

SOUTHCENTRAL FOUNDATION

Consolidated Financial Statements, Supplemental Information,  
and Compliance Reports  
(with Independent Auditor's Report Thereon)

Years Ended September 30, 2021 and 2020

SOUTHCENTRAL FOUNDATION

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SOUTHCENTRAL FOUNDATION

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## **Independent Auditor's Report**

Members of the Board of Directors  
Southcentral Foundation  
Anchorage, Alaska

## **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of Southcentral Foundation (a nonprofit health care entity), which comprise the consolidated statements of financial position as of September 30, 2021 and 2020, and the related consolidated statements of activities, 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 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 *Governmental 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 consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Southcentral Foundation as of September 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The information listed in the table of contents as “Supplemental Information,” which includes the Supplementary Consolidating Schedule of Financial Position, Supplementary Consolidating Schedule of Activities – Without Donor Restrictions – General and Administrative, Federal Programs – Schedule of Activities, State of Alaska Administered Programs – Schedule of Activities, Other Programs – Schedule of Activities, Indian Health Service Compact and Program Third Party Billings – Schedule of Expenditures, and the State Supplemental Schedules – State Financial Assistance Reports: State of Alaska Department of Health and Social Services – Schedule of Revenues and Expenses – Budget and Actual, are presented for the purposes of additional analysis, and are not a required part of the consolidated financial statements of Southcentral Foundation. The accompanying Schedule of State Financial Assistance and notes as required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, and the Schedule of Expenditures of Federal Awards and notes, 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*, are also 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 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 as a whole.

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 17, 2022, on our consideration of Southcentral Foundation’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 solely 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 Southcentral Foundation’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 Southcentral Foundation’s internal control over financial reporting and compliance.



Anchorage, Alaska  
March 17, 2022

**SOUTHCENTRAL FOUNDATION**

Consolidated Statements of Financial Position

September 30, 2021 and 2020

	2021	2020
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 67,431,352	84,666,123
Receivables:		
Grantors	17,506,391	3,672,506
Third party payer (note 6)	8,934,864	5,888,206
Interest and dividends	3,895,103	2,656,819
Other	759,421	385,379
Prepaid expenses and deposits	18,231,221	2,711,285
Investments (notes 3 and 5)	346,759,799	251,306,299
Total current assets	463,518,151	351,286,617
Investments (notes 3 and 5)	384,099,358	222,780,095
Investment in LLC's (note 10)	31,690	31,690
Note receivable (note 16)	2,310,558	-
Property and equipment, net (note 8)	316,201,866	307,009,150
Inventory - Software/Hardware/Carpet Tiles/IT Minor Equip	28,557	26,624
	\$ 1,166,190,180	881,134,176
<b>Liabilities and Net Assets</b>		
Liabilities:		
Current liabilities:		
Accounts payable and accrued liabilities	10,765,807	8,715,720
Accrued salaries and benefits	17,079,563	12,827,489
Accrued leave	15,139,134	14,232,163
Accrued relocation liability	1,920,000	1,980,000
Current portion of long-term debt (note 9)	8,051,998	8,416,651
Alaska Native Tribal Health Consortium payable	6,722,247	1,676,021
Deferred revenues:		
Grantors	56,686,801	16,267,723
Alaska Native Tribal Health Consortium	1,750,000	1,750,000
Other (notes 5 and 11)	2,343,014	6,326,979
Total current liabilities	120,458,564	72,192,746
Deferred compensation plan (note 7)	11,080,545	8,809,467
Long-term debt, excluding current portion net of unamortized financing costs (note 9)	93,876,179	102,073,048
Total liabilities	225,415,288	183,075,261
Net assets:		
Controlling Interests:		
Net assets without donor restrictions:		
Designated (note 13)	643,017,129	535,779,770
Undesignated	297,297,334	161,852,478
Total net assets without donor restrictions	940,314,463	697,632,248
Net assets with donor restrictions (notes 1(a) and 12)	522,202	488,440
Non-controlling Interests	(61,773)	(61,773)
Total net assets	940,774,892	698,058,915
Contingencies and commitments (notes 15 and 18)	\$ 1,166,190,180	881,134,176

See accompanying notes to financial statements.

**SOUTHCENTRAL FOUNDATION**

Consolidated Statements of Activities

Years ended September 30, 2021 and 2020

	2021				
	Net Assets without Donor Restrictions			Net Assets with Donor Restrictions	Total
	General and Administrative	Program	Total		
Revenues:					
Federal	\$ -	356,304,155	356,304,155	-	356,304,155
Federal contract reductions	-	17,317,817	17,317,817	-	17,317,817
State of Alaska	-	1,118,957	1,118,957	-	1,118,957
Patient service revenue (net of contractual allowances and discounts):					
Medicaid	-	127,912,631	127,912,631	-	127,912,631
Medicare	-	24,727,196	24,727,196	-	24,727,196
Third party payers	-	69,049,812	69,049,812	-	69,049,812
Self pay	-	1,572,937	1,572,937	-	1,572,937
Federal COVID-19 Provider Relief Fund	-	7,756,549	7,756,549	-	7,756,549
Total patient service revenues	-	231,019,125	231,019,125	-	231,019,125
Investment earnings (note 3)	29,687,268	-	29,687,268	-	29,687,268
In-kind services	-	12,797,857	12,797,857	-	12,797,857
Other	5,248,860	-	5,248,860	1,373,268	6,622,128
Net assets released from restriction (note 12)	-	1,339,506	1,339,506	(1,339,506)	-
Reclass Net Assets into Restricted	-	-	-	-	-
Total revenues	34,936,128	619,897,417	654,833,545	33,762	654,867,307
Expenses:					
Direct:					
Salaries	40,268,402	145,801,072	186,069,474	-	186,069,474
Benefits (note 14)	10,821,289	38,435,246	49,256,535	-	49,256,535
Consulting and contractual	8,783,821	6,202,255	14,986,076	-	14,986,076
Consulting and contractual - buildings	961,938	718,095	1,680,033	-	1,680,033
Materials and supplies	400,131	7,160,913	7,561,044	-	7,561,044
Subawards	-	93,307,983	93,307,983	-	93,307,983
Depreciation	10,964,859	5,586,746	16,551,605	-	16,551,605
Minor equipment	356,017	1,731,378	2,087,395	-	2,087,395
Interest expense	2,954,694	62,660	3,017,354	-	3,017,354
Education	98,661	1,069,085	1,167,746	-	1,167,746
Travel and per diem	68,037	1,065,348	1,133,385	-	1,133,385
Utilities	2,280,420	744,441	3,024,861	-	3,024,861
Insurance	827,497	511	828,008	-	828,008
Insurance - buildings	609,495	112,751	722,246	-	722,246
Housekeeping	2,313,291	404,482	2,717,773	-	2,717,773
Leases - equipment (note 15)	-	625,092	625,092	-	625,092
Leases - buildings (note 15)	116,039	141,419	257,458	-	257,458
Telephone	762,069	112,942	875,011	-	875,011
Construction/renovations	-	-	-	-	-
Repairs and maintenance - equipment	227,284	651,971	879,255	-	879,255
Repairs and maintenance - buildings	474,179	346,971	821,150	-	821,150
Printing and reproduction	92,953	162,001	254,954	-	254,954

(Continued)



**SOUTHCENTRAL FOUNDATION**

Consolidated Statements of Activities, Continued

	2021				
	Net Assets without Donor Restrictions			Net Assets with Donor Restrictions	Total
	General and Administrative	Program	Total		
Expenses, continued:					
Direct:					
Legal	1,560,984	-	1,560,984	-	1,560,984
Advertising	213,537	246,275	459,812	-	459,812
Moving and relocation expense	31,460	375,424	406,884	-	406,884
Scholarships	-	165,988	165,988	-	165,988
Board related	329,071	693	329,764	-	329,764
Recruitment	2,349	14,898	17,247	-	17,247
Dues and subscriptions	371,549	141,861	513,410	-	513,410
Dues and subscriptions - buildings	392,045	34	392,079	-	392,079
Donations (note 17)	198,000	-	198,000	-	198,000
Postage and freight	51,853	162,466	214,319	-	214,319
Taxes and licenses	115,410	68,347	183,757	-	183,757
Taxes and licenses - building	147,736	84,223	231,959	-	231,959
Staff support	319,017	366,429	685,446	-	685,446
Accounting and audit	62,989	-	62,989	-	62,989
Direct payments	-	1,227,368	1,227,368	-	1,227,368
Other	142,412	216,661	359,073	-	359,073
Total direct	<u>87,319,488</u>	<u>307,514,029</u>	<u>394,833,517</u>	<u>-</u>	<u>394,833,517</u>
Contract reduction:					
Salaries	1,281,582	15,123,249	16,404,831	-	16,404,831
Contractual	103,561	618,648	722,209	-	722,209
Village Built Clinic leases	-	103,383	103,383	-	103,383
Relocation	-	87,394	87,394	-	87,394
Total contract reduction	<u>1,385,143</u>	<u>15,932,674</u>	<u>17,317,817</u>	<u>-</u>	<u>17,317,817</u>
Total expenses before indirect cost allocation	88,704,631	323,446,703	412,151,334	-	412,151,334
Indirect cost allocation	<u>(84,090,238)</u>	<u>84,090,238</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	<u>4,614,393</u>	<u>407,536,941</u>	<u>412,151,334</u>	<u>-</u>	<u>412,151,334</u>
Equity in gain of LLC's	<u>4</u>	<u>-</u>	<u>4</u>	<u>-</u>	<u>4</u>
Increase in net assets from operations before non-controlling interests	30,321,739	212,360,476	242,682,215	33,762	242,715,977
Distributions attributable to non-controlling interests	-	-	-	-	-
Increase in net assets attributable to non-controlling interests	-	-	-	-	-
Change in net assets	<u>30,321,739</u>	<u>212,360,476</u>	<u>242,682,215</u>	<u>33,762</u>	<u>242,715,977</u>

(Continued)

**SOUTHCENTRAL FOUNDATION**

Consolidated Statements of Activities, Continued

	<b>2020</b>				
	<b>Net Assets without Donor Restrictions</b>			<b>Net Assets</b>	<b>Total</b>
	<b>General and</b>	<b>Program</b>	<b>Total</b>	<b>with Donor</b>	
	<b>Administrative</b>			<b>Restrictions</b>	
Revenues:					
Federal	\$ -	216,056,851	216,056,851	-	216,056,851
Federal contract reductions	-	17,982,723	17,982,723	-	17,982,723
State of Alaska	-	1,485,578	1,485,578	-	1,485,578
Patient service revenue:					
Medicaid	-	118,166,607	118,166,607	-	118,166,607
Medicare	-	25,067,886	25,067,886	-	25,067,886
Third party payers	-	67,670,912	67,670,912	-	67,670,912
Self pay	-	1,305,031	1,305,031	-	1,305,031
Federal COVID-19 Provider Relief Fund	-	13,567,197	13,567,197	-	13,567,197
Total patient service revenues	-	<u>225,777,633</u>	<u>225,777,633</u>	-	<u>225,777,633</u>
Investment earnings (note 3)	18,110,048	-	18,110,048	-	18,110,048
In-kind services	-	13,002,769	13,002,769	-	13,002,769
Other	3,052,067	-	3,052,067	1,269,176	4,321,243
Net assets released from restriction (note 12)	-	1,266,597	1,266,597	(1,266,597)	-
Reclass Net Assets into Restricted	-	1,348,763	1,348,763	(1,348,763)	-
Total revenues	<u>21,162,115</u>	<u>476,920,914</u>	<u>498,083,029</u>	<u>(1,346,184)</u>	<u>496,736,845</u>
Expenses:					
Direct:					
Salaries	40,669,982	136,531,794	177,201,776	-	177,201,776
Benefits (note 14)	11,369,735	38,426,589	49,796,324	-	49,796,324
Consulting and contractual	9,276,452	5,605,048	14,881,500	-	14,881,500
Consulting and contractual - buildings	353,048	1,181,691	1,534,739	-	1,534,739
Materials and supplies	1,288,077	44,885,290	46,173,367	-	46,173,367
Subawards	-	53,211,916	53,211,916	-	53,211,916
Depreciation	11,331,220	5,012,144	16,343,364	-	16,343,364
Minor equipment	711,113	1,795,161	2,506,274	-	2,506,274
Interest expense	3,630,335	77,565	3,707,900	-	3,707,900
Education	331,631	1,709,214	2,040,845	-	2,040,845
Travel and per diem	580,288	1,209,302	1,789,590	-	1,789,590
Utilities	2,141,800	702,712	2,844,512	-	2,844,512
Insurance	740,942	320	741,262	-	741,262
Insurance - buildings	495,918	92,723	588,641	-	588,641
Housekeeping	2,070,498	377,476	2,447,974	-	2,447,974
Leases - equipment (note 15)	6,223	571,353	577,576	-	577,576
Leases - buildings (note 15)	106,403	64,848	171,251	-	171,251
Telephone	475,243	91,129	566,372	-	566,372
Construction/renovations	3,768	-	3,768	-	3,768
Repairs and maintenance - equipment	272,147	448,644	720,791	-	720,791
Repairs and maintenance - buildings	70,820	797,588	868,408	-	868,408
Printing and reproduction	124,142	118,644	242,786	-	242,786

(Continued)

**SOUTHCENTRAL FOUNDATION**

Consolidated Statements of Activities, Continued

	2020				
	Net Assets without Donor Restrictions			Net Assets	Total
	General and Administrative	Program	Total	with Donor Restrictions	
Expenses, continued:					
Direct:					
Legal	624,580	-	624,580	-	624,580
Advertising	107,865	207,779	315,644	-	315,644
Moving and relocation expense	(4,761)	83,766	79,005	-	79,005
Scholarships	-	274,345	274,345	-	274,345
Board related	384,758	17,579	402,337	-	402,337
Recruitment	3,492	21,773	25,265	-	25,265
Dues and subscriptions	486,594	107,141	593,735	-	593,735
Dues and subscriptions - buildings	104,712	-	104,712	-	104,712
Donations (note 17)	256,030	20,421	276,451	-	276,451
Postage and freight	62,722	123,885	186,607	-	186,607
Taxes and licenses	81,108	40,231	121,339	-	121,339
Taxes and licenses - building	101,009	49,399	150,408	-	150,408
Staff support	73,645	245,282	318,927	-	318,927
Accounting and audit	64,280	-	64,280	-	64,280
Direct payments	-	549,745	549,745	-	549,745
Software	-	-	-	-	-
Other	258,787	11,206	269,993	-	269,993
Total direct	<u>88,654,606</u>	<u>294,663,703</u>	<u>383,318,309</u>	<u>-</u>	<u>383,318,309</u>
Contract reduction:					
Salaries	968,631	16,165,949	17,134,580	-	17,134,580
Contractual	100,731	591,792	692,523	-	692,523
Village Built Clinic leases	-	103,383	103,383	-	103,383
Relocation	22,552	29,685	52,237	-	52,237
Total contract reduction	<u>1,091,914</u>	<u>16,890,809</u>	<u>17,982,723</u>	<u>-</u>	<u>17,982,723</u>
Total expenses before indirect cost allocation	89,746,520	311,554,512	401,301,032	-	401,301,032
Indirect cost allocation	<u>(84,650,423)</u>	<u>84,650,423</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	<u>5,096,097</u>	<u>396,204,935</u>	<u>401,301,032</u>	<u>-</u>	<u>401,301,032</u>
Equity in (loss) of LLC's	<u>(1,655)</u>	<u>-</u>	<u>(1,655)</u>	<u>-</u>	<u>(1,655)</u>
Increase in net assets from operations before non-controlling interests	16,064,363	80,715,979	96,780,342	(1,346,184)	95,434,158
Distributions attributable to non-controlling interests	-	-	-	-	-
Increase in net assets attributable to non-controlling interests	<u>2</u>	<u>-</u>	<u>2</u>	<u>-</u>	<u>2</u>
Change in net assets	<u><u>16,064,365</u></u>	<u><u>80,715,979</u></u>	<u><u>96,780,344</u></u>	<u><u>(1,346,184)</u></u>	<u><u>95,434,160</u></u>

**SOUTHCENTRAL FOUNDATION**  
Consolidated Statements of Net Assets  
Year Ended September 30, 2021 and 2020

	Controlling Interest			Non-controlling Interest	Total
	Without Donor Restrictions		With Donor Restrictions		
	Designated	Undesignated			
Balance, September 30, 2019	\$ 512,381,102	88,470,804	1,834,624	(61,775)	602,624,755
Distributions	-	-	-	-	-
Change in net assets	<u>23,398,668</u>	<u>73,381,674</u>	<u>(1,346,184)</u>	<u>2</u>	<u>95,434,160</u>
Balance, September 30, 2020	\$ <u>535,779,770</u>	<u>161,852,478</u>	<u>488,440</u>	<u>(61,773)</u>	<u>698,058,915</u>
Distributions	-	-	-	-	-
Change in net assets	<u>107,237,359</u>	<u>135,444,856</u>	<u>33,762</u>	<u>-</u>	<u>242,715,977</u>
Balance, September 30, 2021	\$ <u>643,017,129</u>	<u>297,297,334</u>	<u>522,202</u>	<u>(61,773)</u>	<u>940,774,892</u>

See accompanying notes to financial statements.

**SOUTHCENTRAL FOUNDATION**  
Consolidated Statements of Cash Flows  
Years ended September 30, 2021 and 2020

	2021	2020
Cash flows from (used in) operating activities:		
Change in net assets	\$ 242,715,977	95,434,160
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	16,551,605	16,343,364
Amortization	86,881	197,457
Increase (decrease) in contractual allowances	(1,376,311)	(1,002,945)
Investments (gains) losses	(19,231,926)	(11,173,957)
Changes in assets and liabilities:		
Decrease (increase) in grantor receivables	(13,833,885)	11,374,274
Decrease (increase) in third party payer receivables	(1,670,347)	3,935,035
Decrease (increase) in interest and dividends receivables	(1,238,284)	(512,746)
Decrease (increase) in other receivables	(374,042)	1,203,111
Decrease (increase) in prepaid expenses and deposits	(15,519,936)	(417,325)
Decrease (increase) in inventory - software/hardware/carpet	(1,933)	33,531
Increase (decrease) in Alaska Native Tribal Health Consortium payable	5,046,226	(2,566,980)
Increase (decrease) in accounts payable and accrued liabilities	2,050,087	1,316,422
Increase (decrease) in accrued salaries and benefits	5,099,045	3,823,789
Increase (decrease) in deferred revenues	40,419,078	15,234,402
Increase (decrease) in deferred compensation plan	2,271,078	1,192,911
Increase (decrease) in other liabilities	(3,983,965)	2,661,835
Net cash provided by operating activities	<u>257,009,348</u>	<u>137,076,338</u>
Cash flows provided (used) by investing activities:		
Issuance of notes receivable	(2,310,558)	-
Purchase of property and equipment	(32,873,364)	(17,140,891)
Disposal of property and equipment	7,129,043	2,243,488
Purchase of investments	(466,073,581)	(254,969,181)
Sale of investments	228,532,744	156,738,555
Net cash (used) by investing activities	<u>(265,595,716)</u>	<u>(113,128,029)</u>
Cash flows provided (used) by financing activities:		
Proceeds from issuance of notes payable	-	54,895,343
Payments on long term debt	(8,648,403)	(44,521,036)
Payment of deferred financing costs	-	(406,314)
Net cash provided (used) by financing activities	<u>(8,648,403)</u>	<u>9,967,993</u>
Net increase (decrease) in cash and cash equivalents	<u>(17,234,771)</u>	<u>33,916,302</u>
Cash and cash equivalents, beginning of year	<u>84,666,123</u>	<u>50,749,821</u>
Cash and cash equivalents, end of year	<u>\$ 67,431,352</u>	<u>84,666,123</u>
Supplemental disclosure of cash activity:		
Interest paid	<u>\$ 2,930,473</u>	<u>3,510,443</u>

See accompanying notes to financial statements.

# SOUTHCENTRAL FOUNDATION

## Notes to Consolidated Financial Statements

September 30, 2021 and 2020

### (1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Southcentral Foundation (SCF) was incorporated as a nonprofit organization under Alaska State Law in 1982. SCF's objective is to improve the health, educational, cultural, social and economic conditions of Alaska Natives by providing health services primarily in the Anchorage and Matanuska-Susitna Valley, along with other areas of Alaska. The Indian Health Services provides funding to SCF to cover the costs of health services provided to eligible beneficiaries at the Alaska Native Medical Center. In addition, SCF administers other federal and state funded programs. The more significant policies and estimates applied in the preparation of the financial statements are discussed below.

#### (a) *Basis of Presentation*

SCF's financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under this method of accounting, revenues are recognized when earned. Liabilities and expenses are recorded when incurred. The financial statements include assets, liabilities, net assets, and financial activities for those programs for which SCF exercise fiscal and operations control.

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for existing capital assets, replacement of existing capital assets, contractual obligations and other program commitments, the capital project plan, the technology reserve fund, and other specific purposes.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

#### (b) *In-kind Contributions*

Donated services are recognized as contributions in accordance with FASB ASC 958, Accounting for Contributions Received and Contributions Made, if the services (1) create or enhance nonfinancial assets or (2) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. In-kind contributions for space, supplies, and professional services are recorded in the statement of activities at market value and recognized as revenue and expenses in the period they are received, except for donated equipment, which is recorded as revenue in the period received and the asset is depreciated over its estimated useful life.

SOUTHCENTRAL FOUNDATION

Notes to Consolidated Financial Statements, Continued

**(c) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand and demand deposits in highly liquid investments held in financial institutions.

**(d) Accounts Receivable**

Accounts receivable are recorded at the net realizable value at the transaction price based upon standard charges for services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured or underinsured patients in accordance with SCF's policies, and/or implicit price concessions provided to uninsured or underinsured patients, and do not bear interest.

**(e) Investments**

Investments in marketable securities are reported at fair value in the Statement of Financial Position. Unrealized gains and losses and interest earned on investments are recorded as unrestricted investment earnings. Interest income is earned on both federal and nonfederal monies. All investment earnings are recorded in the Statement of Activities, net of investment fees.

**(f) Property and Equipment**

Property and equipment are capitalized and depreciated over their estimated useful life on a straight line basis. Property and equipment purchased with grant funding are released from restriction as the property and equipment is depreciated. Useful lives of assets are as follows:

	<u>Years</u>
Buildings	25 - 40
Building improvements	8 - 25
Equipment	2 - 15

**(g) Inventory**

Accounting for inventory of software, hardware and carpet is valued at the lower aggregate cost or market. Inventory is accounted on the first in, first out (FIFO) method.

**(h) Prepaid Expenses**

Payments made for items that will benefit periods beyond the year end, are recorded as prepaid expenses.

**(i) Annual Leave**

Annual leave is accrued as earned by employees and recorded as an expenditure in the period earned.

**(j) Fair Value of Financial Instruments**

SCF must disclose its estimate of the fair value of material financial instruments, including those recorded as assets or liabilities in its financial statements and derivative financial instruments.

## SOUTHCENTRAL FOUNDATION

### Notes to Consolidated Financial Statements, Continued

The following financial instruments are recorded at fair value or at amounts that approximate fair value: (1) cash and cash equivalents, (2) investments, (3) receivables, net, (4) certain other current assets, (5) accounts payable and (6) other current liabilities. The carrying amounts reported in the statements of financial position for the above financial statements closely approximate their fair value due to the short-term nature of these assets and liabilities except for SCF's investments. The carrying amounts of SCF's investments were determined based on quoted market prices.

The carrying amount of notes payable approximates fair value for those financial instruments with interest at variable rates, as those rates approximate current market rates for notes with similar maturities and credit quality.

The fair values of SCF's other various debt instruments were derived by evaluating the nature and terms of each instrument, considering prevailing economic and market conditions, and examining the cost of similar debt offered at the statements of financial position date. These estimates are subjective and involve uncertainties and matters of significant judgment, and therefore SCF cannot determine them with precision. Changes in assumptions could significantly affect SCF's estimates.

#### **(k) Revenue Recognition**

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

Consequently, at September 30, 2021 and 2020 contributions approximating \$1,555,538 and \$217,637, respectively, have not been recognized in the accompanying consolidated statement of activities because the condition(s) on which they depend has not yet been met. Of the total conditional contributions, \$1,555,538 and \$217,637 is included within deferred revenue for 2021 and 2020, respectively, which depend on the Organization incurring qualifying expenditures in compliance with the terms of the contributions.

A large portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as deferred revenue in the statement of financial position. The Organization received cost-reimbursable grants of \$109,165,526 that have not been recognized at September 30, 2021 because qualifying expenditures have not yet been incurred, with an advance payment of \$55,131,263 recognized in the statement of financial position as a deferred revenue. The Organization received cost-reimbursable grants of \$37,618,278 that have not been recognized at September 30, 2020 because qualifying expenditures have not yet been incurred, with an advance payment of \$16,050,086 recognized in the statement of financial position as a deferred revenue. Most revenues from the U.S. Department of Health and Human Services, IHS Self Governance Compact are earned and recognized in the year the money is made available to SCF.



## SOUTHCENTRAL FOUNDATION

### Notes to Consolidated Financial Statements, Continued

#### (I) Revenue Recognition from Contracts

Revenue is recognized in the period services are performed which is when the performance obligations are satisfied, and consists primarily of net patient service revenue which are reported at the amount that reflects the consideration which SCF expects to be entitled for providing patient care. These amounts are due from patients, third-party payors, and others and include variable consideration for retroactive revenue accrued on an estimated basis in the period the related services are rendered and adjusted in future periods, as final settlements are determined.

Performance obligations are determined based on the nature of the services provided by SCF. Revenue for performance obligations which satisfied over time is recognized based upon the actual charges incurred in relation to total expected charges. SCF believes that this method provides a reasonable depiction of the transfer of services over the term of performance obligations based upon the inputs needed to satisfy the obligation. SCF does not have any performance obligations which were not satisfied by the end of the reporting period.

SCF measures performance obligations from the commencement of an outpatient service or admission into the facility to the point when it is no longer required to provide services to the patient, which is generally the completion of the outpatient service for that day or when the patient checks out of the facility. These services are considered a single performance obligation. Revenue from performance obligations satisfied at a point in time is recognized when services are provided and SCF does not believe it is required to provide additional services to the patient.

Transaction price is based on standard charges for services provided to patients, reduced by applicable contractual adjustments, discounts to uninsured or underinsured patients, and implicit pricing concessions. The estimates of contractual adjustments and discounts are based on contractual agreements, discount policy, and historical collection experience. The process for estimating the collectability of patient accounts receivable involves historical collection experience, changes in contracts with payors, and significant assumptions and judgement. Accounts balances are written off as implicit pricing concessions when management believes it is probable the receivable will not be recovered.

SCF has elected to apply the practical expedient allowed under ASC 606-10-10-4 for applying the new revenue standard to a portfolio of contracts with similar characteristics. SCF accounts for the contracts within each portfolio as a collective group, rather than individual contracts, based on the payment pattern expected in each portfolio category and the similar nature and characteristics of the patients within each portfolio. The portfolios consists of major payer classes of patient revenue. Based upon historical collection trends and other analysis, SCF has concluded that revenue for a given portfolio would not be materially different than if accounting for revenue on a contract by contract basis.

## SOUTHCENTRAL FOUNDATION

### Notes to Consolidated Financial Statements, Continued

#### Net Patient Service Revenue

SCF has agreements with third-party payors that provide for payments at the amounts different from SCF's established rates. A summary of the payments arrangements with major payors follows:

##### Medicare

Services Rendered to Medicare program beneficiaries are reimbursed under the Medicare Part B outpatient benefit. Certain services are also eligible for reimbursement under a prospective reimbursement methodology, based upon actual costs, whereby outpatient services are paid based upon an all-inclusive per encounter rate. No final settlements occur. These all-inclusive rate are mandated by the Department of Health and Human Services and published annually in the Federal Register.

##### Medicaid

The majority of healthcare services rendered to Medicaid program beneficiaries are reimbursed under a prospective reimbursement methodology, based upon actual costs. Outpatient services are paid based upon an all-inclusive per encounter rate. No final settlements occur. These all-inclusive rate are mandated by the Department of Health and Human Services and published annually in the Federal Register. Services not eligible for the all-inclusive per encounter rate are paid per the Medicaid fee schedule or other negotiated rate.

##### Other Third-Party Payors

SCF also has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to SCF under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

#### **(m) Contract Reduction Revenues and Expenses**

In connection with SCF's operation of IHS Compact programs, certain expenses are paid directly by IHS. SCF's annual Compact funding is reduced by the amount of these expenditures. SCF records revenues equal to the amount of these contract reductions and expenditures for those costs chargeable to the program which are paid by IHS.

#### **(n) Indirect Cost Allocation**

"Indirect costs" that benefit all programs are not directly charged to programs. Indirect costs are allocated to each program based upon an agreement negotiated with the cognizant agency which provides for allocation of indirect costs based upon total direct expenses of each contract or grant, less exclusions for equipment purchases and other capital expenditures, certain sub-recipients, rental/maintenance of off-site activities, and other direct payments of financial assistance to or on behalf of eligible individuals, which are not subject to a recovery rate. Indirect costs allocated to the various contracts and grants have been made at the current negotiated rates unless otherwise provided by contractual agreement. Any over recovery or under recovery of actual indirect costs for the year are recovered or refunded to the grantor, if required, except that under recoveries may be subject to the availability of funds from the grantor.

## SOUTHCENTRAL FOUNDATION

### Notes to Consolidated Financial Statements, Continued

#### **(o) *Income Taxes***

SCF is exempt from federal income taxes under Section 501 (c)(3) of the Internal Revenue Code. SCF is exempt from State income taxes under the Alaska Nonprofit Corporation Act. Therefore, the accompanying statements do not reflect a provision for income taxes. Although SCF is exempt from federal income taxes, any income derived from unrelated business activities is subject to the requirement of filing U.S. Federal Income Tax Form 990-T and a tax liability may be determined on these activities. SCF's policy is to report interest and penalties associated with uncertain tax positions as other expense. There is no interest or penalties accrued at September 30, 2021 and 2020. With few exceptions, SCF is not subject to audit of its tax returns prior to September 30, 2018. Management has taken no uncertain tax positions.

#### **(p) *Functional Expense Allocation***

The natural classification of expenditures before indirect cost allocation reported in the Consolidated Statements of Activities are directly assigned to each of the two broad functional categories of General and Administrative expenses and Program expenses. General and Administrative expenses include costs directly assigned to indirect costs pools as well as the General Fund (which is a Direct expense). Total General and Administrative expenses (after indirect cost allocations) equal General Fund expenses, including the indirect cost expense allocated to them, plus the difference between expenses directly assigned to the indirect cost pools and the calculated indirect cost recoveries for the year (see (m) Indirect Cost Allocation).

The various schedules of program expenses accompanying the financial statements report certain administrative and facility expenses that are attributable to more than one program as indirect cost expense (see (m) Indirect Cost Allocation).

#### **(q) *Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### **(r) *Principles of Consolidation***

The Consolidated Statements of Financial Position and the related Consolidated Statements of Activities, Consolidated Statements of Net Assets, and Consolidated Statement of Cash Flows for the year ended September 30, 2021 and 2020 include Coltsfoot LLC, SCF-JL Investor LLC, and Novarupta LLC. All significant intercompany balances and transactions have been eliminated in consolidation.

## **(2) CASH AND CASH EQUIVALENTS**

SCF maintains cash balances at Wells Fargo Bank. Federal Deposit Insurance Corporation (FDIC) insures these accounts up to \$250,000 per depositor, per financial institution. At September 30, 2021 and 2020, U.S. Treasury obligations collateralized the remaining bank balance, which is held by Bank of New York in a Tri-party collateral agreement with Wells Fargo, the pledging financial institution's agent, in the SCF's name.

SOUTHCENTRAL FOUNDATION

Notes to Consolidated Financial Statements, Continued

**(3) INVESTMENTS**

SCF's investments are summarized as follows at September 30, 2021 and 2020:

Type of Investment	2021		
	Current	Long Term	Total
U.S. Treasury and Agency	\$ 6,634,130	25,817,308	32,451,438
U.S. Municipal Bonds	39,443,412	413,572	39,856,984
U.S. Commercial Paper	19,996,578	-	19,996,578
U.S. Corporate Bonds	130,564,319	261,757,619	392,321,938
U.S. Securitized Fixed Income	-	1,300,987	1,300,987
U.S. Fixed Income Funds	14,329,719	-	14,329,719
International Commercial Paper	9,993,694	-	9,993,694
International Bonds	8,141,640	83,729,327	91,870,967
Global Fixed Income Funds	6,466,592	-	6,466,592
U.S. Common Stock	52,151,291	-	52,151,291
International Common Stock	26,737,257	-	26,737,257
U.S. Equity Funds	10,008,090	-	10,008,090
International Equity Funds	14,405,255	-	14,405,255
Alternative Funds	7,887,822	-	7,887,822
	<u>\$ 346,759,799</u>	<u>373,018,813</u>	
Restricted investments - deferred compensation (note 7)			<u>11,080,545</u>
			<u>730,859,157</u>

Type of Investment	2020		
	Current	Long Term	Total
U.S. Treasury and Agency	\$ 3,031,680	29,578,514	32,610,194
U.S. Municipal Bonds	9,078,750	418,080	9,496,830
U.S. Corporate Bonds	105,131,401	167,920,366	273,051,767
U.S. Securitized Fixed Income	-	1,191,018	1,191,018
U.S. Fixed Income Funds	14,333,329	-	14,333,329
International Bonds	26,368,410	14,862,650	41,231,060
Global Fixed Income Funds	6,568,617	-	6,568,617
U.S. Common Stock	37,930,953	-	37,930,953
International Common Stock	21,914,320	-	21,914,320
U.S. Equity Funds	7,641,533	-	7,641,533
International Equity Funds	11,877,536	-	11,877,536
Alternative Funds	7,429,770	-	7,429,770
	<u>\$ 251,306,299</u>	<u>213,970,628</u>	
Restricted investments - deferred compensation (note 7)			<u>8,809,467</u>
			<u>474,086,394</u>

SOUTHCENTRAL FOUNDATION

Notes to Consolidated Financial Statements, Continued

Investment earnings are summarized as follows for the years ended September 30, 2021 and 2020:

	2021	2020
Interest	\$ 6,175,206	9,249,929
Dividends	1,322,271	1,256,176
Realized gains and (losses)	3,791,673	(35,732)
Unrealized gains and (losses)	15,440,253	11,209,689
Change in value of derivative instrument	3,983,965	(2,661,835)
Fees	(1,026,100)	(908,179)
	\$ 29,687,268	18,110,048

**(4) LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	\$ 67,431,352
Third party payer receivables	8,934,864
Interest and dividends receivable	3,895,103
Other receivables	759,421
Investments (current)	346,759,799
	\$ 427,780,539

Investments include the portion of a bond ladder of U.S. municipal bonds, U.S. and International Commercial Paper and U.S. and international corporate bonds maturing monthly out to one year, which totals \$205,333,205. The bond ladder is used for treasury management with maturities continuously reinvested and/or used for cash requirements. It complements the use of money market funds (included in Cash and cash equivalents) for investing cash in excess of anticipated daily requirements. The bond ladder is managed to extend out up to two and a half (2.5) years to maturity, but only the portion maturing within one year is included in the investment amounts in this note.

The balance of the investments in this note includes common stocks, equity funds, alternative funds, fixed income funds, and fixed income securities that are managed for longer time horizons. However, these all consist of marketable securities with daily market prices and could be readily sold if necessary.

**(5) FAIR VALUE MEASUREMENTS**

Included in investment related line items in the financial statements are certain financial instruments carried at fair value. Other financial instruments are periodically measured at fair value, such as when impaired, or for certain bonds and preferred stock when carried at the lower of cost or market.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous market at the measurement date under current market conditions regardless of whether that price is discretely observable or estimated using another valuation technique. Fair values are based on quoted market prices when available. SCF does not have investments for which quoted market prices are not available.

SOUTHCENTRAL FOUNDATION

Notes to Consolidated Financial Statements, Continued

SCF's financial assets and liabilities carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by generally accepted accounting principles. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methods and models with unobservable inputs (Level 3). An asset's or a liability's classification is based on the lowest level input that is significant to its measurement. For example, a Level 3 fair value measurement may include inputs that are both observable (Levels 1 and 2) and unobservable (Level 3). The levels of the fair value hierarchy are as follows:

- Level 1 – Values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.
- Level 2 – Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.
- Level 3 – Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect SCF's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

The following table provides information as of September, 2021 and 2020 about SCF financial assets and liabilities measured at fair value on a recurring basis.

		Level 1	Level 2	Level 3	Total
<u>2021</u>					
Assets – Investments	\$	730,859,157	-	-	730,859,157
Liabilities – Interest					
Rate Swap					
Agreements	\$	-	(2,343,014)	-	(2,343,014)
<u>2020</u>					
Assets – Investments	\$	474,086,394	-	-	474,086,394
Liabilities – Interest					
Rate Swap					
Agreements	\$	-	(6,326,979)	-	(6,326,979)

Interest Rate Swap Agreements

Balance September 30, 2019	\$	(3,665,144)
Net decrease in value of derivative instruments		(2,661,835)
Balance September 30, 2020		(6,326,979)
Net increase in value of derivative instruments		3,983,965
Balance September 30, 2021	\$	(2,343,014)

The change in the value of derivative instruments is included in the change in net assets without donor restrictions in the statement of activities as investment earnings.

SOUTHCENTRAL FOUNDATION

Notes to Consolidated Financial Statements, Continued

Given the narrow definition of Level 1 and SCF's investment asset strategy, all of SCF's investment assets are classified in Level 1. Changes in value of investments and earnings are recorded in the statement of activities as investment income. The fair value of the interest rate swap agreements was determined using market information and projected future cash flows.

**(6) ACCOUNTS RECEIVABLE**

SCF's third party payer accounts receivable balances consist of the following at year end:

<u>2021</u>	<u>Medicaid</u>	<u>Medicare</u>	<u>Third Party Payers</u>	<u>Self-Pay</u>	<u>Total</u>
Accounts receivable	\$ 7,696,880	96,364	1,108,597	33,023	8,934,864

  

<u>2020</u>	<u>Medicaid</u>	<u>Medicare</u>	<u>Third Party Payers</u>	<u>Self-Pay</u>	<u>Total</u>
Accounts receivable	\$ 4,407,014	86,778	1,386,523	7,891	5,888,206

**(7) DEFERRED COMPENSATION**

SCF offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. Under the plan, eligible employees can elect to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable financial emergency.

Deferred compensation investments, along with the corresponding liabilities, are reported in the Statement of Financial Position. Compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributed to those amounts are the sole property and rights of SCF (until paid or made available to the employee or other beneficiary), subject only to the claims of Southcentral Foundation's general creditors. Participants' rights under the plan are equal to those of general creditors of SCF in an amount equal to the fair market value of the deferred account for each participant. Management believes it is unlikely that SCF will have to use the assets to satisfy claims of general creditors in the future.

Plan assets and amounts due employees are included in long-term investments and long-term liabilities, respectively, and total \$11,080,545 at September 30, 2021 and \$8,809,467 at September 30, 2020.

SOUTHCENTRAL FOUNDATION

Notes to Consolidated Financial Statements, Continued

**(8) PROPERTY AND EQUIPMENT**

Property and equipment at September 30, 2021 and 2020 are summarized as follows:

		2021	2020
Land	\$	31,655,485	27,728,521
Buildings		310,359,372	300,027,225
Building improvements		65,562,031	66,963,671
Equipment		47,144,578	46,031,433
		454,721,466	440,750,850
Less accumulated depreciation		146,327,710	136,905,149
		308,393,756	303,845,701
Construction work in progress		7,808,110	3,163,449
	\$	316,201,866	307,009,150

Depreciation expense for the years ended September 30, 2021 and 2020 was \$16,551,605 and \$16,343,364, respectively.

**(9) LONG TERM DEBT**

Long term debt is summarized as follows at September 30, 2021 and 2020:

	2021	2020
Note payable to Wells Fargo Bank, variable interest note with an interest rate swap with a fixed rate of 5.18% through a fair value hedge, resulting in an effective all-in fixed rate of 4.81%. Current principal payments are \$67,500 per month and increase annually until maturing at June 2021. Secured by property at 4320 Diplomacy Drive, Anchorage.	-	595,346
Note payable to Wells Fargo Bank, variable interest note with an interest rate swap with a fixed rate of 1.61% through a fair value hedge, resulting in an effective all-in fixed rate of 2.74%. Current principal payments are \$36,508 per month and increase annually until maturing at March 2030. Secured by property at 4341 Tudor Centre Drive, Anchorage.	4,151,195	4,583,837
Note payable to Wells Fargo Bank, variable interest note with an interest rate swap with a fixed rate of 1.432% through a fair value hedge, resulting in an effective all-in fixed rate of 2.56%. Current principal payments are \$22,588 per month and increasing annually until maturing at March 2030. Secured by property at 4341 Tudor Centre Drive, Anchorage.	2,568,342	2,836,018
Note payable to Wells Fargo Bank, variable interest note with an interest rate swap with a fixed rate of 5.25% through a fair value hedge, resulting in an effective all-in fixed rate of 4.88%. Current principal payments are \$47,820 per month and increase annually until maturing at November 2027. Secured by property at 4320 Diplomacy Drive, Anchorage.	4,245,880	4,814,860



SOUTHCENTRAL FOUNDATION

Notes to Consolidated Financial Statements, Continued

	2021	2020
<p>Note payable to Wells Fargo Bank, variable interest note with an interest rate swap with a fixed rate of 5.25% through a fair value hedge, resulting in an effective all-in fixed rate of 4.88%. Current principal payments are \$47,820 per month and increase annually until maturing at March 2028. Secured by property at 4320 Diplomacy Drive, Anchorage.</p>	4,437,160	4,996,420
<p>Note payable to Northrim Bank, bearing interest at 5.25% (subject to annual adjustment to 4.25%, 5.25%, or 7.75% based on use, licensure, and occupancy). Monthly payments, including interest, of \$1,783 due until November 2037. Secured by property at 3550 Cottonwood Street, Anchorage. In August 2021 the outstanding balance of the note was fully repaid.</p>	-	241,695
<p>Note payable to Wells Fargo Bank, variable interest note with an interest rate swap with a fixed rate of 4.5% through a fair value hedge, resulting in an effective all-in fixed rate of 2.98%. Current principal payments are \$45,190 per month and increase annually until maturing at January 2029. Secured by property at 4320 Diplomacy Drive, Anchorage.</p>	4,790,440	5,322,320
<p>Note payable to Wells Fargo Bank, variable interest note with interest rate swaps with fixed rates of 2.189% and 0.907% through fair value hedges, resulting in effective all-in fixed rates of 3.32% and 2.04%, respectively on principal balances of \$32,166,346 and \$15,352,977, respectively at September 30, 2021. Current principal payments are \$271,763 per month and increase annually until maturing at November 2033. Secured by property at 4441 and 4501 Diplomacy Drive and 4160 Tudor Centre Drive, Anchorage.</p>	47,519,323	50,766,388
<p>Note payable to Wells Fargo Bank, variable interest note with an interest rate swap with a fixed rate of 0.871% through a fair value hedge, resulting in an effective all-in fixed rate of 1.87%. Current principal payments are \$186,262 per month and increase annually until maturing at May 2035. Initial term ends May 2025 with extension requests up to maturity and the new interest rate subject to approval. Secured by property at 951 and 1001 South Knik Goose Bay Road, Wasilla and 4320 Diplomacy Drive, Anchorage.</p>	35,066,733	37,270,593
	102,779,073	111,427,477
Less unamortized financing costs	850,896	937,778
Less current portion	8,051,998	8,416,651
	\$ 93,876,179	102,073,048

In 2017, Southcentral Foundation retroactively adopted the requirements of FASB ASC835-30 to present debt issuance costs as a reduction of the carrying amount of debt rather than as an asset. Amortization of \$86,881 and \$197,457 is reported as interest expense in the Consolidated Statement of Activities for the years ended September 30, 2021 and 2020, respectively.

SOUTHCENTRAL FOUNDATION

Notes to Consolidated Financial Statements, Continued

Future principal payments on the long-term debt are scheduled as follows:

Period ending September 30,	2021	2020
2021	\$ -	8,416,651
2022	8,051,998	8,061,783
2023	8,298,941	8,309,151
2024	8,552,196	8,562,823
2025	8,820,767	8,831,879
2026	9,096,211	9,107,804
Thereafter	59,958,960	60,137,386
	\$ 102,779,073	111,427,477

At September 30, 2021 and 2020, Southcentral Foundation had seven and eight respectively, qualified 501(c)(3) tax-exempt bonds which were issued by local governments to further its exempt purpose. The tax-exempt status remains throughout the life of the bonds if all applicable federal tax laws are satisfied while the bonds are outstanding. Requirements include maintenance of records sufficient to establish compliance with all applicable federal tax requirements until 3 years after final maturity of bonds. 100% of the bonds were used to help finance buildings used for Southcentral Foundation operations.

**(10) INVESTMENTS IN LIMITED LIABILITY COMPANIES (LLC'S)**

Investments in LLCs where SCF has significant influence are accounted for using the equity method of accounting, whereby SCF's pro rata share of the earnings or losses of each investment is included in the Consolidated Statements of Activities and any undistributed earnings or losses are reported as an increase or decrease in the investment balance.

Distributions are reported as a decrease in the investment balance when received. Equity investments not accounted for under the equity method are recorded at the lower of cost or estimated market value.

SCF applies the provisions of Topic 810 of the FASB Accounting Standards Codification relating to non-controlling interests in consolidated financial statements. This guidance requires non-controlling interests to be reported as a component of equity separate from the parent's equity and purchases or sales of equity interests, that do not result in a change in control, to be accounted for as equity transactions. In addition, net income attributable to a non-controlling interest is to be included in net income and, upon a loss of control, the interest sold, as well as any interest retained, is to be recorded at fair value, with any gain or loss recognized in net income.

The equity method of accounting is used to account for SCF's investment in Remy LLC, whereby SCF records its proportionate share of the LLC's net income or loss.

SCF formed Coltsfoot LLC in August 2015, of which it is the sole member. Coltsfoot LLC was formed for the primary purpose of acting as a member of SCF-JL Investor LLC, of which Coltsfoot LLC has an over 95% ownership interest.

SOUTHCENTRAL FOUNDATION

Notes to Consolidated Financial Statements, Continued

SCF-JL Investor LLC was formed for the primary purpose of purchasing and selling shares of stock in Geneva Woods Pharmacy, Inc (GWPI). SCF-JL Investor LLC and all the other shareholders sold all their GWPI stock in December 2017. As of September 30, 2021, the former GWPI shareholders have received most of the funds that were held in escrow as a portion of the purchase price to protect the buyer against indemnity claims and await the final resolution of the indemnity holdback balance remaining.

SCF formed Novarupta LLC in January 2015, of which it is the sole member. Novarupta LLC's primary purpose is acting as a member of Remy LLC, which was formed to engage in the holding and development of commercial real property. Novarupta LLC has a 50% membership interest in Remy LLC.

**(11) INTEREST RATE SWAP AGREEMENTS**

At September 30, 2021 and 2020 SCF was a party to eight, nine, and respectively interest rate swap transactions designed to manage SCF's interest costs and risks associated with variable rate debt. Information related to these interest rate swap agreements as of September 30, 2021 and 2020, including the fixed interest rates paid by SCF and percent of 1-month LIBOR plus spread received on notional principal, is presented in the table below:

<b>2021</b>				
<b>Effective Date</b>	<b>Maturity Date</b>	<b>Notional Amount</b>	<b>Fixed Rate</b>	<b>% of 1-month LIBOR Plus spread</b>
11/01/2007	06/01/2021	-	5.180%	66.9% of 1M LIBOR + 1.315%
11/01/2007	11/01/2027	4,245,880	5.250%	66.9% of 1M LIBOR + 1.315%
03/03/2008	03/01/2028	4,437,160	5.250%	66.9% of 1M LIBOR + 1.315%
01/02/2009	01/01/2029	4,782,680	4.500%	67.0% of 1M LIBOR + 2.460%
12/02/2019	03/01/2030	4,151,195	1.610%	80.4% of 1M LIBOR + 0%
12/02/2019	03/01/2030	2,568,342	1.432%	80.4% of 1M LIBOR + 0%
09/03/2019	11/01/2033	32,166,346	2.189%	80.4% of 1M LIBOR + 0%
03/31/2020	11/01/2033	15,352,977	0.907%	80.4% of 1M LIBOR + 0%
04/30/2020	05/01/2035	35,066,733	0.871%	80.4% of 1M LIBOR + 0%
<b>2020</b>				
<b>Effective Date</b>	<b>Maturity Date</b>	<b>Notional Amount</b>	<b>Fixed Rate</b>	<b>% of 1-month LIBOR Plus spread</b>
11/01/2007	06/01/2021	595,346	5.180%	66.9% of 1M LIBOR + 1.315%
11/01/2007	11/01/2027	4,814,860	5.250%	66.9% of 1M LIBOR + 1.315%
03/03/2008	03/01/2028	4,996,420	5.250%	66.9% of 1M LIBOR + 1.315%
01/02/2009	01/01/2029	5,316,640	4.500%	67.0% of 1M LIBOR + 2.460%
12/02/2019	03/01/2030	4,583,837	1.610%	80.4% of 1M LIBOR + 0%
12/02/2019	03/01/2030	2,836,018	1.432%	80.4% of 1M LIBOR + 0%
09/03/2019	11/01/2033	34,320,501	2.189%	80.4% of 1M LIBOR + 0%
03/31/2020	11/01/2033	16,445,887	0.907%	80.4% of 1M LIBOR + 0%
04/30/2020	05/01/2035	37,270,593	0.871%	80.4% of 1M LIBOR + 0%

The estimated fair value of these agreements, based on various factors contained in the related interest rate swap agreements and interest rates, represents an unrealized loss of \$2,343,014 included in other liabilities as of September 30, 2021 and \$6,326,979 as of September 30, 2020.

SOUTHCENTRAL FOUNDATION

Notes to Consolidated Financial Statements, Continued

The estimated value on these agreements increased by \$3,983,965 in the period ended September 30, 2021 and decreased by \$2,661,835 in the period ended September 30, 2020. These changes are included in investment earnings in the Statement of Activities. Net payments or receipts under the swap agreements during a fiscal year are reflected as interest expense. These financial instruments involve counter-party credit exposure. The counter-party for these swap transactions is Wells Fargo Bank.

**(12) NET ASSETS**

Net assets released from restriction, which satisfied the restrictions specified by the funder, are summarized as follows for the years ended September 30, 2021 and 2020:

	2021	2020
State of Alaska, Department of Health and Social Services, Finance and Management Services:		
Therapeutic Family Group Homes	\$ 13,544	13,544
Subtotal – Net assets released from restriction through depreciation of assets	\$ 13,544	13,544
Other Contributions	\$ 1,325,962	1,253,053
Total Net Assets Released from Restriction	\$ 1,339,506	1,266,597

Net assets are purpose restricted for the following at years ended September 30, 2021 and 2020:

	2021	2020
Property acquired with grant monies	\$ 262,736	276,284
Donations	259,466	212,156
	\$ 522,202	488,440

**(13) DESIGNATED NET ASSETS**

Designated net assets consist of amounts set aside by the board of directors for specific purposes. As of September 30, 2021 and 2020, these amounts are summarized as follows:

	2021	2020
Invested in Existing Capital Assets	\$ 211,667,939	189,916,192
Replacement of Existing Capital Assets	223,663,230	210,419,926
Contractual Obligations and Other Program Commitments	149,240,879	112,342,985
Approved Capital Project Plan	45,936,621	7,382,028
Learning Institute Business Plan	637,473	817,409
Technology Reserve Fund	11,870,987	14,901,230
	\$ 643,017,129	535,779,770

SOUTHCENTRAL FOUNDATION

Notes to Consolidated Financial Statements, Continued

**(14) RETIREMENT PLAN**

SCF, along with other related entities, participates in a 401k or a 401k Roth plan. Eligible employees can defer pretax money from their paychecks into the 401k plan or deferring after tax money into 401k Roth plan. Employees can choose to defer any percentage (or zero percent). Those who do not elect a deferral percentage are automatically enrolled for a 4% deferral. Employees can change the amount they want to defer at anytime. SCF complies with IRS limits on the amount of pretax dollars an employee can defer into a 401k plan. Employee deferrals are immediately vested at 100%.

Once employees meet the initial eligibility requirements (18 years of age, one year of employment and 1,000 hours worked during the 12 month period preceding their anniversary date) they are eligible for employer matching contributions of up to 4% of their retirement eligible compensation. Employer matching contributions are contributed each pay period and are immediately vested.

SCF may also make a discretionary contribution after the end of the plan year (which is the same as the calendar year). In order to receive the discretionary contribution, employees must have met the initial eligibility requirements mentioned above, work at least 501 hours during the plan year, and must be employed on the last day of the plan year (December 31<sup>st</sup>). For 2021 and 2020, SCF employees who are eligible to receive a discretionary contribution will receive a contribution equal to 4% of their eligible pay. Discretionary contributions require three years of employment (working at least 501 hours in each year) in order to be vested.

The amount expensed on the retirement plan by SCF for the years ending September 30, 2021 and 2020, was \$11,890,619 and \$11,006,251, respectively.

**(15) LEASES**

SCF leases space and office equipment for operations, administration and storage under various operating lease agreements. In addition to the space and office equipment leases SCF also leases various pieces of medical equipment under operating lease agreements. Payments under these lease agreements totaled \$882,550 and \$748,827 during the years ended September 30, 2021 and 2020, respectively. Future minimum lease payments as of September 30, 2021 and 2020 are as follows:

September 30,	2021	2020
2021	\$ -	935,621
2022	1,889,645	920,621
2023	1,877,145	905,621
2024	1,877,145	-
2025	1,877,145	-
2026	1,877,145	-
	\$ 9,398,225	2,761,863

SOUTHCENTRAL FOUNDATION

Notes to Consolidated Financial Statements, Continued

**(16) NOTE RECEIVABLE**

In September 2021, SCF acquired an \$2,310,000 promissory note from Great North Lodging, LLC (Borrower). The note bears interest at 5.5% per annum and is due on or before September 1, 2024. Monthly principal and interest payments of \$11,017 begin in November 2021 and increase to \$13,116 no later than March 2022. A one-time additional payment of \$100,000 is due no later than September 2023. No later than September 1, 2024, the Borrower shall make an additional one-time balloon payment sufficient to pay off the note in full, the final payment to include all remaining principal and accrued interest. The note is secured by a deed of trust on property at 3130, 3140, and 3210 Lark Street, Anchorage.

**(17) RELATED PARTIES**

**(a) Cook Inlet Region, Inc. (CIRI)**

CIRI is the federally-designed tribe for the Cook Inlet Region and, under Public Law 93-638, as amended, designates SCF to operate health-related grants and contracts. CIRI appoints the SCF Board of Directors.

**(b) Cook Inlet Tribal Council, Inc. (CITC)**

CITC is a related nonprofit entity and operates Public Law 93-638 grants and contracts under authority from CIRI. SCF subawards suicide prevention grant services to CITC. Payments totaled \$146,828 and \$224,778 during the years ended September 30, 2021 and 2020, respectively.

**(c) Cook Inlet Native Head Start (CINHS)**

CINHS is a related nonprofit entity and operates grants and contracts under authority from CIRI. CINHS's board of directors is appointed by SCF. SCF makes various donations and contributions to CINHS.

**(d) Donations and Other Payments**

SCF makes various donations and contributions to CIRI related non-profit entities each year such as the Koahnic Broadcasting Corporation, Alaska Native Justice Center, the Alaska Native Heritage Center, and Cook Inlet Native Head Start.

**(18) CONTINGENCIES**

Losses from asserted claims which arise in programs funded by the IHS are the responsibility of the Federal Government under the Federal Torts Claims Act (FTCA). It is uncertain whether the FTCA coverage extends to programs supporting the health programs operated under the IHS programs contract but funded in whole or in part by other sources. SCF carries general liability insurance to protect against these risks in the programs supporting the health programs operated under the IHS contract.

## SOUTHCENTRAL FOUNDATION

### Notes to Consolidated Financial Statements, Continued

SCF's federal and state contracts and grants restrict the use of certain monies to carrying out contract or grant programs and may require grantor's approval before certain expenditures are allowable. SCF is required to submit written progress reports for the activities performed. The final expenditures are subject to examination by the grantors or their representatives. Accordingly, SCF's compliance with applicable contract and grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agency cannot be determined at this time, although SCF expects such amounts to be immaterial.

No material amounts have been accrued in SCF's financial statements with respect to any legal matters. In other instances SCF is not able to make a reasonable estimate of any liability because of the uncertainties related to the outcome and/or the amount of range of loss. SCF does not expect that the ultimate resolution of pending legal matters in future periods will have a material effect on SCF's financial condition or results of operations.

#### **(19) CONCENTRATIONS**

SCF receives a substantial amount of its support from Federal grants. This source of support comprised 58% of the total revenue and support for the year ended September 30, 2021 and 50% of total revenue and support for the year ended September 30, 2020. A significant reduction in the level of this support may have an adverse effect on SCF's programs and activities.

#### **(20) SUBSEQUENT EVENTS**

Management has evaluated subsequent events through March 17, 2022, the date which the financial statements were available for issue.

#### **(21) RECLASSIFICATIONS**

SCF has adopted Accounting Standards Update (ASU) No. 2014-09 *Revenue from Contracts with Customers (Topic 606)*, as amended as management believes the standard improves the usefulness and understandability of the Organization's financial reporting. Analysis of various provisions of this standard resulted in no significant changes in the way SCF recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

**ADDITIONAL SUPPLEMENTAL  
INFORMATION**



**SOUTHCENTRAL FOUNDATION**  
Supplementary Consolidating Schedule of Financial Position  
September 30, 2021

	FY 2021 SCF	Coltsfoot LLC	SCF-JL Investor LLC	Eliminations	Consolidated Coltsfoot LLC	Novarupta LLC	Eliminations	FY 2021 Total
<b>Assets</b>								
Current assets:								
Cash and cash equivalents	\$ 67,377,776	4,463	44,309	-	48,772	4,804	-	67,431,352
Receivables:								
Grantors	17,506,391	-	-	-	-	-	-	17,506,391
Third party payer, net (note 6)	8,934,864	-	-	-	-	-	-	8,934,864
Interest and dividends	3,895,103	-	-	-	-	-	-	3,895,103
Other	737,661	-	21,760	-	21,760	-	-	759,421
Prepaid expenses and deposits	18,231,221	-	-	-	-	-	-	18,231,221
Investments	346,759,799	-	-	-	-	-	-	346,759,799
Total current assets	<u>463,442,815</u>	<u>4,463</u>	<u>66,069</u>	<u>-</u>	<u>70,532</u>	<u>4,804</u>	<u>-</u>	<u>463,518,151</u>
Investments (notes 3 and 5)	384,099,358	-	-	-	-	-	-	384,099,358
Investment in LLC's (note 10)	168,799	127,842	-	(127,842)	-	31,690	(168,799)	31,690
Note receivable (note 16)	2,310,558	-	-	-	-	-	-	2,310,558
Property and equipment, net (note 8)	316,201,866	-	-	-	-	-	-	316,201,866
Inventory	28,557	-	-	-	-	-	-	28,557
	<u>\$ 1,166,251,953</u>	<u>132,305</u>	<u>66,069</u>	<u>(127,842)</u>	<u>70,532</u>	<u>36,494</u>	<u>(168,799)</u>	<u>1,166,190,180</u>
<b>Liabilities and Net Assets</b>								
Liabilities:								
Current liabilities:								
Accounts payable and accrued liabilities	10,765,807	-	-	-	-	-	-	10,765,807
Accrued salaries and benefits	17,079,563	-	-	-	-	-	-	17,079,563
Accrued leave	15,139,134	-	-	-	-	-	-	15,139,134
Accrued relocation liability	1,920,000	-	-	-	-	-	-	1,920,000
Current portion of long-term debt (note 9)	8,051,998	-	-	-	-	-	-	8,051,998
Alaska Native Tribal Health Consortium payable	6,722,247	-	-	-	-	-	-	6,722,247
Deferred revenues:								
Grantors	56,686,801	-	-	-	-	-	-	56,686,801
Alaska Native Tribal Health Consortium	1,750,000	-	-	-	-	-	-	1,750,000
Other (notes 5 and 11)	2,343,014	-	-	-	-	-	-	2,343,014
Total current liabilities	<u>120,458,564</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>120,458,564</u>
Deferred compensation plan (note 7)	11,080,545	-	-	-	-	-	-	11,080,545
Long-term debt, excluding current portion (note 9)	93,876,179	-	-	-	-	-	-	93,876,179
Total liabilities	<u>225,415,288</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>225,415,288</u>
Net assets:								
Controlling interests:								
Without donor restrictions:								
Designated (note 13)	643,017,129	-	-	-	-	-	-	643,017,129
Undesignated	297,297,334	132,305	127,842	(127,842)	132,305	36,494	(168,799)	297,297,334
Total without donor restrictions	940,314,463	132,305	127,842	(127,842)	132,305	36,494	(168,799)	940,314,463
With donor restrictions (notes 1(a) and 12)	522,202	-	-	-	-	-	-	522,202
Non-controlling interests	-	-	(61,773)	-	(61,773)	-	-	(61,773)
Total net assets	<u>940,836,665</u>	<u>132,305</u>	<u>66,069</u>	<u>(127,842)</u>	<u>70,532</u>	<u>36,494</u>	<u>(168,799)</u>	<u>940,774,892</u>
Total liabilities and net assets	<u>\$ 1,166,251,953</u>	<u>132,305</u>	<u>66,069</u>	<u>(127,842)</u>	<u>70,532</u>	<u>36,494</u>	<u>(168,799)</u>	<u>1,166,190,180</u>

**SOUTHCENTRAL FOUNDATION**  
 Supplementary Consolidating Schedule of Activities  
 Without Donor Restrictions - General and Administrative  
 Year ended September 30, 2021

	2021				
	Without Donor Restrictions				
	FY 2021 General and Administrative	Consolidated Coltsfoot LLC	Novarupta LLC	Eliminations	Consolidated General and Administrative
Revenues:					
Investment earnings	\$ 29,687,268	-	-	-	29,687,268
Other	5,248,860	-	-	-	5,248,860
Total revenues	<u>34,936,128</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,936,128</u>
Expenses:					
Direct:					
Salaries	40,268,402	-	-	-	40,268,402
Benefits	10,821,289	-	-	-	10,821,289
Consulting and contractual	8,783,821	-	-	-	8,783,821
Consulting and contractual - buildings	961,938	-	-	-	961,938
Materials and supplies	400,131	-	-	-	400,131
Depreciation	10,964,859	-	-	-	10,964,859
Minor equipment	356,017	-	-	-	356,017
Interest expense	2,954,694	-	-	-	2,954,694
Education	98,661	-	-	-	98,661
Travel and per diem	68,037	-	-	-	68,037
Utilities	2,280,420	-	-	-	2,280,420
Insurance	827,497	-	-	-	827,497
Insurance - buildings	609,495	-	-	-	609,495
Housekeeping	2,313,291	-	-	-	2,313,291
Leases - buildings	116,039	-	-	-	116,039
Telephone	762,069	-	-	-	762,069
Repairs and maintenance - equipment	227,284	-	-	-	227,284
Repairs and maintenance - buildings	474,179	-	-	-	474,179
Printing and reproduction	92,953	-	-	-	92,953
Legal	1,560,984	-	-	-	1,560,984
Advertising	213,537	-	-	-	213,537
Moving and relocation expense	31,460	-	-	-	31,460
Board related	329,071	-	-	-	329,071
Recruitment	2,349	-	-	-	2,349
Dues and subscriptions	371,549	-	-	-	371,549
Dues and subscriptions - buildings	392,045	-	-	-	392,045
Donations	198,000	-	-	-	198,000
Postage and freight	51,853	-	-	-	51,853
Taxes and licenses	115,410	-	-	-	115,410
Taxes and licenses - building	147,736	-	-	-	147,736
Staff support	319,017	-	-	-	319,017
Accounting and audit	62,989	-	-	-	62,989
Other	142,412	-	-	-	142,412
Total direct	<u>87,319,488</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87,319,488</u>
Contract reduction:					
Salaries	1,281,582	-	-	-	1,281,582
Contractual	103,561	-	-	-	103,561
Total contract reduction	<u>1,385,143</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,385,143</u>
Total expenses before indirect cost allocation	88,704,631	-	-	-	88,704,631
Indirect cost allocation	<u>(84,090,238)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(84,090,238)</u>
Total expenses	<u>4,614,393</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,614,393</u>
Equity in gain (loss) of LLC's	-	4	-	-	4
Increase (decrease) in net assets from operations before non-controlling interests	30,321,735	4	-	-	30,321,739
Distributions attributable to non-controlling interests	-	-	-	-	-
Increase in net assets attributable to non-controlling interests	-	-	-	-	-
Change in net assets	<u>\$ 30,321,735</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>30,321,739</u>

**SOUTHCENTRAL FOUNDATION**

Federal Programs

Schedule of Activities

Year ended September 30, 2021

**U.S. Department of Health and Human Services**

	<b>Indian Health Service, Public Law 93-638 Compact and Contracts</b>	<b>Indian Health Service Special Diabetes Program for Indians</b>	<b>Indian Health Service DVPI Family Wellness Warriors Initiative</b>	<b>Indian Health Service Methamphetamine and Suicide Prevention Initiative (MSPI) Program</b>	<b>Center for Disease Control Wisewoman</b>	<b>Center for Disease Control Supporting Tribal Public Health Capacity in Coronavirus Preparedness and Response</b>	<b>Center for Disease Control National Breast &amp; Cervical Cancer Early Detection</b>	<b>Center for Disease Control CDC Wellness in Indian Country</b>	<b>Substance Abuse &amp; Mental Health Services Admin. Preserving the Future</b>	<b>Substance Abuse &amp; Mental Health Services Admin. Tribal Opioid Response</b>	<b>Substance Abuse &amp; Mental Health Services Admin. SCF Treatment for PPW</b>	<b>Substance Abuse &amp; Mental Health Services Admin. SCF's Indigenous Project Launch</b>
<b>Revenues:</b>												
Federal	\$ 304,987,343	1,859,390	138,422	222,691	562,815	319,009	1,554,408	129,267	674,164	1,790,168	535,645	637,100
Federal contract reduction	17,317,817	-	-	-	-	-	-	-	-	-	-	-
Program	231,019,125	-	-	-	-	-	-	-	-	-	-	-
Passed through State of Alaska	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	<u>553,324,285</u>	<u>1,859,390</u>	<u>138,422</u>	<u>222,691</u>	<u>562,815</u>	<u>319,009</u>	<u>1,554,408</u>	<u>129,267</u>	<u>674,164</u>	<u>1,790,168</u>	<u>535,645</u>	<u>637,100</u>
<b>Expenses:</b>												
<b>Direct:</b>												
Salaries	127,773,993	883,269	77,780	135,275	342,987	179,906	957,709	38,627	182,217	999,866	283,468	232,877
Benefits	32,993,916	325,742	20,949	44,527	101,349	46,220	284,766	20,834	53,808	329,518	101,903	59,690
Consulting and contractual	5,387,256	1,258	-	400	(28,875)	-	43,038	1,524	384	-	-	42,015
Materials and supplies	6,201,949	57,039	31,361	15,772	680	11,940	27,346	23,137	6,165	220	18,049	1,953
Subawards	78,804,284	-	-	-	49,592	-	100,208	-	220,086	-	-	-
Minor equipment	1,041,324	29,664	-	-	-	-	3,814	5,363	-	-	7,241	-
Depreciation	4,649,026	-	-	-	-	-	-	-	-	-	-	-
Equipment purchase	1,192,275	57,374	-	-	-	-	-	6,789	-	-	14,970	-
Travel and per diem	980,828	-	6,863	3,653	15	-	-	-	923	55,681	-	-
Education	910,606	31,484	-	22,711	13,798	-	890	-	4,848	18,495	-	23,606
Construction/Renovation	1,272,739	-	-	-	-	-	-	-	-	-	-	-
Leases	687,420	-	-	-	-	-	-	-	-	-	-	-
Printing and reproduction	97,943	66	4,008	-	36,612	-	4,437	89	-	1,110	290	14,371
Housekeeping	404,482	-	-	-	-	-	-	-	-	-	-	-
Insurance	113,262	-	-	-	-	-	-	-	-	-	-	-
Utilities	744,441	-	-	-	-	-	-	-	-	-	-	-
Telephone	112,437	-	-	-	-	-	-	-	-	-	-	425
Repairs and maintenance	797,387	-	-	-	-	-	-	332	75	-	-	-
Moving and relocation expense	375,424	-	-	-	-	-	-	-	-	-	-	-
Advertising	143,127	-	-	-	-	-	-	-	103,148	-	-	-
Direct payments	474,746	654	850	-	-	-	-	-	2,017	625	-	786
Scholarships	165,988	-	-	-	-	-	-	-	-	-	-	-
Board related	693	-	-	-	-	-	-	-	-	-	-	-
Dues and subscriptions	137,964	1,534	105	-	-	-	-	-	1,500	-	-	-
Taxes and licenses	128,005	-	-	-	-	-	-	-	-	-	-	-
Postage and freight	152,872	344	345	353	-	-	-	550	110	-	-	-
Recruitment	14,898	-	-	-	-	-	-	-	-	-	-	-
Staff support	364,858	-	-	-	-	-	-	-	-	-	-	-
Other	216,654	-	-	-	-	-	-	-	-	-	-	-
Total direct	<u>266,340,797</u>	<u>1,388,428</u>	<u>142,261</u>	<u>222,691</u>	<u>516,158</u>	<u>238,066</u>	<u>1,422,208</u>	<u>97,245</u>	<u>575,281</u>	<u>1,405,515</u>	<u>425,921</u>	<u>375,723</u>
<b>Contract reduction:</b>												
Salaries	14,639,459	-	-	-	-	-	-	-	-	-	-	99,924
Contractual	618,649	-	-	-	-	-	-	-	-	-	-	-
Village built clinic lease	103,383	-	-	-	-	-	-	-	-	-	-	-
Relocation	87,394	-	-	-	-	-	-	-	-	-	-	-
Total contract reduction	<u>15,448,885</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>99,924</u>
Total expenses before indirect cost allocation	<u>281,789,682</u>	<u>1,388,428</u>	<u>142,261</u>	<u>222,691</u>	<u>516,158</u>	<u>238,066</u>	<u>1,422,208</u>	<u>97,245</u>	<u>575,281</u>	<u>1,405,515</u>	<u>425,921</u>	<u>475,647</u>
Indirect cost allocation	<u>79,827,130</u>	<u>470,962</u>	<u>-</u>	<u>-</u>	<u>46,657</u>	<u>80,943</u>	<u>132,200</u>	<u>32,022</u>	<u>98,883</u>	<u>384,653</u>	<u>109,724</u>	<u>161,453</u>
Total expenses	<u>361,616,812</u>	<u>1,859,390</u>	<u>142,261</u>	<u>222,691</u>	<u>562,815</u>	<u>319,009</u>	<u>1,554,408</u>	<u>129,267</u>	<u>674,164</u>	<u>1,790,168</u>	<u>535,645</u>	<u>637,100</u>
Change in net assets	191,707,473	-	(3,839)	-	-	-	-	-	-	-	-	-
Net assets at beginning of year	503,644,804	-	-	-	-	-	-	-	-	-	-	-
Net assets (deficit) at end of year	<u>\$ 695,352,277</u>	<u>-</u>	<u>(3,839)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(continued)

SOUTHCENTRAL FOUNDATION

Federal Programs

Schedule of Activities, Continued

U.S. Department of Health and Human Services

	National Institute of Diabetes and Digestive and Kidney Diseases Center for American Indian and Alaska Native Diabetes Translation Research	National Institutes of Health Caring Texts Strength-based, Suicide Prevention Trial in 4 Native Communities	National Institutes of Health Native-Controlling Hypertension and Risk Through Technology	National Institutes of Health Center on American Indian and Alaska Native Genomic Research	National Institutes of Health Community-engaged Research Toward Precision Medicine with AIAN People	National Institute of Health Diet and the CPT1A Arctic Variant: Impact on the Health of Alaska Native Children	National Institute of Health Population-based Interventions to Improve Behavioral Health in a Tribal Healthcare System	National Institute of Health Indian-Alaska Native Clinical and Transitional Research Center	National Institute of Health Feasibility and Acceptability of Community-Based Diagnosis and Treatment for Hepatitis C Virus in an AI Population	National Institute of Health Program on Genetic and Dietary Predictors of Drug Response in Rural and American Indian/Alaska Native Population	National Institute of Health Preventing Addiction Related Suicide-Controlled Trial of Secondary Suicide Prevention	National Institute of Health American Indian and Alaska Native Health Disparities
Revenues:												
Federal	\$ 15,837	24,809	275,849	84,016	128,610	164,698	304,062	64,505	35,193	29,996	3,445	72,518
Federal contract reduction Program	-	-	-	-	-	-	-	-	-	-	-	-
Passed through State of Alaska	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	15,837	24,809	275,849	84,016	128,610	164,698	304,062	64,505	35,193	29,996	3,445	72,518
Expenses:												
Direct:												
Salaries	9,808	15,179	120,996	48,324	4,491	76,819	106,913	38,617	11,498	18,013	2,760	42,754
Benefits	1,901	3,335	30,675	14,064	857	21,752	26,543	9,653	3,060	4,372	756	9,514
Consulting and contractual	-	-	15,207	-	-	5,200	25,554	-	128	-	-	-
Materials and supplies	110	-	29,092	310	-	816	1,320	-	406	-	16	413
Subawards	-	-	-	-	121,444	20,816	82,390	-	17,004	-	-	-
Minor equipment	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-
Equipment purchase	-	-	-	-	-	-	-	-	-	-	-	-
Travel and per diem	-	-	-	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	3,326	-	-	-	-	-
Construction/Renovation	-	-	-	-	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-	-	-	-	-
Printing and reproduction	-	-	269	-	-	-	403	-	-	-	-	-
Housekeeping	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-	-	80	-	-	-
Repairs and maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Moving and relocation expense	-	-	-	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-	-	-	-
Direct payments	-	-	8,535	-	-	3,355	1,275	-	1,500	-	-	1,925
Scholarships	-	-	-	-	-	-	-	-	-	-	-	-
Board related	-	-	-	-	-	-	-	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-	-	190	-	-	-	-	-
Taxes and licenses	-	-	-	-	-	-	-	-	-	-	-	-
Postage and freight	-	-	3,249	-	-	284	227	-	-	-	113	-
Recruitment	-	-	-	-	-	-	-	-	-	-	-	-
Staff support	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total direct	11,819	18,514	208,023	62,698	126,792	129,042	248,141	48,270	33,676	22,385	3,645	54,606
Contract reduction:												
Salaries	-	-	-	-	-	-	-	-	-	-	-	-
Contractual	-	-	-	-	-	-	-	-	-	-	-	-
Village built clinic lease	-	-	-	-	-	-	-	-	-	-	-	-
Relocation	-	-	-	-	-	-	-	-	-	-	-	-
Total contract reduction	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses before indirect cost allocation	11,819	18,514	208,023	62,698	126,792	129,042	248,141	48,270	33,676	22,385	3,645	54,606
Indirect cost allocation	4,018	6,295	67,826	21,318	1,818	35,656	55,921	16,235	1,517	7,611	(200)	17,912
Total expenses	15,837	24,809	275,849	84,016	128,610	164,698	304,062	64,505	35,193	29,996	3,445	72,518
Change in net assets	-	-	-	-	-	-	-	-	-	-	-	-
Net assets at beginning of year	-	-	-	-	-	-	-	-	-	-	-	-
Net assets (deficit) at end of year	\$ -	-	-	-	-	-	-	-	-	-	-	-

(continued)

SOUTHCENTRAL FOUNDATION

Federal Programs

Schedule of Activities, Continued

U.S. Department of Health and Human Services

	National Institute of Health Cultural Innovations for Recovery in Community-based Learning Environments	National Institute of Health Predictive Algorithms to Identify Risk for Suicide in an Alaska Native Health System	National Institute of Health Pathways to Recovery Among Urban AN & AI People With Long-Term Abstinence from Alcohol	National Institute of Health Urban Native Elders: Risk and Protective Factors for Alzheimer's and Related Dementias	National Institute of Health An Exploration of Palliative Care Experience, Preferences, and Needs Among AN/AI People in a Home-Based Med. Care Program	National Institute of Health Multifactorial Determinants of Childhood Hearing Loss in Rural Alaska	National Institute of Health Patient Perspectives on Clinical Approaches to Prevent Opioid Related Suicide Attempts	National Institute of Health NM Clinical Trials Node: Clinical Research and Practice to Address Substance Use in Diverse, Rural and Underserved Populations	National Institute of Health Building Research Capacity within Tribal Organizations for Research to Improve the Health of Alaska Native Children	National Institute of Health Community Organizations for Natives: Covid-19 Epidemiology Research Testing and Services	National Institute of Health Increasing Colorectal Cancer Screening in Alaska Native Men	National Institute of Health Response to Prevention: the Role of Vitamin D in Postpartum Hemorrhage Among Alaska Native Women
Revenues:												
Federal	\$ 281,007	63,093	16,790	34,350	14,868	3,283	29,147	40,808	58,816	291,607	5,489	27,997
Federal contract reduction	-	-	-	-	-	-	-	-	-	-	-	-
Program	-	-	-	-	-	-	-	-	-	-	-	-
Passed through State of Alaska	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	281,007	63,093	16,790	34,350	14,868	3,283	29,147	40,808	58,816	291,607	5,489	27,997
Expenses:												
Direct:												
Salaries	104,734	35,823	13,582	20,979	8,194	2,047	18,267	22,033	36,382	129,876	3,382	20,259
Benefits	27,860	10,042	3,208	4,655	2,127	403	3,161	4,855	7,510	36,981	714	4,938
Consulting and contractual	27,000	686	-	-	424	-	-	1,280	-	22,850	-	-
Materials and supplies	1,152	160	-	-	-	-	104	689	-	229	-	-
Subawards	50,558	-	-	-	-	-	-	-	-	-	-	-
Minor equipment	1,303	-	-	-	-	-	-	1,298	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-
Equipment purchase	-	-	-	-	-	-	-	-	-	-	-	-
Travel and per diem	-	-	-	-	-	-	-	-	-	-	-	-
Education	9,120	-	-	-	-	-	-	-	-	-	-	-
Construction/Renovation	-	-	-	-	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-	-	-	-	-
Printing and reproduction	-	-	-	-	-	-	-	-	-	-	-	-
Housekeeping	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Moving and relocation expense	-	-	-	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-	-	-	-
Direct payments	850	500	-	-	250	-	-	400	-	24,700	-	-
Scholarships	-	-	-	-	-	-	-	-	-	-	-	-
Board related	-	-	-	-	-	-	-	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-	-	-	-	-	-	-	-
Taxes and licenses	-	-	-	-	-	-	-	-	-	-	-	-
Postage and freight	173	-	-	-	164	-	219	-	-	-	-	-
Recruitment	-	-	-	-	-	-	-	-	-	-	-	-
Staff support	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total direct	222,750	47,211	16,790	25,634	11,159	2,450	21,751	30,555	43,892	214,636	4,096	25,197
Contract reduction:												
Salaries	-	-	-	-	-	-	-	-	-	9,248	-	-
Contractual	-	-	-	-	-	-	-	-	-	-	-	-
Village built clinic leases	-	-	-	-	-	-	-	-	-	-	-	-
Relocation	-	-	-	-	-	-	-	-	-	-	-	-
Total contract reduction	-	-	-	-	-	-	-	-	-	9,248	-	-
Total expenses before indirect cost allocation	222,750	47,211	16,790	25,634	11,159	2,450	21,751	30,555	43,892	223,884	4,096	25,197
Indirect cost allocation	58,257	15,882	-	8,716	3,709	833	7,396	10,253	14,924	67,723	1,393	2,800
Total expenses	281,007	63,093	16,790	34,350	14,868	3,283	29,147	40,808	58,816	291,607	5,489	27,997
Change in net assets	-	-	-	-	-	-	-	-	-	-	-	-
Net assets at beginning of year	-	-	-	-	-	-	-	-	-	-	-	-
Net assets (deficit) at end of year	\$ -	-	-	-	-	-	-	-	-	-	-	-

(continued)

SOUTHCENTRAL FOUNDATION

Federal Programs

Schedule of Activities, Continued

U.S. Department of Health and Human Services

	National Institute of Health	National Institute of Health URBAN Native Elders (URBANE): Risk and Protective Factors for Alzheimer's and Related Dimentias	Health Resources and Services Administration COVID-19 ECT	Health Resources and Services Administration Health Center Cluster Demonstration Grant	Health Resources and Services Administration Ryan White Outpatient Part C EIS	Health Resources and Services Administration Rural Tribal COVID-19 Response	Health Resources and Services Administration American Rescue Plan Act Funding for Health Centers	Health Resources and Services Administration Rural Health Care Services Outreach Grant Program	Health Resources and Services Administration Rural Health Network Development Planning Grant Program	Administration for Children & Families Tribal Maternal, Infant, and Early Childhood Home Visiting Program	Substance Abuse & Mental Health Services Admin. SCF Behavioral Health COVID-19 Emergency Program	Administration for Children & Families Family Violence Prevention and Services
Revenues:												
Federal	\$ 24,973	29,368	68,555	6,227,813	59,275	231,694	103,192	14,394	3,360	830,000	376,969	101,879
Federal contract reduction	-	-	-	-	-	-	-	-	-	-	-	-
Program	-	-	-	-	-	-	-	-	-	-	-	-
Passed through State of Alaska	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	24,973	29,368	68,555	6,227,813	59,275	231,694	103,192	14,394	3,360	830,000	376,969	101,879
Expenses:												
Direct:												
Salaries	19,270	17,510	14,330	3,597,885	-	-	62,645	6,767	1,866	301,704	207,434	25,976
Benefits	5,703	4,406	5,216	907,950	-	-	11,574	2,806	641	92,314	65,847	10,493
Consulting and contractual	-	-	-	783	-	21,560	-	-	-	25,529	-	-
Materials and supplies	-	-	34,562	62,000	-	88,773	-	259	-	6,100	2,242	2,122
Subawards	-	-	-	-	-	-	-	-	-	-	-	50,000
Minor equipment	-	-	-	28,749	-	50,513	4,037	1,380	-	-	2,595	-
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-
Equipment purchase	-	-	-	130,986	-	26,361	-	-	-	-	-	-
Travel and per diem	-	-	-	3,934	-	690	-	-	-	-	-	-
Education	-	-	-	4,800	-	-	-	-	-	6,389	-	-
Construction/Renovation	-	-	-	99,757	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-	-	-	-	-
Printing and reproduction	-	-	-	-	-	-	-	-	-	480	-	-
Housekeeping	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Moving and relocation expense	-	-	-	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-	-	-	-
Direct payments	-	-	-	-	-	-	-	-	-	235	11,250	2,984
Scholarships	-	-	-	-	-	-	-	-	-	-	-	-
Board related	-	-	-	-	-	-	-	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-	-	-	-	-	500	-	-
Taxes and licenses	-	-	-	-	-	-	-	-	-	-	-	-
Postage and freight	-	-	-	171	-	526	-	-	-	-	220	-
Recruitment	-	-	-	-	-	-	-	-	-	-	-	-
Staff support	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total direct	24,973	21,916	54,108	4,837,015	-	188,423	78,256	11,212	2,507	433,251	289,588	91,575
Contract reduction:												
Salaries	-	-	-	126,178	53,886	-	-	-	-	186,212	-	-
Contractual	-	-	-	-	-	-	-	-	-	-	-	-
Village built clinic leases	-	-	-	-	-	-	-	-	-	-	-	-
Relocation	-	-	-	-	-	-	-	-	-	-	-	-
Total contract reduction	-	-	-	126,178	53,886	-	-	-	-	186,212	-	-
Total expenses before indirect cost allocation	24,973	21,916	54,108	4,963,193	53,886	188,423	78,256	11,212	2,507	619,463	289,588	91,575
Indirect cost allocation	-	7,452	14,447	1,264,620	5,389	43,271	24,936	3,182	853	210,537	87,381	10,304
Total expenses	24,973	29,368	68,555	6,227,813	59,275	231,694	103,192	14,394	3,360	830,000	376,969	101,879
Change in net assets	-	-	-	-	-	-	-	-	-	-	-	-
Net assets at beginning of year	-	-	-	-	-	-	-	-	-	-	-	-
Net assets (deficit) at end of year	\$ -	-	-	-	-	-	-	-	-	-	-	-

(continued)

SOUTHCENTRAL FOUNDATION

Federal Programs

Schedule of Activities, Continued

U.S. Department of Health and Human Services

Department of Agriculture

	Administration for Community Living Older Americans Act Title VI Grant Part A - Grants for Native Americans	Administration for Community Living Older Americans Act Title VI Grant Part C - Native American Caregiver Support	Administration for Community Living Nutrition Services Incentives Program	Administration for Community Living CARES Act for Nutrition Services for Native American Programs Under Title VI of the OAA	Administration for Community Living COVID-19 (NAC2) Families First Coronavirus Response OAA Title VI Native Americans Nutrition Services	Administration for Community Living Consolidated Appropriations Act, 2021 Suppl. Funding, for OAA Title VI-A & B	Centers for Medicare & Medicaid Services Children's Health Connecting Kids to Coverage	COVID-19 Emergency Grants Address Mental Health and Substance Use Disorder	OASH Office of Grants Management Integrated Health Records Mapped to Social Determinants of Health	Child and Adult Care Food Program Quyaná Clubhouse	Supplemental Nutrition Assistance Program	Rural Utilities Service Distance Learning and Telemedicine Grant Program
Revenues:												
Federal	\$ 125,719	70,935	16,092	60,344	62,270	40,800	246,106	-	394,947	-	-	561,324
Federal contract reduction Program	-	-	-	-	-	-	-	-	-	-	-	-
Passed through State of Alaska	-	-	-	-	-	-	-	272,268	-	4,123	17,521	-
Total revenues	125,719	70,935	16,092	60,344	62,270	40,800	246,106	272,268	394,947	4,123	17,521	561,324
Expenses:												
Direct:												
Salaries	-	48,214	-	-	-	-	139,104	150,573	219,452	-	-	-
Benefits	-	7,772	-	-	-	-	47,793	49,552	63,377	-	-	-
Consulting and contractual	93,726	-	-	41,034	41,542	32,202	-	-	507	-	-	24,472
Materials and supplies	5,500	-	16,092	6,594	7,606	-	5,073	-	-	4,123	17,521	55,419
Subawards	-	-	-	-	-	-	-	-	-	-	-	-
Minor equipment	-	-	-	-	-	-	-	-	-	-	-	118,845
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-
Equipment purchase	-	-	-	-	-	-	-	-	-	-	-	323,041
Travel and per diem	-	-	-	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	11,361	-	-	-
Construction/Renovation	-	-	-	-	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-	-	-	-	-
Printing and reproduction	-	-	-	-	-	-	-	-	-	-	-	-
Housekeeping	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-	-	-	-	-	-	-	38,479
Moving and relocation expense	-	-	-	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-	-	-	-
Direct payments	-	-	-	-	-	-	-	1,875	-	-	-	-
Scholarships	-	-	-	-	-	-	-	-	-	-	-	-
Board related	-	-	-	-	-	-	-	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-	-	-	-	-	-	-	-
Taxes and licenses	-	-	-	-	-	-	-	-	-	-	-	-
Postage and freight	-	-	-	-	-	-	-	-	-	-	-	1,068
Recruitment	-	-	-	-	-	-	-	-	-	-	-	-
Staff support	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total direct	99,226	55,986	16,092	47,628	49,148	32,202	191,970	202,000	294,697	4,123	17,521	561,324
Contract reduction:												
Salaries	-	-	-	-	-	-	-	-	-	-	-	-
Contractual	-	-	-	-	-	-	-	-	-	-	-	-
Village built clinic leases	-	-	-	-	-	-	-	-	-	-	-	-
Relocation	-	-	-	-	-	-	-	-	-	-	-	-
Total contract reduction	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses before indirect cost allocation	99,226	55,986	16,092	47,628	49,148	32,202	191,970	202,000	294,697	4,123	17,521	561,324
Indirect cost allocation	26,493	14,949	-	12,716	13,122	8,598	54,136	70,268	100,250	-	-	-
Total expenses	125,719	70,935	16,092	60,344	62,270	40,800	246,106	272,268	394,947	4,123	17,521	561,324
Change in net assets	-	-	-	-	-	-	-	-	-	-	-	-
Net assets at beginning of year	-	-	-	-	-	-	-	-	-	-	-	-
Net assets (deficit) at end of year	\$ -	-	-	-	-	-	-	-	-	-	-	-

(continued)

**SOUTHCENTRAL FOUNDATION**

Federal Programs

Schedule of Activities, Continued

	Department of	U.S. Department of	U.S. Department of the Treasury					Total Federal programs
	Agriculture	Justice	COVID-19 CARES Act	COVID-19 CARES Act Employee Retention Tax Credits	COVID-19 CARES Act Support Residential Congregate Care Facilities	Coronavirus Relief Fund COVID-19 CARES Act Coronavirus Aid, and Economic Security Act	Coronavirus Relief Fund COVID-19 CARES Act Tribal Organizations Funding	
	Special Supplemental Nutrition Program for Women, Infants and Children Aleutian Pribilof Islands	Southcentral Foundation's Alaska Native Unit at Alaska CARES Tribal Victim Set-Aside Program	Unemployment Credits Reimbursable Employers					
Revenues:								
Federal	\$ -	318,994	-	-	-	2,000,000	28,149,330	355,599,548
Federal contract reduction	-	-	-	-	-	-	-	17,317,817
Program	-	-	-	-	-	-	-	231,019,125
Passed through State of Alaska	37,696	-	324,249	-	48,750	-	-	704,607
Total revenues	37,696	318,994	324,249	-	48,750	2,000,000	28,149,330	604,641,097
Expenses:								
Direct:								
Salaries	21,819	183,606	-	-	-	1,581,831	5,210,903	144,810,593
Benefits	7,585	44,970	324,249	-	-	418,169	1,834,894	38,521,469
Consulting and contractual	-	2,400	-	-	48,750	-	965,830	6,843,664
Materials and supplies	-	9,383	-	-	-	-	374,026	7,127,823
Subawards	-	-	-	-	-	-	948,025	80,464,407
Minor equipment	-	1,298	-	-	-	-	388,635	1,686,059
Depreciation	-	-	-	-	-	-	-	4,649,026
Equipment purchase	-	-	-	-	-	-	264,070	2,015,866
Travel and per diem	-	98	-	-	-	-	-	1,052,685
Education	-	4,575	-	-	-	-	-	1,066,009
Construction/Renovation	-	-	-	-	-	-	17,898,739	19,271,235
Leases	-	-	-	-	-	-	79,091	766,511
Printing and reproduction	-	-	-	-	-	-	1,200	161,278
Housekeeping	-	-	-	-	-	-	-	404,482
Insurance	-	-	-	-	-	-	-	113,262
Utilities	-	-	-	-	-	-	-	744,441
Telephone	-	-	-	-	-	-	-	112,942
Repairs and maintenance	-	139	-	-	-	-	162,531	998,943
Moving and relocation expense	-	-	-	-	-	-	-	375,424
Advertising	-	-	-	-	-	-	-	246,275
Direct payments	-	3,021	-	-	-	-	-	542,333
Scholarships	-	-	-	-	-	-	-	165,988
Board related	-	-	-	-	-	-	-	693
Dues and subscriptions	-	-	-	-	-	-	103	141,896
Taxes and licenses	-	-	-	-	-	-	31,485	159,490
Postage and freight	-	-	-	-	-	-	-	160,988
Recruitment	-	-	-	-	-	-	-	14,898
Staff support	-	-	-	-	-	-	-	364,858
Other	-	-	-	-	-	-	-	216,654
Total direct	29,404	249,490	324,249	-	48,750	2,000,000	28,159,532	313,200,192
Contract reduction:								
Salaries	-	-	-	-	-	-	-	15,114,907
Contractual	-	-	-	-	-	-	-	618,649
Village built clinic leases	-	-	-	-	-	-	-	103,383
Relocation	-	-	-	-	-	-	-	87,394
Total contract reduction	-	-	-	-	-	-	-	15,924,333
Total expenses before indirect cost allocation	29,404	249,490	324,249	-	48,750	2,000,000	28,159,532	329,124,525
Indirect cost allocation	8,292	69,504	-	-	-	-	-	83,823,140
Total expenses	37,696	318,994	324,249	-	48,750	2,000,000	28,159,532	412,947,665
Change in net assets	-	-	-	-	-	-	(10,202)	191,693,432
Net assets at beginning of year	-	-	-	-	-	-	-	503,644,804
Net assets (deficit) at end of year	\$ -	-	-	-	-	-	(10,202)	695,338,236



**SOUTHCENTRAL FOUNDATION**  
State of Alaska Administered Programs  
Schedule of Activities  
Year ended September 30, 2021

	<u>Direct</u>					<u>Passed through Bristol Bay Area Health Corporation</u>	<u>Total State of Alaska</u>	
	<u>Division of Behavioral Health Sobering Center, Withdrawal Mgmt and Residential SUD Treatment</u>	<u>Division of Behavioral Health Comprehensive Behavioral Health Treatment</u>	<u>Division of Behavioral Health Comprehensive Behavioral Health Treatment-McGrath</u>	<u>Division of Behavioral Health Comprehensive Behavioral Health Treatment-Iliamna</u>	<u>Division of Behavioral Health Increasing Capacity of COVID Services</u>	<u>Alaska Mental Health Trust Authority Mini Grants</u>		<u>Women Infant and Children</u>
Revenues:								
State of Alaska	\$ 605,989	269,025	67,283	47,072	50,000	44,875	34,713	1,118,957
Expenses:								
Direct:								
Salaries	352,440	158,049	54,131	30,183	-	-	18,662	613,465
Benefits	107,711	40,640	9,653	6,535	-	-	6,467	171,006
Consulting and contractual	12,539	-	-	-	50,000	-	-	62,539
Materials and supplies	-	-	-	-	-	-	-	-
Subawards	-	-	-	-	-	-	-	-
Minor equipment	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Equipment purchase	-	-	-	-	-	-	-	-
Travel and per diem	-	-	-	-	-	4,113	2,500	6,613
Education	-	-	-	-	-	-	-	-
Construction/Renovation	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-
Printing and reproduction	-	-	-	-	-	-	-	-
Housekeeping	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-	-	-	-
Moving and relocation expense	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-
Direct payments	-	-	-	-	-	40,762	-	40,762
Scholarships	-	-	-	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-	-	-	-
Taxes and licenses	-	-	-	-	-	-	-	-
Postage and freight	-	-	-	-	-	-	-	-
Recruitment	-	-	-	-	-	-	-	-
Staff support	-	-	-	-	-	-	-	-
Software	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total expenses before indirect cost allocation	472,690	198,689	63,784	36,718	50,000	44,875	27,629	894,385
Indirect cost allocation	133,299	70,336	17,987	10,354	-	-	7,084	239,060
Total expenses	605,989	269,025	81,771	47,072	50,000	44,875	34,713	1,133,445
Change in net assets	-	-	(14,488)	-	-	-	-	(14,488)
Net assets at beginning of year	-	-	-	-	-	-	-	-
Net assets (deficit) at end of year	\$ -	-	(14,488)	-	-	-	-	(14,488)

**SOUTHCENTRAL FOUNDATION**

Other Programs

Schedule of Activities

Year ended September 30, 2021

	Miscellaneous Grants	Employee & Community Assistance Fund	Family Gathering Night	FWWI Fundraising	United Way Home for Good	MJ Murdock New Dental Staff	Seva Foundation Remote Eye Clinic Expansion	FWWI Preventing and Reducing the Impact on Adverse Childhood Experiences through Resiliency	Alaska Community Foundation Back-Up Generator McGrath Clinic	Alaska Community Foundation Back-Up Generator Nikolai Clinic
Revenues:										
Other	\$ 5,140	56,226	39,250	2,192	593,064	368,643	80,797	17,524	15,921	19,179
Expenses:										
Salaries	-	-	-	-	-	317,448	-	10,264	-	-
Benefits	-	-	-	-	-	51,195	-	2,678	-	-
Consulting and contractual	-	-	-	-	-	-	-	-	-	-
Materials and supplies	-	2,174	-	-	-	-	25,929	-	-	-
Subawards	-	-	-	-	-	-	-	-	-	-
Minor equipment	-	-	-	-	-	-	45,320	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Equipment purchase	-	-	-	-	-	-	-	-	-	-
Travel and per diem	-	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-	-
Construction/Renovation	-	-	-	-	-	-	-	-	15,921	19,179
Leases	-	-	-	-	-	-	-	-	-	-
Printing and reproduction	-	-	-	-	-	-	725	-	-	-
Legal	-	-	-	-	-	-	-	-	-	-
Housekeeping	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-	-	-	-	-	-
Moving and relocation expense	-	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-	-
Direct payments	23	51,187	-	-	593,064	-	-	-	-	-
Scholarships	-	-	-	-	-	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-	-	-	-	-	-
Taxes and licenses	-	-	-	-	-	-	-	-	-	-
Postage and freight	-	-	-	-	-	-	1,478	-	-	-
Recruitment	-	-	-	-	-	-	-	-	-	-
Staff support	1,573	-	-	-	-	-	-	-	-	-
Software	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	9	-	-	-	-	-
Total expenses before indirect cost allocation	1,596	53,361	-	-	593,073	368,643	73,452	12,942	15,921	19,179
Indirect cost allocation	550	-	-	-	-	-	7,345	4,582	-	-
Total expenses	2,146	53,361	-	-	593,073	368,643	80,797	17,524	15,921	19,179
Change in net assets	2,994	2,865	39,250	2,192	(9)	-	-	-	-	-
Net assets at beginning of year	612	106,206	36,891	64,276	-	-	-	-	-	-
Net assets (deficit) at end of year	\$ 3,606	109,071	76,141	66,468	(9)	-	-	-	-	-

(continued)

**SOUTHCENTRAL FOUNDATION**

Other Programs

Schedule of Activities, Continued

	<b>BBNC Education Foundation Elder Program Cultural Activities</b>	<b>The Alaska Community Foundation Indian Creek Health Center Backup Generator</b>	<b>Mat-Su Health Foundation Eklutna Clinic Pharmacy Remote Dispensing System</b>	<b>The Leona M. &amp; Harry B. Helmsley Charitable Trust FWWI Nu'iju Transformational Living Community Program</b>	<b>Municipality of Anchorage Nutaqsiviik Nurse-Family Partnership Program</b>	<b>AGS Transitional Care Model</b>	<b>SOA Women's Children's &amp; Family Health VideoProject</b>	<b>Total Other programs</b>
Revenues:								
Other	\$ 5,000	45,721	15,000	76,799	32,812	-	-	1,373,268
Expenses:								
Salaries	-	-	-	40,097	17,534	-	-	385,343
Benefits	-	-	-	9,522	3,624	-	-	67,019
Consulting and contractual	-	-	-	14,149	-	-	-	14,149
Materials and supplies	4,986	-	-	-	-	-	-	33,089
Subawards	-	45,721	-	-	-	-	-	45,721
Minor equipment	-	-	-	-	-	-	-	45,320
Depreciation and amortization	-	-	-	-	-	-	-	-
Equipment purchase	-	-	15,000	-	-	-	-	15,000
Travel and per diem	-	-	-	6,049	-	-	-	6,049
Education	-	-	-	-	3,075	-	-	3,075
Construction/Renovation	-	-	-	-	-	-	-	35,100
Leases	-	-	-	-	-	-	-	-
Printing and reproduction	-	-	-	-	-	-	-	725
Legal	-	-	-	-	-	-	-	-
Housekeeping	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-	-	-	-
Moving and relocation expense	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-
Direct payments	-	-	-	-	-	-	-	644,274
Scholarships	-	-	-	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-	-	-	-
Taxes and licenses	-	-	-	-	-	-	-	-
Postage and freight	-	-	-	-	-	-	-	1,478
Recruitment	-	-	-	-	-	-	-	-
Staff support	-	-	-	-	-	-	-	1,573
Software	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	9
Total expenses before indirect cost allocation	4,986	45,721	15,000	69,817	24,233	-	-	1,297,924
Indirect cost allocation	-	-	-	6,982	8,579	-	-	28,038
Total expenses	4,986	45,721	15,000	76,799	32,812	-	-	1,325,962
Change in net assets	14	-	-	-	-	-	-	47,306
Net assets (deficit) at beginning of year	-	-	-	-	-	9,171	(5,000)	212,156
Net assets (deficit) at end of year	\$ 14	-	-	-	-	9,171	(5,000)	259,462

**SOUTHCENTRAL FOUNDATION**

Indian Health Service Compact and Program Third Party Billings

"On-Site" and "Off-Site" Programs

Schedule of Expenditures

Year ended September 30, 2021

	<b>Indian Health Service Compact On-Site Programs</b>	<b>Indian Health Service Compact Off-Site Programs</b>	<b>Program Third Party Billings On-Site Programs</b>	<b>Program Third Party Billings Off-Site Programs</b>	<b>Total</b>
Expenses:					
Direct:					
Salaries	\$ 109,652,507	7,617,238	130,713	10,373,535	127,773,993
Benefits	28,314,570	1,966,930	33,753	2,678,663	32,993,916
Consulting and contractual	4,010,693	278,611	4,781	379,426	4,673,511
Consulting and contractual - buildings	111,260	602,485	-	-	713,745
Materials and supplies	5,322,361	369,729	6,345	503,514	6,201,949
Subawards	46,349,953	4,455,877	27,674,532	323,922	78,804,284
Minor equipment	893,639	62,078	1,065	84,542	1,041,324
Depreciation and amortization	151,250	1,526,188	1,849,882	1,121,706	4,649,026
Equipment purchase	10,847	-	979,497	201,931	1,192,275
Travel and per diem	841,723	58,472	1,003	79,630	980,828
Education	781,460	54,286	932	73,928	910,606
Construction/Renovation	474,390	209,908	459,854	128,587	1,272,739
Leases - equipment	536,438	37,265	639	50,750	625,092
Leases - buildings	-	62,328	-	-	62,328
Printing and reproduction	84,052	5,839	100	7,952	97,943
Housekeeping	-	328,462	-	76,020	404,482
Insurance	439	30	1	41	511
Insurance - buildings	-	100,158	-	12,593	112,751
Utilities	-	636,215	-	108,226	744,441
Telephone	96,491	6,703	115	9,128	112,437
Repairs and maintenance - equipment	386,535	26,851	461	36,568	450,415
Repairs and maintenance - buildings	139,799	207,173	-	-	346,972
Moving and relocation expense	322,179	22,381	384	30,480	375,424
Advertising	-	-	143,127	-	143,127
Direct payments	-	70,525	337,820	66,401	474,746
Scholarships	-	-	165,988	-	165,988
Board Related	-	-	693	-	693
Dues and subscriptions	118,397	8,225	141	11,201	137,964
Dues and subscriptions - building	-	-	-	-	-
Donations	-	-	-	-	-
Taxes and licenses	63,966	4,444	76	6,051	74,537
Taxes and licenses - building	-	46,548	6,920	-	53,468
Postage and freight	131,191	9,113	156	12,412	152,872
Recruitment	12,785	888	15	1,210	14,898
Staff support	-	-	296,233	68,625	364,858
Other - Loss on Disposal of Assets	-	-	10,774	151,999	162,773
Other	46,240	3,212	55	4,374	53,881
<b>Total direct</b>	<b>198,853,165</b>	<b>18,778,162</b>	<b>32,106,055</b>	<b>16,603,415</b>	<b>266,340,797</b>
Contract reduction:					
Salaries	12,563,225	872,730	14,976	1,188,528	14,639,459
Contractual	530,909	36,881	633	50,226	618,649
Village Built Clinic leases	-	103,383	-	-	103,383
Relocation	74,999	5,210	89	7,096	87,394
<b>Total contract reduction</b>	<b>13,169,133</b>	<b>1,018,204</b>	<b>15,698</b>	<b>1,245,850</b>	<b>15,448,885</b>
<b>Total expenses before indirect cost allocation</b>	<b>212,022,298</b>	<b>19,796,366</b>	<b>32,121,753</b>	<b>17,849,265</b>	<b>281,789,682</b>
<b>Indirect cost allocation</b>	<b>71,978,152</b>	<b>4,042,393</b>	<b>225,316</b>	<b>3,581,269</b>	<b>79,827,130</b>
<b>Total expenses</b>	<b>\$ 284,000,450</b>	<b>23,838,759</b>	<b>32,347,069</b>	<b>21,430,534</b>	<b>361,616,812</b>

105(!) Leases - Facilities expense not included above and not included in the indirect cost pool \$ 14,531,459

**SOUTHCENTRAL FOUNDATION**

State Financial Assistance Reports

State of Alaska

Department of Health and Social Services

Division of Behavioral Health

Pass Through from Aleutian Pribilof Islands Association

API WIC 604-268-21013

Schedule of Revenues and Expenses - Budget and Actual

Year ended September 30, 2021

	<u>Three months ended September 30, 2020</u>	<u>Actual Nine months ended June 30, 2021</u>	<u>Total</u>	<u>Budget</u>	<u>Variance favorable (unfavorable)</u>
Revenues:					
Grant	\$ 10,063	26,410	36,473	40,769	4,296
Expenses:					
Personal services	7,951	20,873	28,824	28,551	(273)
Travel	-	-	-	3,250	3,250
Indirect	2,112	5,537	7,649	8,968	1,319
Total expenses	<u>10,063</u>	<u>26,410</u>	<u>36,473</u>	<u>40,769</u>	<u>4,296</u>
Excess of revenues over expenses	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**SOUTHCENTRAL FOUNDATION**

State Financial Assistance Reports

State of Alaska

Department of Health and Social Services

Division of Behavioral Health

Pass Through from Aleutian Pribilof Islands Association

API WIC 604-268-22013

Schedule of Revenues and Expenses - Budget and Actual

Year ended September 30, 2021

	<b>Three months ended September 30, 2021</b>	<b>Budget</b>	<b>Variance favorable (unfavorable)</b>
Revenues:			
Grant	\$ 11,286	39,522	(28,236)
Expenses:			
Personal services	8,531	28,228	19,697
Travel	-	2,600	2,600
Indirect	2,755	8,694	5,939
Total expenses	11,286	39,522	28,236
Excess of revenues over expenses	\$ -	-	-

**SOUTHCENTRAL FOUNDATION**

## State Financial Assistance Reports

State of Alaska

Department of Health and Social Services

Division of Behavioral Health

Pass Through from Bristol Bay Area Health Corporation

Women, Infant and Children (WIC) 604-268-21003

Schedule of Revenues and Expenses - Budget and Actual

Year ended September 30, 2021

	<u>Three months ended September 30, 2020</u>	<u>Actual Nine months ended June 30, 2021</u>	<u>Total</u>	<u>Budget</u>	<u>Variance favorable (unfavorable)</u>
Revenues:					
Grant	\$ 8,657	25,083	33,740	31,256	2,484
Expenses:					
Personal services	6,725	17,456	24,181	22,405	(1,776)
Travel	-	2,500	2,500	2,500	-
Indirect	1,932	5,127	7,059	6,351	(708)
Total expenses	<u>8,657</u>	<u>25,083</u>	<u>33,740</u>	<u>31,256</u>	<u>(2,484)</u>
Excess of revenues over expenses	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**SOUTHCENTRAL FOUNDATION**

## State Financial Assistance Reports

State of Alaska

Department of Health and Social Services

Division of Behavioral Health

Pass Through from Bristol Bay Area Health Corporation

Women, Infant and Children (WIC) 604-268-22003

Schedule of Revenues and Expenses - Budget and Actual

Year ended September 30, 2021

	<b>Three months ended September 30, 2021</b>	<b>Budget</b>	<b>Variance favorable (unfavorable)</b>
Revenues:			
Grant	\$ 9,630	33,608	(23,978)
Expenses:			
Personal services	7,673	24,779	17,106
Travel	-	2,000	2,000
Indirect	1,957	6,829	4,872
Total expenses	<u>9,630</u>	<u>33,608</u>	<u>23,978</u>
Excess of revenues over expenses	<u>\$ -</u>	<u>-</u>	<u>-</u>



**SOUTHCENTRAL FOUNDATION**

State Financial Assistance Reports

State of Alaska

Department of Health and Social Services

Division of Behavioral Health

Emergency Grants to Address Mental Health and Substance Use Disorders During COVID 19 602-255-21004

Schedule of Revenues and Expenses - Budget and Actual

Year ended September 30, 2021

	<b>Actual</b>		<b>Total</b>	<b>Budget</b>	<b>Variance favorable (unfavorable)</b>
	<b>Three months ended September 30, 2020</b>	<b>Nine months ended June 30, 2021</b>			
Revenues:					
Grant	\$ 424	194,000	194,424	200,000	(5,576)
In-kind	106	48,500	48,606	50,000	(1,394)
Total revenues	<u>530</u>	<u>242,500</u>	<u>243,030</u>	<u>250,000</u>	<u>(6,970)</u>
Expenses:					
Personal services	391	179,276	179,667	180,459	792
Supplies	-	249	249	486	237
Other	-	-	-	5,000	5,000
Indirect	139	62,975	63,114	64,055	941
Total expenses	<u>530</u>	<u>242,500</u>	<u>243,030</u>	<u>250,000</u>	<u>6,970</u>
Excess of revenues over expenses	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**SOUTHCENTRAL FOUNDATION**

State Financial Assistance Reports

State of Alaska

Department of Health and Social Services

Division of Behavioral Health

Emergency Grants to Address Mental Health and Substance Use Disorders During COVID-19 602-255-22004

Schedule of Revenues and Expenses - Budget and Actual

Year ended September 30, 2021

	<u>Actual</u>			
	<u>Three months ended September 30, 2021</u>	<u>Total</u>	<u>Budget</u>	<u>Variance favorable (unfavorable)</u>
Revenues:				
Grant	\$ 78,268	78,268	200,000	(121,732)
In-kind	19,411	19,411	50,000	(30,589)
Total revenues	<u>97,679</u>	<u>97,679</u>	<u>250,000</u>	<u>(152,321)</u>
Expenses:				
Personal services	70,709	70,709	180,459	109,750
Supplies	47	47	486	439
Other	1,875	1,875	5,000	3,125
Indirect	25,048	25,048	64,055	39,007
Total expenses	<u>97,679</u>	<u>97,679</u>	<u>250,000</u>	<u>152,321</u>
Excess of revenues over expenses	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

**SOUTHCENTRAL FOUNDATION**

State Financial Assistance Reports

State of Alaska

Department of Health and Social Services

Division of Behavioral Health

Comprehensive Behavioral Health Treatment and Recovery Program 602-208-21034

Schedule of Revenues and Expenses - Budget and Actual

Year ended September 30, 2021

	<b>Actual</b>		<b>Total</b>	<b>Budget</b>	<b>Variance favorable (unfavorable)</b>
	<b>Three months ended September 30, 2020</b>	<b>Nine months ended June 30, 2021</b>			
Revenues:					
Grant	\$ 41,644	269,025	310,669	310,669	-
In-kind	10,411	67,256	77,667	77,667	-
Total revenues	<u>52,055</u>	<u>336,281</u>	<u>388,336</u>	<u>388,336</u>	<u>-</u>
Expenses:					
Personal services	38,070	245,941	284,011	281,503	(2,508)
Supplies	375	2,420	2,795	5,303	2,508
Indirect	13,610	87,920	101,530	101,530	-
Total expenses	<u>52,055</u>	<u>336,281</u>	<u>388,336</u>	<u>388,336</u>	<u>-</u>
Excess of revenues over expenses	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**SOUTHCENTRAL FOUNDATION**

State Financial Assistance Reports

State of Alaska

Department of Health and Social Services

Division of Behavioral Health

Comprehensive Behavioral Health Treatment and Recovery Program 602-208-21044

Schedule of Revenues and Expenses - Budget and Actual

Year ended September 30, 2021

	<b>Actual</b>		<b>Total</b>	<b>Budget</b>	<b>Variance favorable (unfavorable)</b>
	<b>Three months ended September 30, 2020</b>	<b>Nine months ended June 30, 2021</b>			
Revenues:					
Grant	\$ -	67,283	67,283	67,283	-
In-kind	-	16,821	16,821	16,821	-
Total revenues	-	84,104	84,104	84,104	-
Expenses:					
Personal services	-	64,946	64,946	57,586	(7,360)
Travel	-	-	-	7,834	7,834
Supplies	-	658	658	184	(474)
Indirect	-	18,500	18,500	18,500	-
Total expenses	-	84,104	84,104	84,104	-
Excess of revenues over expenses	\$ -	-	-	-	-

**SOUTHCENTRAL FOUNDATION**

## State Financial Assistance Reports

State of Alaska

Department of Health and Social Services

Division of Behavioral Health

Comprehensive Behavioral Health Treatment and Recovery Program 602-208-22044

Schedule of Revenues and Expenses - Budget and Actual

Year ended September 30, 2021

	<b>Three months ended September 30, 2021</b>	<b>Budget</b>	<b>Variance favorable (unfavorable)</b>
Revenues:			
Grant	\$ 14,488	67,283	(52,795)
In-kind	3,622	16,821	(13,199)
Total revenues	<u>18,110</u>	<u>84,104</u>	<u>(65,994)</u>
Expenses:			
Personal services	13,941	64,969	51,028
Supplies	35	635	600
Indirect	4,134	18,500	14,366
Total expenses	<u>18,110</u>	<u>84,104</u>	<u>65,994</u>
Excess of revenues over expenses	<u>\$ -</u>	<u>-</u>	<u>-</u>

**SOUTHCENTRAL FOUNDATION**  
 State Financial Assistance Reports  
 State of Alaska  
 Department of Health and Social Services  
 Division of Behavioral Health  
 Comprehensive Behavioral Health Treatment and Recovery Program 602-208-21079  
 Schedule of Revenues and Expenses - Budget and Actual  
 Year ended September 30, 2021

	<b>Actual</b>		<b>Total</b>	<b>Budget</b>	<b>Variance favorable (unfavorable)</b>
	<b>Three months ended September 30, 2020</b>	<b>Nine months ended June 30, 2021</b>			
Revenues:					
Grant	\$ -	47,072	47,072	47,072	-
In-kind	-	11,768	11,768	11,768	-
Total revenues	<u>-</u>	<u>58,840</u>	<u>58,840</u>	<u>58,840</u>	<u>-</u>
Expenses:					
Personal services	-	45,453	45,453	44,438	(1,015)
Supplies	-	444	444	1,459	1,015
Indirect	-	12,943	12,943	12,943	-
Total expenses	<u>-</u>	<u>58,840</u>	<u>58,840</u>	<u>58,840</u>	<u>-</u>
Excess of revenues over expenses	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**SOUTHCENTRAL FOUNDATION**

State Financial Assistance Reports

State of Alaska

Department of Health and Social Services

Division of Public Health - COVID-19 Emergency Operations Center (DPH - EOC)

Increasing Capacity of COVID Services MOA #C0621-572-N

Schedule of Revenues and Expenses - Budget and Actual

Year ended September 30, 2021

	<u>Actual</u>			
	<u>Three months ended September 30, 2021</u>	<u>Total</u>	<u>Budget</u>	<u>Variance favorable (unfavorable)</u>
Revenues:				
Grant	\$ 50,000	50,000	603,186	(553,186)
Expenses:				
Other	50,000	50,000	603,186	553,186
Excess of revenues over expenses	\$ -	-	-	-

**SOUTHCENTRAL FOUNDATION**

State Financial Assistance Reports

State of Alaska

Department of Health and Social Services

Division of Behavioral Health

Sobering Center, Withdrawal, Management and Residential SUD Treatment Services

602-239-21005

Schedule of Revenues and Expenses - Budget and Actual

Year ended September 30, 2021

	<u>Actual</u>				
	<u>Three</u>	<u>Nine</u>			
	<u>months</u>	<u>months</u>			
	<u>ended</u>	<u>ended</u>			
	<u>September 30,</u>	<u>June 30,</u>	<u>Total</u>	<u>Budget</u>	<u>Variance</u>
	<u>2020</u>	<u>2021</u>			<u>favorable</u>
					<u>(unfavorable)</u>
Revenues:					
Grant	\$ 194,010	605,989	799,999	800,000	(1)
In-kind	48,503	151,497	200,000	200,000	-
Total revenues	<u>242,513</u>	<u>757,486</u>	<u>999,999</u>	<u>1,000,000</u>	<u>(1)</u>
Expenses:					
Personal services	187,952	575,189	763,141	729,336	33,805
Supplies	1,216	15,673	16,889	50,695	(33,806)
Indirect	53,345	166,624	219,969	219,969	-
Total expenses	<u>242,513</u>	<u>757,486</u>	<u>999,999</u>	<u>1,000,000</u>	<u>(1)</u>
Excess of revenues over expenses	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>



SOUTHCENTRAL FOUNDATION  
Schedule of Expenditures of Federal Awards  
Year ended September 30, 2021

	Contract or Grant Number	Assistance Listing Number	Passed through to Subrecipients	Federal Expenditures
U.S. Department of Health and Human Services:				
Indian Health Service:				
Direct:				
Self Governance Compact				
Oct-01-2015 to Sep-30-2020	58G-950031	93.210	\$ 50,805,830	\$ 299,790,102
Compact Contract Reduction	58G-950031	93.210	-	17,304,753
Total direct			50,805,830	317,094,855
Passed through Alaska Native Tribal Health Consortium:				
Oct-01-2020 to Sep-30-2021	Purchase Agreement II	93.210	-	703,806
Oct-01-2020 to Sep-30-2023	Rural ASU	93.210	-	355,733
Oct-01-2020 to Indefinitely	Other	93.210	-	693,460
Jul-01-2004 to Indefinitely	Behavioral Health Aides	93.210	-	559,287
Jun-01-2004 to Indefinitely	Primary Care Subawards	93.210	-	320,161
Apr-01-2021 to Completion	M & I Project Pool	93.210	-	766,853
Jul-01-2018 to Completion	BEMAR Projects	93.210	-	1,364,505
Oct-01-2013 to Indefinitely	Purchased & Referred Services	93.210	-	(36,910)
Passed through Native Village of Tyonek:				
Oct-01-2015 to Indefinitely	Tyonek	93.210	-	110,292
Passed through Native Village of Eklutna:				
Oct-01-2018 to Sep-30-2023	Eklutna	93.210	-	438,626
Total passed through			-	5,275,813
Total Indian Health Service			50,805,830	322,370,668
Administration for Community Living:				
Direct:				
Older Americans Act, Title VI Part A - Grants for Native Americans				
Apr-01-2020 to Mar-31-2021	2035AKOATA-00	93.047	-	10,425
Apr-01-2021 to Mar-31-2022	2035AKOATA-01	93.047	-	115,294
			-	125,719
COVID-19 - (NAC2) Families First Coronavirus Response Act, OAA Title VI - Native Americans Nutrition Services				
Mar-20-2020 to Sep-30-2021	2035AKNAC2-00	93.047	-	62,270
COVID-19 - (NAC3) CARES Act for Nutrition Services for Native American Programs under Title VI of the OAA				
Apr-01-2020 to Sep-30-2021	2035AKNAC3-00	93.047	-	60,344
(NAC5) Consolidated Appropriations Act, 2021 Suppl. Funding for OAA Title VI-A & B				
Mar-20-2020 to Sep-30-2021	2035AKNAC5-00	93.047	-	40,800
Total ALN #93.047			-	289,133
Nutrition Services Incentive Program (NSIP)				
Apr-01-2020 to Mar-31-2021	2035AKOANT-00	93.053	-	16,092

(Continued)

SOUTHCENTRAL FOUNDATION  
Schedule of Expenditures of Federal Awards, Continued

	Contract or Grant Number	Assistance Listing Number	Passed through to Subrecipients	Federal Expenditures
U.S. Department of Health and Human Services, Continued:				
Administration for Community Living:				
Direct:				
Older Americans Act, Title VI Part C - Grants for Native American Caregiver Support				
Apr-01-2020 to Mar-31-2021	2035AKOATC-00	93.054	\$ -	\$ 33,307
Apr-01-2021 to Mar-31-2022	2035AKOATC-01	93.054	-	37,628
			-	<u>70,935</u>
OASH Office of Grants Management				
Direct:				
Integrated Health Records Mapped to Social Determinants of Health				
Jul-01-2020 to Jun-30-2021	CPIMP171148-04	93.137	-	285,451
Jul-01-2021 to Jun-30-2022	CPIMP171148-05	93.137	-	109,496
			-	<u>394,947</u>
National Institutes of Health:				
Direct:				
Community-engaged Research Toward Precision Medicine with AIAN People				
Jul-01-2019 to Jun-30-2020	7R01HG009500-03	93.172	121,443	128,610
Passed through University of Oklahoma:				
Center on American Indian and Alaska Native Genomic Research				
Sep-21-2020 to Jun-30-2021	2RM1HG009042-05	93.172	-	62,016
Jul-01-2021 to Jun-30-2022	5RM1HG009042-06	93.172	-	22,000
			-	<u>84,026</u>
Total ALN #93.172			<u>121,443</u>	<u>212,626</u>
Passed through Duke University:				
Multifactorial Determinants of Childhood Hearing Loss in Rural Alaska				
Jul-21-2020 to Jun-30-2021	1R21DC018399-01A1	93.173	-	1,529
Jul-21-2021 to Jun-30-2022	5R21DC018399-02	93.173	-	1,754
			-	<u>3,283</u>
Health Resources and Services Administration:				
Health Center Cluster Program:				
Direct:				
American Rescue Plan Act Funding for Health Centers				
Apr-01-2021 to Mar-31-2023	1 H8FCS41149-01	93.224	-	103,192
COVID-19 - FY 2020 Expanding Capacity for Coronavirus Testing (ECT)				
May-01-2020 to Apr-30-2021	1 H8ECS39029-01	93.224	-	68,555
Health Center Cluster Demonstration - Alaska Initiative				
Jun-01-2019 to May-31-2020	6 H80CS01128-18	93.224	-	140,245
Sep-01-2020 to Aug-31-2023	C14CS39804-01	93.224	-	99,757
Jun-01-2021 to May-31-2022	6 H80CS01128-20	93.224	-	1,444,476
			-	<u>1,684,478</u>
Total ALN #93.224			-	<u>1,856,225</u>
Health Center Program Cluster Demonstration - Alaska Initiative				
Jun-01-2019 to May-31-2020	6 H80CS01128-18	93.527	-	27,321
Jun-01-2019 to May-31-2020	6 H80CS01128-19	93.527	-	3,524,263
Jun-01-2020 to May-31-2021	6 H80CS01128-19	93.527	-	86,509
Jun-01-2020 to May-31-2021	6 H80CS01128-19	93.527	-	169,071
Jun-01-2021 to May-31-2022	6 H80CS01128-20	93.527	-	710,920
Jun-01-2021 to May-31-2022	6 H80CS01128-20	93.527	-	25,251
			-	<u>4,543,335</u>
Total ALN #93.527			-	<u>4,543,335</u>
Total Health Care Cluster Program			-	<u>6,399,560</u>
Passed through the State of Alaska Department of Health and Social Services				
Emergency Grants to Address Mental Health and Substance Use Disorders During COVID-19				
Jul-01-2020 to Jun-30-2021	602-255-21004	93.665	-	194,000
Jul-01-2021 to Jun-30-2022	602-255-22004	93.665	-	78,268
			-	<u>272,268</u>
Direct:				
COVID-19 Provider Relief	None	93.498	-	<u>1,285,133</u>

(Continued)

SOUTHCENTRAL FOUNDATION  
Schedule of Expenditures of Federal Awards, Continued

	Contract or Grant Number	Assistance Listing Number	Passed through to Subrecipients	Federal Expenditures
U.S. Department of Health and Human Services, Continued:				
Indian Health Service:				
Direct:				
Special Diabetes Programs for Indians				
Jan-01-2020 to Dec-31-2020	H1D4IHS0007-23	93.237	\$ -	\$ 514,447
Jan-01-2021 to Dec-31-2021	H1D4IHS0007-24	93.237	-	1,344,943
			<u>-</u>	<u>1,859,390</u>
National Institutes of Health:				
Passed through Henry Ford Health System:				
Patient Perspectives on Clinical Approaches to Prevent Opioid Related Suicide				
Sep-16-2020 to May-31-2021	3U01MH114087-04S1	93.242	-	17,436
Jun-01-2021 to May-31-2022	3U01MH114087-04S1	93.242	-	11,711
			<u>-</u>	<u>29,147</u>
Passed through Washington State University:				
Caring Texts: A Strength-based, Suicide Prevention Trial in 4 Native Communities				
Apr-01-2018 to Mar-31-2021	125843 G003606	93.242	-	24,809
			<u>-</u>	<u>53,956</u>
Total ALN #93.242				
Substance Abuse and Mental Health Services Administration:				
Direct:				
Preserving the Future				
Jun-30-2020 to Jun-29-2021	5H79SF082102-02	93.243	144,934	541,505
Jun-30-2021 to Jun-29-2022	5H79SF082102-03	93.243	75,152	132,659
			<u>220,086</u>	<u>674,164</u>
SCF's Indigenous Project Launch				
Sep-30-2020 to Sep-29-2021	5H79SM080167-03	93.243	-	637,100
SCF Treatment for PPW				
Aug-31-2020 to Aug-30-2021	1H79TI083137-01	93.243	-	510,707
Aug-31-2021 to Aug-30-2022	5H79TI083137-02	93.243	-	24,938
			<u>-</u>	<u>535,645</u>
			<u>220,086</u>	<u>1,846,909</u>
Total ALN #93.243				
National Institutes of Health:				
Passed through University of Washington:				
Preventing Addiction Related Suicide - Controlled Trial of Secondary Suicide Prevention				
Sep-01-2018 to Jun-30-2020	3R01DA041486-03S1	93.279	-	3,445
Passed through University of New Mexico				
New Mexico Clinical Trials Node: Clinical Research and Practice to Address Substance Use in Diverse, Rural and Underserved Populations				
Oct-01-2020 to Feb-28-2021	5UG1DA049468-02	93.279	-	16,475
Mar-01-2021 to Feb-28-2022	3UG1DA049468-03S2	93.279	-	24,333
			<u>-</u>	<u>40,808</u>
			<u>-</u>	<u>44,253</u>
Total ALN #93.279				

(Continued)

SOUTHCENTRAL FOUNDATION  
Schedule of Expenditures of Federal Awards, Continued

	Contract or Grant Number	Assistance Listing Number	Passed through to Subrecipients	Federal Expenditures
U.S. Department of Health and Human Services, Continued:				
National Institutes of Health:				
Passed through Washington State University:				
Native-Controlling Hypertension and Risk Through Technology Mar-01-2020 to Feb-28-2021	127687 G003656	93.307	\$ -	\$ 275,849
Passed through University of Colorado, Denver:				
American Indian and Alaska Native Health Disparities May-01-2020 to Apr-30-2021	5U54MD000507-18	93.307	-	40,585
May-01-2021 to Apr-30-2022	5U54MD000507-19	93.307	-	31,933
			<u>-</u>	<u>72,518</u>
Total ALN #93.307			<u>-</u>	<u>348,367</u>
Passed through Alaska Native Tribal Health Consortium:				
Building Research Capacity Within Tribal Organizations for Research to Improve the Health of Alaska Native Children Sep-01-2020 to Aug-30-2021	2UG1OD024944-03	93.310	-	58,816
Passed through Washington State University:				
COVID-19 - Community Organizations for Natives: COVID-19 Epidemiology, Research, Testing, and Services Sep-22-2020 to Jun-30-2021	3U54MD011240-05S1	93.310	-	291,607
Total ALN #93.310			<u>-</u>	<u>350,423</u>
Passed through Washington State University:				
Increasing Colorectal Cancer Screening in Alaska Native Men Jun-18-2021 to May-31-2022	1R21NR019362-01	93.361	-	5,489
Center for Disease Control and Prevention:				
Direct:				
COVID-19 - Supporting Tribal Public Health Capacity in Coronavirus Preparedness and Response - 2020 May-26-2020 to Jun-09-2021	1 NU1ROT000100-01	93.391	-	319,009
Direct:				
Wisewoman Sep-30-2019 to Sep-29-2020	6NU58DP006657-02	93.436	35,592	44,108
Sep-30-2020 to Sep-29-2021	6NU58DP006657-03	93.436	14,000	518,707
			<u>49,592</u>	<u>562,815</u>
Substance Abuse and Mental Health Services Administration:				
Direct:				
COVID-19 - SCF Behavioral Health COVID-19 Emergency Program Apr-20-2020 to Aug-19-2021	1H79FG000253-01	93.665	-	376,969
Administration for Children and Families:				
Direct:				
Family Violence Prevention & Services Oct-01-2020 to Sep-30-2021	20SJAKFVPS	93.671	50,000	55,826
Direct:				
Family Violence Prevention & Services Supplemental Funding American Rescue Plan Act of 2021 Oct-01-2020 to Sep-30-2025	21SJAKFVC6	93.671	-	46,053
Total ALN #93.671			<u>50,000</u>	<u>101,879</u>
Direct:				
CDC Wellness in Indian Country Apr-30-2020 to Apr-29-2021	5NU58DP006403-03	93.762	-	100,640
Apr-30-2021 to Apr-29-2022	6NU58DP006403-03	93.762	-	28,627
			<u>-</u>	<u>129,267</u>

(Continued)

SOUTHCENTRAL FOUNDATION  
Schedule of Expenditures of Federal Awards, Continued

	Contract or Grant Number	Assistance Listing Number	Passed through to Subrecipients	Federal Expenditures
U.S. Department of Health and Human Services, Continued:				
Centers for Medicare & Medicaid Services:				
Direct:				
Children's Health Connecting Kids to Coverage				
Jan-13-2020 to Jan-12-2021	2D2CMS331777-01	93.767	\$ -	\$ 62,737
Jan-13-2021 to Jan-12-2022	2D2CMS331777-02	93.767	-	183,369
			<u>-</u>	<u>246,106</u>
Substance Abuse and Mental Health Services Administration:				
Direct:				
Tribal Opioid Response (TOR)				
Sep-30-2018 to Sep-29-2020	6H79TI081753-01M002	93.788	-	1,790,168
National Institute of Diabetes and Digestive and Kidney Diseases:				
Passed through University of Colorado, Denver:				
Center for American Indian and Alaska Native Diabetes Translation Research				
Aug-01-2020 to Jul-31-2021	5P30DK092923-10	93.847	-	15,837
National Institutes of Health:				
Direct:				
Population-based Interventions to Improve Behavioral Health in a Tribal Healthcare System				
Aug-01-2020 to Jul-31-2021	5S06GM123545-04	93.859	82,390	304,062
Passed through University of Washington:				
Program on Genetic and Dietary Predictors of Drug Response in Rural and American Indian/Alaska Native Population				
Jul-01-2020 to Jun-30-2021	5P01GM116691-04	93.859	-	29,996
Passed through Montana State University:				
American Indian-Alaska Native Clinical and Transitional Research Center				
Aug-01-2020 to Jul-31-2021	5U54GM115371-05	93.859	-	64,505
Feasibility and Acceptability of Community-Based Diagnosis and Treatment for Hepatitis C Virus in an Urban Alaska and American Indian Population				
Aug-01-2020 to Jul-31-2021	5U54GM115371-05	93.859	17,003	35,193
Passed through Alaska Native Tribal Health Consortium:				
Cultural Innovations for Recovery in Community-based Learning Environments				
Aug-01-2020 to Jul-31-2021	5S06GM127911-03	93.859	50,558	241,156
Aug-01-2021 to Jul-31-2022	5S06GM127911-04	93.859	-	39,851
			<u>50,558</u>	<u>281,007</u>

(Continued)

SOUTHCENTRAL FOUNDATION  
Schedule of Expenditures of Federal Awards, Continued

	Contract or Grant Number	Assistance Listing Number	Passed through to Subrecipients	Federal Expenditures
U.S. Department of Health and Human Services, Continued:				
National Institutes of Health:				
Passed through University of Alaska, Fairbanks:				
Predictive Algorithms to Identify Risk for Suicide in an Alaska Native Health System Aug-01-2019 to Jul-31-2020	3P20GM103395-19S1	93.859	\$ -	\$ 63,093
Response to Prevention: the Role of Vitamin D in Postpartum Hemorrhage Among Alaska Native Women May-01-2021 to Jun-30-2023	5P20GM103395	93.859	-	27,997
Passed through Washington State University:				
Pathways to Recovery Among Urban Alaska Native & American Indian People with Long-Term Abstinence from Alcohol Aug-01-2019 to Jul-31-2020	1P60AA026112-01	93.859	-	16,790
Passed through University of Colorado, Denver:				
An Exploration of Palliative Care Experiences, Preferences, and Needs Among Alaska Native/American Indian People in a Home-Based Medical Care Program Jul-01-2020 to Jun-30-2021	5U2CNR014637-08	93.859	-	14,868
Total ALN #93.859			<u>149,951</u>	<u>837,511</u>
Passed through Oregon Health & Science University:				
Diet and the CPT1A Artic Variant: Impact on the Health of Alaska Native Children Jun-01-2019 to May-31-2020	1R01HD089951-03	93.865	20,816	164,698
Passed through Washington State University:				
Urban Native Elders: Risk and Protective Factors for Alzheimer's and Related Dementias Jun-01-2020 to May-31-2021	5R01AG064493-02	93.866	-	34,350
Native Alzheimer's Disease Resource Center for Minority Aging Research Sep-21-2020 to Jun-30-2021	5P30AG059295-03	93.866	-	24,973
Urban Native Elders (URBANE): Risk and Protective Factors for Alzheimer's and Related Dementias Jun-01-2021 to May-31-2022	5R01AG064493-03	93.866	-	29,368
Total ALN #93.866			<u>-</u>	<u>88,691</u>
Administration for Children and Families:				
Direct:				
Southcentral Foundation Tribal MIECHV program Sep-30-2020 to Sep-29-2021	90TH0037-05	93.872	-	830,000
Center for Disease Control and Prevention:				
Direct:				
National Breast and Cervical Cancer Early Detection Program Jul-01-2019 to Jun-30-2020	5 NU58DP006295-03	93.898	62,500	217,437
Jun-30-2020 to Jun-29-2021	5 NU58DP006295-04	93.898	32,625	1,019,017
Jun-30-2021 to Jun-29-2022	5 NU58DP006295-05	93.898	5,083	317,954
			<u>100,208</u>	<u>1,554,408</u>

(Continued)

SOUTHCENTRAL FOUNDATION  
Schedule of Expenditures of Federal Awards, Continued

	Contract or Grant Number	Assistance Listing Number	Passed through to Subrecipients	Federal Expenditures
U.S. Department of Health and Human Services, Continued:				
Health Resources and Services Administration:				
Direct:				
COVID-19 - Rural Tribal COVID-19 Response May-31-2020 to May-30-2020	1 HCTRH39258-01	93.912	\$ -	\$ 231,694
Rural Health Care Services Outreach Grant Program May-31-2021 to Apr-30-2022	1 D04RH40288-01	93.912	-	14,394
Rural Health Network Development Planning Grant Program May-31-2020 to May-30-2020 Total ALN #93.912	1 P10RH41770-01	93.912	-	3,360
			<u>-</u>	<u>249,448</u>
Passed through Alaska Native Tribal Health Consortium:				
COVID-19 - Ryan White Part C Outpatient EIS Program Jan-01-2021 to Dec-31-2021	5H76HA00723-19	93.918	-	59,275
Indian Health Service:				
Direct:				
DVPI FWWI Sep-30-2020 to Sep-29-2021	BH15IHS0007-06	93.933	-	142,261
Methamphetamine and Suicide Prevention Initiative Sep-30-2020 to Sep-29-2021 Total ALN #93.933	BH16IHS0055-06	93.933	-	222,691
			<u>-</u>	<u>364,952</u>
Total U.S. Department of Health and Human Services			<u>51,517,926</u>	<u>343,514,465</u>
U.S. Department of Agriculture:				
Passed through State of Alaska:				
Supplemental Nutrition Assistance Program Oct-01-2014	None	10.551	-	17,521
Passed through State of Alaska Division of Public Assistance:				
Special Supplemental Nutrition Program for Women, Infants and Children - Aleutian Pribilof Islands Jul-01-2020 to Jun-30-2021	None	10.557	-	25,172
Jul-01-2021 to Jun-30-2022	None	10.557	-	12,524
			<u>-</u>	<u>37,696</u>
Passed through State of Alaska Department of Education:				
Child and Adult Care Food Program Oct-01-2020 to Sep-30-2021	None	10.558	-	4,123
Direct:				
Distance Learning and Telemedicine Grant Program Oct-01-2020 to Oct-07-2023	AK0734-B17	10.855	-	561,324
Total U.S. Department of Agriculture			<u>-</u>	<u>620,664</u>
U.S. Department of Justice:				
Direct:				
Southcentral Foundation's Alaska Native Unit at Alaska CARES Tribal Victim Services Set-Aside Program Mar-18-2019 to Apr-15-2022	2018-VO-GX-0044	16.841	-	318,994

(Continued)

SOUTHCENTRAL FOUNDATION  
Schedule of Expenditures of Federal Awards, Continued

	Contract or Grant Number	Assistance Listing Number	Passed through to Subrecipients	Federal Expenditures
U.S. Department of the Treasury:				
Passed through Cook Inlet Region, Inc.:				
Coronavirus Relief Fund:				
COVID-19 - Cares Act Technology Infrastructure - IT Security Mar-01-2020 to Dec-31-2021	None	21.019	\$ -	\$ 1,819,200
COVID-19 - Cares Act Technology Infrastructure - Facilities Security Mar-01-2020 to Dec-31-2021	None	21.019	-	648,940
COVID-19 - Cares Act - Warehouse Mar-01-2020 to Dec-31-2021	None	21.019	-	7,553,480
COVID-19 - Cares Act - Unemployment Benefits Mar-01-2020 to Dec-31-2021	None	21.019	-	457,357
COVID-19 - Cares Act - Behavioral Services Division Building Mar-01-2020 to Dec-31-2021	None	21.019	-	7,581,170
COVID-19 - Cares Act - Facility Improvements-ANTHC Outpatient Services Mar-01-2020 to Dec-31-2021	None	21.019	558,789	558,789
COVID-19 - Cares Act - Facility Improvements-ANTHC Outpatient Services Mar-01-2020 to Dec-31-2021	None	21.019	389,236	389,236
COVID-19 - Cares Act - Residential Health Building Mar-01-2020 to Dec-31-2021	None	21.019	-	227,769
COVID-19 - Cares Act - Care Delivery Optimization-Mobile Units Mar-01-2020 to Dec-31-2021	None	21.019	-	75,780
COVID-19 - Cares Act - Dental Clinic Building Mar-01-2020 to Dec-31-2021	None	21.019	-	2,151,467
COVID-19 - Cares Act - Nikolai Provider Housing Mar-01-2020 to Dec-31-2021	None	21.019	-	109,133
COVID-19 - Cares Act - Relief Fund Mar-01-2020 to Dec-31-2021	None	21.019	-	6,587,211
Passed through Chugach Alaska Corporation:				
Coronavirus Relief Fund:				
COVID-19 - Cares Act - Pandemic Impact Mar-01-2020 to Sep-30-2022	None	21.019	-	2,000,000
Passed through State of Alaska: Department of Health and Social Services:				
COVID-19 CARES Act Unemployment Credits to Reimbursable Employers		21.019	-	324,249
COVID-19 CARES Act Support Residential Congregate Care Facilities		21.019	-	48,750
Total U.S. Department of the Treasury			<u>948,025</u>	<u>30,532,531</u>
Total Federal Assistance			\$ <u>52,465,951</u>	<u>374,986,654</u>

See accompanying notes to Schedule.



SOUTHCENTRAL FOUNDATION

Notes to Schedule of Expenditures of Federal Awards

Year ended September 30, 2021

**Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Southcentral Foundation under programs of the federal government for the year ended September 30, 2021. 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 only a selected portion of the operations of Southcentral Foundation, it is not intended to and does not present the financial position, change in net assets, or cash flows of Southcentral Foundation.

**Note 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 on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Southcentral Foundation has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**Note 3. Reconciliation of Federal Revenues**

Reconciliation and agreement to Federal Revenues on the Consolidated Statement of Activities:

Federal sources	\$ 356,304,155
Federal contract reduction	<u>17,317,817</u>
Total Federal revenues per Consolidated Statement of Activities	373,621,972
Plus timing differences in Provider	
Relief payments reports on SEFA	1,285,133
Plus timing differences between revenue recognition and expenditures on Self Governance Compact and Compact Contract Reduction	<u>79,549</u>
Total federal assistance	<u>\$ 374,986,654</u>

SOUTHCENTRAL FOUNDATION

Notes to Schedule of Expenditures of Federal Awards, Continued

**Note 4. Subrecipients**

The following were subrecipients of Federal Awards issued to Southcentral Foundation:

From: Indian Health Service 93.210:		
To: Cook Inlet Region Tribes for Behavioral Health Aides	\$	230,000
ANTHC ANMC Purchase Agreements		7,112,863
ANTHC ANMC Pharmaceuticals Purchase Agreement		38,662,394
ANTHC Rural ASU Subawards		1,503,790
ANMC for ER Front Desk		323,580
ANMC for M&I Pool Small Clinics		21,116
Tribal Government of St. Paul		2,952,087
		50,805,830
From: Community-Engaged Research Toward Precision Medicine with AIAN People 93.172:		
To: University of Washington		(18,596)
Oregon Health and Science University		128,870
University of Montana		11,169
		121,443
From: Preserving the Future 93.243:		
To: Alaska Pacific University		37,527
Cook Inlet Tribal Council		182,559
		220,086
From: Wisewoman 93.436:		
To: Highlands Ranch		49,592
From: Family Violence Prevention & Services 93.671:		
To: Abused Women's Aid in Crisis		50,000
From: Population Based Intervention to Improve Behavioral Health in a Tribal Healthcare System 93.859:		
To: University of Washington		82,390
From: Feasibility and Acceptability of Community-Based Diagnosis and Treatment for Hepatitis C Virus in an UA/AI Population 93.859:		
To: Alaska Native Tribal Health Consortium		17,003
From: Cultural Innovations for Recovery in Community-based Learning Environments 93.859;		
To: University of Washington		50,558

SOUTHCENTRAL FOUNDATION

Notes to Schedule of Expenditures of Federal Awards, Continued

From: Diet and the CPT1A Arctic Variant: Impact on the Health of Alaska Native Children 93.865;	
To: University of Washington	<u>20,816</u>
From: National Breast and Cervical Cancer Early Detection Program 93.898;	
To: Highlands Ranch	<u>100,208</u>
From: COVID-19 – Cares Act – Facility Improvements – ANTHC Outpatient Services 21.019;	
To: Alaska Native Tribal Health Consortium	<u>558,789</u>
From: COVID-19 – Cares Act – Facility Improvements – ANTHC Outpatient Services 21.019;	
To: Alaska Native Tribal Health Consortium	<u>389,236</u>
Total Subrecipients Awards	<u>\$ 52,465,951</u>

SOUTHCENTRAL FOUNDATION  
Schedule of State Financial Assistance  
Year ended September 30, 2021

Program	Grant Number	Passed through to Subrecipients	State Expenditures
<b>Department of Health and Social Services</b>			
Division of Behavioral Health:			
Direct			
Sobering Center, Withdrawal Management and Residential SUD Treatment Services			
* Jul-01-2020 to Jun-30-2021	602-239-21005	\$ -	\$ 605,989
Comprehensive Behavioral Health Treatment and Recovery Program			
* Jul-01-2020 to Jun-30-2021	602-208-21034	-	269,025
Comprehensive Behavioral Health Treatment and Recovery - McGrath			
Jul-01-2020 to Jun-30-2021	602-208-21044	-	67,283
Jul-01-2021 to Jun-30-2022	602-208-22044	-	14,488
Comprehensive Behavioral Health Treatment and Recovery - Iliamna			
Jul-01-2020 to Jun-30-2021	602-208-21079	-	47,072
Increasing Capacity of COVID Services			
Sep-01-2021 to Jun-30-2022	C0621-572-N	-	50,000
Passed through Bristol Bay Area Health Corporation			
Women Infant and Children			
Jul-01-2020 to Jun-30-2021	604-268-21003	-	25,083
Jul-01-2021 to Jun-30-2022	604-268-22003	-	9,630
Total Department of Health and Social Services		-	1,088,570
Alaska Mental Health Trust Authority			
Mini-Grants			
	Various	-	44,875
Total State Financial Assistance		\$ -	\$ 1,133,445

See accompanying notes to Schedule.

SOUTHCENTRAL FOUNDATION

Notes to Schedule of State Financial Assistance

Year ended September 30, 2021

**Note 1. Basis of Presentation**

The accompanying schedule of state financial assistance (the "Schedule") includes the state award activity of Southcentral Foundation under programs of the State of Alaska for the year ended September 30, 2021. 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 Southcentral Foundation, it is not intended to and does not present the financial position, change in net assets, or cash flows of Southcentral Foundation.

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

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is described in Note 1 to the Foundation's basic financial statements.

**Note 3. Subrecipients**

No state funds were passed through to Subrecipients.

**Note 4. Major Programs**

\* denotes a major program for compliance audit purposes.

**Note 5. Reconciliation and agreement to State of Alaska Revenue on the Consolidated Statement of Activities:**

State of Alaska per statement of activities	\$ 1,118,957
Timing difference between when expenditures were incurred and timing of reimbursement	<u>14,488</u>
Total state financial assistance	<u>1,133,445</u>

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

**Independent Auditor's Report**

Members of the Board of Directors  
Southcentral Foundation  
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 Southcentral Foundation (a nonprofit health care entity), which comprise the consolidated statement of financial position as of September 30, 2021, and the related consolidated statements of activities, net assets and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated March 17, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered Southcentral Foundation's internal control over financial reporting (internal control) as a basis for designing 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 Southcentral Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of Southcentral Foundation'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 consolidated 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.

Members of the Board of Directors  
Southcentral Foundation

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Southcentral Foundation'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 consolidated financial statements. 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 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.



Anchorage, Alaska  
March 17, 2022

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

**Independent Auditor's Report**

Members of the Board of Directors  
Southcentral Foundation  
Anchorage, Alaska

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

We have audited Southcentral Foundation's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Southcentral Foundation's major federal programs for the year ended September 30, 2021. Southcentral Foundation's major federal programs are identified in the summary of auditor's results section of the accompanying federal 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 Southcentral Foundation'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 Southcentral Foundation'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 Southcentral Foundation's compliance.



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

In our opinion, Southcentral Foundation 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, 2021.

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

Management of Southcentral Foundation 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 Southcentral Foundation'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 Southcentral Foundation'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.



Anchorage, Alaska  
March 17, 2022

SOUTHCENTRAL FOUNDATION

Federal Schedule of Findings and Questioned Costs

Year Ended September 30, 2021

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

Financial Statements

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

Is a going concern emphasis-of-matter paragraph included in the audit report?  yes  no

Internal control over financial reporting:  
Material weakness identified?  yes  no  
Significant deficiency identified?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

Federal Awards

Internal control over major programs (2 CFR 200.516 (a)(1):  
Material weakness identified?  yes  no  
Significant deficiency identified?  yes  none reported

Any material noncompliance with the provisions of laws, regulations, contracts, or grant agreements related to a major program (2 CFR 200.516 (a)(2)?  yes  no

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

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance, (2 CFR 200.516 (a)(3) or (4)?  yes  no

Identification of major programs:

<u>ALN Numbers</u>	<u>Federal Program</u>
93.243	Substance Abuse and
	Mental Health Services
21.019	COVID-19 Cares Act
93.210	Indian Health Services

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

Auditee qualified as low-risk auditee?  yes  no

SOUTHCENTRAL FOUNDATION

Federal Schedule of Findings and Questioned Costs, Continued

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

Southcentral Foundation did not have any findings that related to the financial statements.

***Section III – Federal Award Findings and Questioned Costs***

Southcentral Foundation did not have any findings that related to the federal awards.

**Report on Compliance for Each Major State Program and Report on Internal Control over Compliance Required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits***

**Independent Auditor's Report**

Members of the Board of Directors  
Southcentral Foundation  
Anchorage, Alaska

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

We have audited Southcentral Foundation's 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 Southcentral Foundation's major state programs for the year ended September 30, 2021. Southcentral Foundation's major state programs are identified in the accompanying Schedule of State Financial Assistance.

**Management's Responsibility**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of Southcentral Foundation'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 Southcentral Foundation'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 Southcentral Foundation's compliance.

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

In our opinion, Southcentral Foundation 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 state programs for the year ended September 30, 2021.

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

Management of Southcentral Foundation 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 Southcentral Foundation'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 Southcentral Foundation'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 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 may 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.



Anchorage, Alaska  
March 17, 2022

SOUTHCENTRAL FOUNDATION

State Schedule of Findings and Questioned Costs

Year Ended September 30, 2021

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

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

Material weakness identified?

\_\_\_ yes  x  no

Significant deficiency identified?

\_\_\_ yes  x  none reported

Noncompliance material to financial statements noted?

\_\_\_ yes  x  no

State Awards

Internal control over major programs:

Material weakness identified?

\_\_\_ yes  x  no

Significant deficiency identified?

\_\_\_ yes  x  none reported

Type of auditor's report issued on compliance  
for major program:

Unmodified

Dollar threshold used to distinguish a state major program:

\$ 150,000

**Section II – Financial Statement Findings**

Southcentral Foundation did not have any findings related to the financial statements.

**Section III – State Award Findings and Questioned Costs**

Southcentral Foundation did not have any findings related to the state awards.