

HOUSING SERVICES OF KANSAS CITY, INC.

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2015

**HOUSING SERVICES OF KANSAS CITY, INC.
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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Housing Services of Kansas City, Inc.
Kansas City, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of Housing Services of Kansas City, Inc. (the Organization), a blended component unit of the Housing Authority of Kansas City, Missouri, which comprise the statement of net position as of December 31, 2015, and the related statements of revenues, expenses and changes in net position, and cash flows for the year 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 audit. We conducted our audit 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 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 auditors' 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 the Organization as of December 31, 2015, and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Management has omitted the Management Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 9, 2016 on our consideration of the Organization'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 result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Baltimore, Maryland
August 9, 2016

**HOUSING SERVICES OF KANSAS CITY, INC.
STATEMENT OF NET POSITION
DECEMBER 31, 2015**

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$	408,452
Accounts Receivable		10,024
Current Portion of Partnership Management Fees Receivable		97,673
Total Current Assets		516,149

NONCURRENT ASSETS

Restricted Cash		11,485
Partnership Management Fees Receivable, Net of Current Portion		282,626
Notes Receivable		2,349,381
Total Noncurrent Assets		2,643,492

Total Assets	\$	3,159,641
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LIABILITIES

CURRENT LIABILITIES

Accrued Wages/Payroll Taxes Payable	\$	1,138
Other Current Liabilities		7,625
Due to Affordable Housing of Kansas City		76
Total Current Liabilities		8,839

NONCURRENT LIABILITIES

Other Noncurrent Liabilities		1,490
Program Escrows		3,330
Total Noncurrent Liabilities		4,820

Total Liabilities		13,659
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NET POSITION

NET POSITION

Unrestricted		3,145,982
Total Net Position		3,145,982
Total Liabilities and Net Position	\$	3,159,641

See accompanying Notes to Financial Statements.

**HOUSING SERVICES OF KANSAS CITY, INC.
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2015**

OPERATING REVENUES

Other Revenue	\$ 28,800
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OPERATING EXPENSES

Salaries and Benefits	84,498
Consultants and Professional Fees	1,148
Other Administrative	9,053
Total Operating Expenses	94,699

Operating Loss	(65,899)
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NON-OPERATING REVENUE

Interest Income	512
Mortgage Interest Income	96,899
Net Non-Operating Revenue	97,411

CHANGE IN NET POSITION

31,512

Net Position - Beginning of Year	3,114,470
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NET POSITION - END OF YEAR

\$ 3,145,982

See accompanying Notes to Financial Statements.

**HOUSING SERVICES OF KANSAS CITY, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2015**

CASH FLOWS FROM OPERATING ACTIVITIES

Cash Received from Services and Donations	\$ 248,773
Cash Paid to HAKC for Staff Labor and Overhead	(84,345)
Cash Paid to Vendors	(1,374)
Net Cash Flows Provided by Operating Activities	163,054

CASH FLOWS FROM INVESTING ACTIVITIES

Program Escrows Refunded	(32,149)
Interest Received on Investments	512
Net Cash Flows Used by Investing Activities	(31,637)

NET INCREASE IN CASH

131,417

Cash and Cash Equivalents - Beginning of Year

288,520

CASH AND CASH EQUIVALENTS - END OF YEAR

\$ 419,937

**RECONCILIATION OF CASH AND CASH EQUIVALENTS TO
STATEMENT OF NET ASSETS**

Unrestricted Cash and Cash Equivalents	\$ 408,452
Restricted Cash and Cash Equivalents	11,485
Total	\$ 419,937

**RECONCILIATION OF OPERATING LOSS TO NET
CASH PROVIDED BY OPERATING ACTIVITIES**

Operating Loss	\$ (65,899)
Effects of Changes in Operating Assets and Liabilities:	
Accounts Receivable	194,060
Partnership Management Fees Receivable	25,913
Prepaid Expenses	-
Due to Affordable Housing of Kansas City	76
Accrued Wages/Payroll Taxes Payable	153
Current Liabilities	7,394
Noncurrent Liabilities	1,357
Net Cash Provided by Operating Activities	\$ 163,054

See accompanying Notes to Financial Statements.

**HOUSING SERVICES OF KANSAS CITY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Housing Services of Kansas City, Inc. (the Organization), a non-profit organization and an affiliate of the Housing Authority of Kansas City (HAKC), was organized under the laws of the State of Missouri to acquire, improve (through rehabilitation, new construction or otherwise) and to make available affordable housing and related services to persons and families with very low, low and moderate incomes without respect to race, religion, color, national origin, gender, or sexual preference and to generally promote neighborhood improvement for the benefit of persons of limited means, and for elderly, disabled, and other disadvantaged persons who desire to live and raise their families in safe, sanitary, and attractive homes; to engage in or assist in providing entrepreneurial training, employment training, social and supportive services and other relevant services for low-income individuals, and to promote and or provide such activities to assist such families to achieve self-sufficiency and to undertake such other programs incidental thereto.

The Organization is governed by the Board of Commissioners which is composed of the Board of Directors of the HAKC, the Executive Director of the HAKC, and an additional resident representative. The Board of Commissioners must approve all actions, including issuance of bonded debt, operational and capital budgets, through resolution.

Reporting Entity

In accordance with Government Accounting Standards Board (GASB) accounting statements, the Organization's financial statements include those of the Housing Services of Kansas City, Inc. and any component units. Component units are legally separate organizations that meet certain criteria related to the composition of the component unit's voting board and the financial benefit/burden relationship with the primary government unit.

Based upon the application of these criteria, this report includes all programs and activities operated by the Organization. There were no additional entities required to be included in the reporting entity under these criteria in the current fiscal year. However, the Organization is considered a blended component unit of the Authority, and as such, is included in its financial statements.

Basis of Presentation

Although the Organization is a non-profit corporation, it is considered to be a governmental entity for the purpose of applying accounting and financial reporting standards, that is, the GASB has jurisdiction over the Organization's accounting standards.

The Organization's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The GASB is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

HOUSING SERVICES OF KANSAS CITY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

All transactions are accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, and losses from assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

The Organization's primary source of non-exchange revenue relates to grants and development fees.

Cash and Cash Equivalents

For the statement of cash flows, cash and cash equivalents include all cash balances and highly liquid investments with a maturity of three months or less at time of purchase. It is the Organization's policy to maintain collateralization in accordance with HUD requirements.

Accounts Receivable

Accounts receivable represents amounts due for services provided, program grants and reimbursement of program costs. An allowance for doubtful accounts is established to provide for all accounts, which may not be collected in the future for any reason. Collection losses on accounts receivable are charged against the allowance for doubtful accounts.

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 certain 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. Significant estimates include the allowance for doubtful accounts, accrued expenses and other liabilities, depreciable lives of properties and equipment and contingencies. Actual results could differ significantly from these estimates.

Prepaid Expenses

Prepaid expenses represent amounts paid as of year-end that will benefit future operations.

Income Taxes

The Organization is exempt under Section 501(c)(3) of the Internal Revenue Code and is, therefore, not subject to income taxes on activities related to its exempt function.

Net Position Classifications

Net position is classified in three components:

Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

HOUSING SERVICES OF KANSAS CITY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position Classifications (Continued)

Restricted net position - Consists of resources with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position - All other resources that do not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for use, it is the Organization's policy to use restricted resources first and unrestricted resources as needed.

Operating Revenues and Expenses

The Organization defines its operating revenues as income derived from charges for services provided, as well as government subsidies and grants used for operating purposes. The Organization classifies all other revenues as non-operating. Operating expenses are costs incurred in the operation of its program activities to provide services to program participants and others.

NOTE 2 CASH AND CASH EQUIVALENTS

Deposits

At December 31, 2015, the Organization had funds on deposit in checking accounts. As of December 31, 2015, the carrying amount of the Organization's cash (including restricted cash) was \$419,937, and the bank balance was \$426,661.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the entity's deposits may not be returned to it. As of December 31, 2015, the Organization had deposits of \$176,661, which exceeded the FDIC insurance limits and which were uncollateralized.

NOTE 3 RESTRICTED CASH

As of December 31, 2015, restricted cash consisted of the following:

Pemberton Park Reserve	\$	3,860
Scholarship Fund		7,625
Total	\$	<u>11,485</u>

The Pemberton Park reserve was created as part of the tax credit award of Pemberton Park, LP which is restricted for use as a social service reserve by the Pemberton Park Grandfamilies development.

The scholarship fund is restricted for providing scholarships to residents of public housing developments within Kansas City, MO.

HOUSING SERVICES OF KANSAS CITY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 4 ACCOUNTS RECEIVABLE

Accounts receivable as of December 31, 2015 consists of reimbursable legal expenses for the Martin Luther King and Pemberton developments and miscellaneous receivables from the Choice Grant application and Wayne Manor. Management estimates that all accounts receivable will be collected, and as such, has made no allowance for doubtful accounts.

NOTE 5 PARTNERSHIP MANAGEMENT FEES

Partnership management fees receivable consist of the following at December 31, 2015.

Beacon Park	\$ 111,058
Martin Luther King	97,673
Pemberton Park	171,568
Total Partnership Management Fees Receivable	380,299
Less: Current Portion	97,673
Partnership Management Fees Receivable, Net of Current Portion	\$ 282,626

Management estimates that all partnership management fees will be collected, and as such, has made no allowance for doubtful accounts.

NOTE 6 NOTES RECEIVABLE

The Organization has utilized grant funds in accordance with HUD guidelines to assist the construction of numerous public housing developments through the issuance of mortgage loans. Outstanding notes receivable as of December 31, 2015, consisted of the following:

The Organization issued a second mortgage loan in the amount of \$1,437,000 for the construction of 45 multifamily rental units known as Beacon Park townhomes. The loan accrues interest at 4.40% per annum, matures March 31, 2042 and is secured by the underlying property. Included in the note receivable balance is \$363,885 of accrued interest. \$ 1,800,885

The Organization issued a loan to Pemberton Park, L.P. on August 24, 2011 to facilitate the construction of a 36 unit multi-family housing development project. The principal balance on the loan was \$100,000, and interest accrues at a rate of 0% per annum. Repayments of the loan are to be made only out of available cash flow as defined in the partnership agreement. 100,000

The Organization issued a mortgage loan to Martin Luther King Village, L.P. on December 5, 2008 to facilitate the construction of a 108 unit multi-family housing development project. The principal balance on the loan was \$300,000, and interest accrues at a rate of 7% per annum. Repayments of the loan are to be made only out of available cash flow as defined in the partnership agreement. The loan matures on February 1, 2040, at which time the entire unpaid balance of principal, all interest accrued on it, and all other sums payable under the note shall be due and payable in full. The loan is secured by real property and any ensuing structures. Included in the note receivable balance is \$148,496 of accrued interest. 448,496

Total notes receivable \$ 2,349,381

HOUSING SERVICES OF KANSAS CITY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 7 NONCURRENT LIABILITIES

As of December 31, 2015, other liabilities consisted of program escrows from the Pemberton Park development and a youth scholarship fund.

The following activity occurred during the year ended December 31, 2015.

	December 31, 2014	Additions	Retirements	December 31, 2015	Due in One Year
Pemberton Park Reserve	\$ 27,854	\$ -	\$ 24,524	\$ 3,330	\$ -
Scholarship Fund	7,625	-	7,625	-	-
Compensated Absences	133	1,357	-	1,490	-
Total	<u>\$ 35,612</u>	<u>\$ 1,357</u>	<u>\$ 32,149</u>	<u>\$ 4,820</u>	<u>\$ -</u>

NOTE 8 RELATED PARTY TRANSACTIONS

The Organization is a blended component unit of the Housing Authority of Kansas City, MO and an affiliate of Affordable Housing of Kansas City, Inc., and as such, certain costs are shared and periodically reimbursed to the common paymaster. Such advances are interest free and due from available cash flow. As of December 31, 2015, the Organization owed \$76 to Affordable Housing of Kansas City, Inc. The advances are interest free, unsecured and due upon demand.

In August 2005, the Organization signed a Memorandum of Understanding (MOU) with the Authority regarding shared staff, services and property of the Authority. The MOU sets the following payment standards:

Direct Labor Cost: The Organization will reimburse the Authority for all direct labor costs associated with time the Authority's staff spends on the Organization's projects.

Benefit Factor: The Organization will compensate the Authority for administrative overhead at a rate of twenty-five percent (25%) of the direct labor cost.

The Authority provides maintenance and support staff to the Organization. The Authority charges for payroll and fringe benefits as incurred. During the year ended December 31, 2015, the Organization was charged \$83,017 in direct labor and employee benefit costs.

NOTE 9 RISK MANAGEMENT

The Authority maintains commercial insurance coverage for property, liability and surety bonds on behalf of the Organization. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage except for deductibles for the years ended December 31, 2015 and 2014.

HOUSING SERVICES OF KANSAS CITY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 10 CONTINGENCIES

The Organization may receive financial assistance from State and Local Agencies or Foundations in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by the grantor agency. As a result of these audits, costs previously reimbursed could be disallowed and require payments. As of December 31, 2015, the Organization estimates that no material liabilities will result from such audits.

NOTE 11 PENDING GASB PRONOUNCEMENTS

The Organization will be required to implement GASB Statement No. 72, *Fair Value Measurement and Application* for the period ending December 31, 2016. The objective of this Statement is to improve financial reporting by clarifying the definition of fair value, establishing principles for measuring fair value, providing additional fair value application guidance and enhancing disclosures about fair value measurements. The Organization is currently evaluating the effect of the implementation of this Statement.

The Organization will be required to implement GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and Amendments to Certain Provisions of GASB Statements 67 and 68, for the period ending December 31, 2016. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. This Statement will not affect the Organization as it does not have a pension plan.

The Organization will be required to implement GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, for the period ending December 31, 2017. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement will not affect the Organization as it does not have any OPEB plans.

The Organization will be required to implement GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, for the period ending December 31, 2016. The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The Organization is currently evaluating the effect of the implementation of this Statement.

The Organization will be required to implement GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Pension Plans*, for the period ending December 31, 2016. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, Accounting and Financial Reporting for Pensions. The Organization is currently evaluating the effect of the implementation of this Statement. This Statement will not affect the Organization as it does not have a pension plan.

HOUSING SERVICES OF KANSAS CITY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 11 PENDING GASB PRONOUNCEMENTS (CONTINUED)

The Organization will be required to implement GASB Statement No. 79, *Certain External Investment Pools and Pool Participants* for the period ending December 31, 2016. The objective of this Statement is to enhance comparability of financial statements by providing qualifying external investment pools and participants in those pools with consistent application of an amortized cost-based measurement for financial reporting purposes. The Organization is currently evaluating the effect of the implementation of this Statement.

The Organization will be required to implement GASB Statement No. 80, *Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14*, for the period ending December 31, 2017. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. The Organization is currently evaluating the effect of the implementation of this Statement.

The Organization will be required to implement GASB Statement No. 81, *Irrevocable Split-Interest Agreements*, for the period ending December 31, 2017. The objective of this Statement is to improve accounting and financial reporting by clarifying the recognition and measurement guidance when a government or government entity is the beneficiary of an irrevocable split-interest agreement. The Organization is currently evaluating the effect of the implementation of this Statement.

The Organization will be required to implement GASB Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73*, for the period ending December 31, 2017. The objective of this Statement is to address issues related to the presentation of payroll-related measures in required supplementary information, the selection of assumptions for financial reporting purposes and the classification of payments made by employers to satisfy employee contribution requirements. This Statement will not affect the Organization as it does not have a pension plan.



**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**

Board of Commissioners
Housing Services of Kansas City, Inc.
Kansas City, Missouri

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 Housing Services of Kansas City, Inc. (the Organization), which comprise the statement of net position as of December 31, 2015, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 9, 2016.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization'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 result of that testing, and not to provide an opinion on the effectiveness of the Organization'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 Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Baltimore, Maryland
August 9, 2016