibility for the defense of the individual and/or grantee for malpractice case approved by FTCA coverage. LIFQHC obtains gap insurance for providers annually.

### 8. Other Third Party Transactions

An agreement with NHCC provides for fees to be paid by LIFQHC to NHCC in exchange for staffing, ancillary and administrative services in connection with operating the health centers. The annual fee for these services is NHCC's cost. The due to co-applicant and others in the balance sheets has no payment terms and is noninterest bearing. The expenses incurred for staffing and other third party transactions were \$7,504,154 and \$8,043,364 for the years ended December 31, 2020 and 2019, respectively. The expenses incurred for ancillary services were \$4,338,689 and \$4,154,580 for the years ended December 31, 2020 and 2019, respectively. As of December 31, 2020 and 2019, LIFQHC owed NHCC \$785,233 and \$2,485,814, respectively.

## Long Island FQHC, Inc.

Notes to Financial Statements  
December 31, 2020 and 2019

### 9. Contingencies and Uncertainties

The healthcare industry is subject to numerous laws and regulations of federal, state and local governments. Compliance with these laws and regulations is subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time. Government activity continues to increase with respect to investigations and allegations concerning possible violations by healthcare providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties as well as significant repayments for patient service previously billed. Management is not aware of any material incidents of noncompliance; however, the possible future financial effects of this matter on LIFQHC, if any, are not presently determinable.

LIFQHC's operations and financial performance will be affected by the recent COVID-19 outbreak which has spread globally and is adversely affecting economic conditions throughout the world. LIFQHC's evaluation of the effects of these events is ongoing as of the date the accompanying financial statements were issued. The pandemic will impact various parts of 2021 operations and financial performance including, but not limited to, additional costs for emergency preparedness, disease control and containment, potential shortages of personnel, supply chain disruption and declines in revenue related to decreased volumes of certain revenue streams. The extent of the impact will depend on future developments, including the duration and spread of the outbreak and related governmental or other regulatory actions.

### 10. Commitments

As of December 31, 2020, LIFQHC has commitments under noncancelable operating leases for real property rental, having initial terms of five years and expiring on various dates. As of December 31, 2020, approximate future minimum rental commitments under noncancelable operating leases are as follows:

Years ending December 31:	
2021	\$ 1,270,000
2022	1,303,845
2023	739,836
2024	<u>383,678</u>
Total	<u>\$ 3,697,359</u>

Rent expense for the years ended December 31, 2020 and 2019 amounted to \$1,111,073 and \$1,404,047, respectively.

In 2015, LIFQHC extended its contract for services agreement initially dated November 1, 2010 with a company. The extension of the agreement expired on December 31, 2020 and was extended for one additional year. Contracted services expense for the years ended December 31, 2020 and 2019 amounted to \$636,095 and \$642,294, respectively.

### 11. Functional Expenses

Functional expenses have been recorded and reported based on their nature and functionality of expenditures as they are incurred. Expenses that are allocated based on time and effort include salaries and wages and fringe benefits. The methodology allocation is reviewed by management periodically.

LIFQHC provides healthcare services to individuals within its geographic location.

**Long Island FQHC, Inc.**

Notes to Financial Statements

December 31, 2020 and 2019

Expenses related to providing these services in 2020 and 2019 are as follows:

	2020		
	Healthcare Services	General and Administrative	Total
Salaries and wages	\$ 16,214,459	\$ 3,223,990	\$ 19,438,449
Fringe benefits	4,128,935	521,126	4,650,061
Contract labor, providers	7,518,413	-	7,518,413
Professional services	1,959,726	95,232	2,054,958
Supplies	2,675,857	-	2,675,857
Laboratory, radiology	1,253,060	-	1,253,060
Travel, conference and meeting	93,357	-	93,357
Space costs	1,793,079	-	1,793,079
Equipment repairs/maintenance	162,640	-	162,640
Insurance	133,471	-	133,471
Telecommunications	445,698	-	445,698
Dues, licensing and subscriptions	581,951	-	581,951
Printing, publication and postage	116,298	-	116,298
Recruitment and public information	142,479	-	142,479
Depreciation	1,138,577	-	1,138,577
Interest	247,121	-	247,121
COVID-19 expenses	1,352,044	-	1,352,044
Other	282,691	-	282,691
	<u>\$ 40,239,856</u>	<u>\$ 3,840,348</u>	<u>\$ 44,080,204</u>

  

	2019		
	Healthcare Services	General and Administrative	Total
Salaries and wages	\$ 14,535,735	\$ 4,186,694	\$ 18,722,429
Fringe benefits	3,854,470	476,150	4,330,620
Contract labor, providers	7,933,228	-	7,933,228
Professional services	2,024,681	100,818	2,125,499
Supplies	2,304,120	-	2,304,120
Laboratory, radiology	1,469,693	-	1,469,693
Travel, conference and meeting	231,351	-	231,351
Space costs	2,058,779	-	2,058,779
Equipment repairs/maintenance	177,165	-	177,165
Insurance	132,629	-	132,629
Telecommunications	379,180	-	379,180
Dues, licensing and subscriptions	552,283	-	552,283
Printing, publication and postage	146,028	-	146,028
Recruitment and public information	71,743	-	71,743
Depreciation	807,698	-	807,698
Interest	146,343	-	146,343
Other	160,081	-	160,081
	<u>\$ 36,985,207</u>	<u>\$ 4,763,662</u>	<u>\$ 41,748,869</u>

## Long Island FQHC, Inc.

Notes to Financial Statements  
December 31, 2020 and 2019

### 12. Retirement Plan

LIFQHC has a 401K profit sharing plan covering substantially all of its employees. Contributions to the plan are based on percentage of salaries. Pension expense amounted to \$621,325 and \$190,730 for the years ended December 31, 2020 and 2019, respectively. During the year ended December 31, 2020, included in pension expense is a discretionary profit contribution in the amount of \$313,247. There was no discretionary profit sharing match in 2019. Pension expense is included in fringe benefits expense.

### 13. Measure of Operations and Liquidity

The following reflects the LIFQHC's financial assets available within one year of the balance sheets date, reduced by amounts not available for general use because of contractual restrictions for general expenditures.

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 13,485,825	\$ 9,750,855
Patient services receivable	<u>3,146,664</u>	<u>3,278,690</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 16,632,489</u>	<u>\$ 13,029,545</u>

As part of LI FQHC's cash management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. Additionally, LIFQHC has a line of credit of \$1.5 million dollars to assist with managing liquidity needs. There was no outstanding balance at the balance sheet date.

### 14. Concentration of Credit Risk

LIFQHC's primary operations and service area include most communities of Nassau County Long Island, New York. LIFQHC grants credit without collateral to its patients, who are insured under third-party payor arrangements, primarily with Medicare, Medicaid and various commercial insurance companies.

### 15. Paycheck Protection Program

In April 2020, LIFQHC received proceeds in the amount of \$4,286,476 under the Paycheck Protection Program (PPP) which was established as part of the Coronavirus Aid, Relief and Economic Security (CARES) Act and is administered through the Small Business Administration (SBA). The PPP provides loans to qualifying nonprofit organizations in amounts up to 2.5 times their average monthly payroll expenses and was designed to provide a direct financial incentive for qualifying nonprofit organizations to keep their workforce employed during the Coronavirus crisis. PPP loans are uncollateralized and guaranteed by the SBA. Advances from the PPP are forgivable after a "covered period" (eight or twenty-four weeks) as long as the borrower maintains its payroll levels and uses the proceeds for eligible expenses, including payroll, benefits, mortgage interest, rent and utilities. The forgiveness amount will be reduced if the borrower terminates employees or reduces salaries and wages more than 25 percent during the covered period. LIFQHC initially recorded the funds as a refundable advance and recorded the forgiveness in accordance with guidance for conditional contributions when there was no longer a measurable performance or other barrier and a right of return of the PPP loan, or when such conditions are explicitly waived.

## **Long Island FQHC, Inc.**

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Notes to Financial Statements

December 31, 2020 and 2019

As of December 31, 2020, LIFQHC had expended all of the PPP funds received on qualified expenses and believes that it met all of the conditions attached to the PPP, therefore, LIFQHC has recorded grant revenue of \$4,286,476 within other grant revenue on its statement of operations and changes in net assets for the year ended December 31, 2020.

If LIFQHC's PPP funds, or a portion of it, is ultimately not forgiven, that amount will be subject to the PPP terms and conditions discussed above. The SBA reserves the right to audit any PPP loan, regardless of size. These audits may occur after forgiveness has been granted. In accordance with the CARES Act, all borrowers are required to maintain their PPP loan documentation for six years after the PPP loan was forgiven or repaid in full and to provide that documentation to the SBA upon request. LIFQHC does not believe the results of any audits or reviews by the SBA would have a material impact on the financial statements.

### **16. Provider Relief Funds**

In March 2020, the CARES Act created a Provider Relief Fund to provide financial support for hospitals and other healthcare providers. LIFQHC received approximately \$292,000 in 2020 related to this funding. In accordance with the terms and conditions, LIFQHC can apply the funding against lost revenues and eligible expenses. LIFQHC's methodology for calculating lost revenues was the difference between 2020 budgeted and 2020 actual patient care revenue. Noncompliance with the terms and conditions could result in repayment of some or all of the support. The Department of Health and Human Services has indicated Provider Relief Fund payments are subject to future reporting and audit requirements. LIFQHC accounts for this funding in accordance with the FASB ASC 958-605 guidance for conditional contributions and accordingly, revenues are recognized when conditions are substantially met.

LIFQHC has incurred eligible expenses and lost revenue in accordance with the terms and conditions of the Provider Relief Fund for the year ended December 31, 2020 of approximately \$292,000 which was recognized and included in other grant revenue on the accompanying statement of operations and changes in net assets for the year ended December 31, 2020.

### **17. Subsequent Events**

LIFQHC evaluated subsequent events for recognition or disclosure through May 27, 2021, the date the financial statements were available to be issued.

On January 14, 2021, LIFQHC entered into a new line of credit for \$1,500,000. The line of credit has a variable interest rate equal to 2.61 percent per annum plus LIBOR. The line of credit expires on October 15, 2021.

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

To the Board of Directors of  
Long Island FQHC, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Long Island FQHC, Inc. (LIFQHC), which comprise the balance sheet as of December 31, 2020, and the related statements of operations and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 27, 2021.

**Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether LIFQHC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Baker Tilly US, LLP*

New York, New York  
June 28, 2021

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

To the Board of Directors of  
Long Island FQHC, Inc.

**Report on Compliance for the Major Federal Program**

We have audited Long Island FQHC, Inc.'s (LIFQHC) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on LIFQHC's major federal program for the year ended December 31, 2020. LIFQHC's major federal program is identified in the summary of auditors' 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 program.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for LIFQHC's major federal program 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 LIFQHC'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 the major federal program. However, our audit does not provide a legal determination of LIFQHC's compliance.

***Opinion on the Major Federal Program***

In our opinion, LIFQHC complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2020.

## Report on Internal Control Over Compliance

Management of LIFQHC 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 LIFQHC's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the 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 LIFQHC's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Baker Tilly US, LLP*

New York, New York  
June 28, 2021

**Long Island FQHC, Inc.**Schedule of Expenditures of Federal Awards  
Year Ended December 31, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Agency	Pass-Through Entity Identifying Number	Federal Expenditures
<b>U.S. Department of Health and Human Services</b>				
Affordable Care Act, Teaching Health Center Graduate Medical Education Payment Program	93.530	Not Applicable	Not Applicable	\$ 3,265,585
Pass-through from Hudson River Health Care Health Center Program Cluster: Health Center Program	93.224	Hudson River Health Care	H80CS00313-13-12	150,000
Pass-through from New York State Department of Health Maternal and Child Health Services Block Grant	93.994	New York State Department of Health	B04MC32560	47,550
Special Projects of National Significance	93.928	Not Applicable	Not Applicable	3,233
Provider Relief Fund (COVID)	93.498	Not Applicable	Not Applicable	262,726
Pass-through from United Way of Long Island HIV Emergency Relief Project Grants	93.914	United Way of Long Island	9675	<u>1,261</u>
Total U.S. Department of Health and Human Services				<u>3,730,355</u>
<b>U.S. Department of Homeland Security</b>				
Disaster Grants - Public Assistance	97.036	Not Applicable	Not Applicable	<u>83,015</u>
<b>U.S. Department of Housing and Urban Development</b>				
CDBG - Entitlement Grants Cluster: Community Development Block Grants/Entitlement Grants (COVID)	14.218	Not Applicable	Not Applicable	<u>137,498</u>
<b>U.S. Department of Treasury</b>				
Pass-through from Town of Hempstead Coronavirus Relief Fund (COVID)	21.019	Town of Hempstead	Not Applicable	<u>695,302</u>
<b>Federal Communications Commission</b>				
COVID-19 Telehealth Program	32.006	Not Applicable	Not Applicable	<u>636,834</u>
<b>U.S. Department of Agriculture</b>				
Pass-through from New York State Department of Health WIC Special Supplemental Nutrition Program for Women, Infants and Children Program	10.557	New York State Department of Health	DOH01-C30434GG-3450000	<u>1,529,345</u>
Total expenditures of federal awards				<u>\$ 6,812,349</u>

See notes to schedule of expenditures of federal awards

## **Long Island FQHC, Inc.**

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Notes to Schedule of Expenditures of Federal Awards

Year Ended December 31, 2020

### **1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Long Island FQHC, Inc. (LIFQHC) under programs of the federal government for the year ended December 31, 2020.

The information in the 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). Since the Schedule presents only a select portion of the operations of LIFQHC, it is not intended to and does not present the financial position, changes in net assets or cash flows of LIFQHC.

### **2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented when available.

### **3. Indirect Cost Rate**

LIFQHC has elected to use the 10 percent de-minimus indirect cost rate allowed under the Uniform Guidance for the Special Supplemental Nutrition Program for Women, Infants and Children Program only. The 10 percent de-minimus indirect cost rate was not available to be selected for any other federal grants.

**Long Island FQHC, Inc.**

Schedule of Findings and Questioned Costs  
Year Ended December 31, 2020

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**Section I - Summary of Auditors' 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 auditors' report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_ yes       X  no

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.530	Teaching Health Center Graduate Medical Education Payment Program

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

Auditee qualified as low-risk auditee?  X  yes      \_\_\_\_\_ no

## **Long Island FQHC, Inc.**

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Schedule of Findings and Questioned Costs  
Year Ended December 31, 2020

### **Section II - Financial Statement Findings**

None.

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

None.

### **Section IV - Summary of Prior Year Audit Findings**

No prior year findings.