

**ASSOCIATION OF STATE AND TERRITORIAL CHRONIC DISEASE  
PROGRAM DIRECTORS**

**D/B/A**

**THE NATIONAL ASSOCIATION OF CHRONIC DISEASE DIRECTORS**

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020 AND 2019**

**With Independent Auditor's Report Thereon**

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Association of State and Territorial Chronic Disease Program Directors  
d/b/a The National Association of Chronic Disease Directors

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

We have audited the accompanying financial statements of the Association of State and Territorial Chronic Disease Program Directors d/b/a The National Association of Chronic Disease Directors ("NACDD"), which comprise the statement of financial position as of September 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

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

### **Auditor's Responsibility**

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

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

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

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Association of State and Territorial Chronic Disease Program Directors d/b/a The National Association of Chronic Disease Directors as of September 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Prior Year Audit*

The financial statements of the Association of State and Territorial Chronic Disease Program Directors d/b/a The National Association of Chronic Disease Directors for the year ended September 30, 2019, were audited by another auditor who expressed an unmodified opinion those statements on December 10, 2019.

### *Other Information*

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 16, 2021, on our consideration of the Association of State and Territorial Chronic Disease Program Directors d/b/a The National Association of Chronic Disease Directors' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Association of State and Territorial Chronic Disease Program Directors d/b/a The National Association of Chronic Disease Directors' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Association of State and Territorial Chronic Disease Program Directors d/b/a The National Association of Chronic Disease Directors' internal control over financial reporting and compliance.



Morrow, Georgia  
February 16, 2021

ASSOCIATION OF STATE AND TERRITORIAL CHRONIC DISEASE PROGRAM DIRECTORS  
D/B/A THE NATIONAL ASSOCIATION OF CHRONIC DISEASE DIRECTORS  
STATEMENTS OF FINANCIAL POSITION  
SEPTEMBER 30, 2020 AND 2019

ASSETS		<u>2020</u>	<u>2019</u>
Current assets			
Cash and cash equivalents	\$	1,771,083	\$ 1,868,178
Investments		1,218,105	1,068,754
Grants receivable		1,988,333	3,265,256
Other receivable		61,170	199,951
Other current assets		<u>174,204</u>	<u>123,767</u>
Total current assets		5,212,895	6,525,906
 Furniture and equipment, net		 <u>117,772</u>	 <u>13,638</u>
 Total assets	\$	 <u><u>5,330,667</u></u>	 <u><u>\$ 6,539,544</u></u>
LIABILITIES AND NET ASSETS			
Current liabilities			
Accounts payable and accrued expenses	\$	2,076,017	\$ 1,603,616
Deferred revenue		555,877	6,252
Other current liabilities		<u>20,928</u>	<u>-</u>
Total liabilities		<u>2,652,822</u>	<u>1,609,868</u>
 Net assets			
Without donor restrictions		2,608,379	4,200,916
With donor restrictions		<u>69,466</u>	<u>728,760</u>
Total net assets		<u>2,677,845</u>	<u>4,929,676</u>
 Total liabilities and net assets	\$	 <u><u>5,330,667</u></u>	 <u><u>\$ 6,539,544</u></u>

*The accompanying notes are an integral part of these financial statements.*

ASSOCIATION OF STATE AND TERRITORIAL CHRONIC DISEASE PROGRAM DIRECTORS  
D/B/A THE NATIONAL ASSOCIATION OF CHRONIC DISEASE DIRECTORS  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, gains and other support			
Grant revenue	\$ -	\$ 25,822,187	\$ 25,822,187
Other grants and contributions	52,655	456,684	509,339
Investment income	149,351	-	149,351
Member dues	96,000	-	96,000
Conference and meetings	31,752	-	31,752
Other revenue	<u>10,617</u>	<u>-</u>	<u>10,617</u>
Revenue, gains and other support	340,375	26,278,871	26,619,246
Net assets released from restrictions	<u>26,938,165</u>	<u>(26,938,165)</u>	<u>-</u>
Total revenue, gains and other support	<u>27,278,540</u>	<u>(659,294)</u>	<u>26,619,246</u>
Expenses			
Program services:			
Prevention	15,814,767	-	15,814,767
Public Awareness and Health Promotion	5,062,022	-	5,062,022
Professional Education and Training	<u>4,030,004</u>	<u>-</u>	<u>4,030,004</u>
Total program services	24,906,793	-	24,906,793
Supporting services:			
Management and General	3,961,052	-	3,961,052
Fundraising	<u>3,232</u>	<u>-</u>	<u>3,232</u>
Total supporting services	<u>3,964,284</u>	<u>-</u>	<u>3,964,284</u>
Total expenses	<u>28,871,077</u>	<u>-</u>	<u>28,871,077</u>
Change in net assets	(1,592,537)	(659,294)	(2,251,831)
Net assets at beginning of year	<u>4,200,916</u>	<u>728,760</u>	<u>4,929,676</u>
Net assets at end of year	<u>\$ 2,608,379</u>	<u>\$ 69,466</u>	<u>\$ 2,677,845</u>

*The accompanying notes are an integral part of these financial statements.*

ASSOCIATION OF STATE AND TERRITORIAL CHRONIC DISEASE PROGRAM DIRECTORS  
D/B/A THE NATIONAL ASSOCIATION OF CHRONIC DISEASE DIRECTORS  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, gains and other support			
Grant revenue	\$ -	\$ 25,077,390	\$ 25,077,390
Other grants and contributions	83,032	237,521	320,553
Investment income	131,092	-	131,092
Member dues	84,000	-	84,000
Conference and meetings	24,807	-	24,807
Other revenue	5,518	-	5,518
Revenue, gains and other support	<u>328,449</u>	<u>25,314,911</u>	<u>25,643,360</u>
Net assets released from restrictions	<u>27,003,401</u>	<u>(27,003,401)</u>	<u>-</u>
Total revenue, gains and other support	<u>27,331,850</u>	<u>(1,688,490)</u>	<u>25,643,360</u>
Expenses			
Program services:			
Prevention	15,304,990	-	15,304,990
Public Awareness and Health Promotion	1,817,228	-	1,817,228
Professional Education and Training	3,971,857	-	3,971,857
Total program services	<u>21,094,075</u>	<u>-</u>	<u>21,094,075</u>
Supporting services:			
Management and General	3,803,786	-	3,803,786
Fundraising	2,538	-	2,538
Total supporting services	<u>3,806,324</u>	<u>-</u>	<u>3,806,324</u>
Total expenses	<u>24,900,399</u>	<u>-</u>	<u>24,900,399</u>
Change in net assets	2,431,451	(1,688,490)	742,961
Net assets at beginning of year	<u>1,769,465</u>	<u>2,417,250</u>	<u>4,186,715</u>
Net assets at end of year	<u>\$ 4,200,916</u>	<u>\$ 728,760</u>	<u>\$ 4,929,676</u>

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ASSOCIATION OF STATE AND TERRITORIAL CHRONIC DISEASE PROGRAM DIRECTORS  
D/B/A THE NATIONAL ASSOCIATION OF CHRONIC DISEASE DIRECTORS  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Program Activities						
		Public	Professional				
	Prevention	Awareness and Health Promotion	Education and Training	Total	Management and General	Fundraising	Total
Program expenses	\$ 14,776,592	\$ 4,871,708	\$ 2,669,980	\$ 22,318,280	\$ 490,449	\$ -	\$ 22,808,729
Personnel expenses	181,638	145,742	1,079,755	1,407,135	2,364,950	3,232	3,775,317
Travel	305,937	37,035	215,508	558,480	175,908	-	734,388
Grant expense	384,336	-	-	384,336	-	-	384,336
Conferences and meetings	149,141	4,579	39,658	193,378	116,686	-	310,064
Professional fees	3,375	-	4,290	7,665	263,546	-	271,211
Communications	-	-	1,500	1,500	158,314	-	159,814
Miscellaneous	1,765	411	17,365	19,541	133,000	-	152,541
Occupancy	-	-	-	-	78,520	-	78,520
Advocacy	-	-	-	-	67,500	-	67,500
Printing and publications	10,621	2,499	637	13,757	27,497	-	41,254
Noncapitalized equipment	61	-	-	61	38,648	-	38,709
Supplies	28	-	187	215	18,799	-	19,014
Depreciation	-	-	-	-	13,632	-	13,632
Postage and shipping	1,273	48	1,124	2,445	6,752	-	9,197
Equipment rental & maint.	-	-	-	-	6,851	-	6,851
Total expenses	<u>\$ 15,814,767</u>	<u>\$ 5,062,022</u>	<u>\$ 4,030,004</u>	<u>\$ 24,906,793</u>	<u>\$ 3,961,052</u>	<u>\$ 3,232</u>	<u>\$ 28,871,077</u>

*The accompanying notes are an integral part of these financial statements.*

ASSOCIATION OF STATE AND TERRITORIAL CHRONIC DISEASE PROGRAM DIRECTORS  
D/B/A THE NATIONAL ASSOCIATION OF CHRONIC DISEASE DIRECTORS  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Program Activities						
		Public	Professional				
	Prevention	Awareness and Health Promotion	Education and Training	Total	Management and General	Fundraising	Total
Program expenses	\$ 12,628,605	\$ 1,614,720	\$ 2,546,992	\$ 16,790,317	\$ 569,737	\$ -	\$ 17,360,054
Personnel expenses	184,042	92,033	703,916	980,991	1,849,173	2,538	2,832,702
Travel	1,330,514	78,639	471,517	1,880,670	332,901	-	2,213,571
Grant expense	467,290	-	-	467,290	90,000	-	557,290
Conferences and meetings	485,929	18,945	230,589	735,463	184,543	-	920,006
Professional fees	-	-	-	-	187,619	-	187,619
Communications	-	-	-	-	116,090	-	116,090
Miscellaneous	10,266	1,631	12,505	24,402	218,254	-	242,656
Occupancy	-	-	-	-	78,411	-	78,411
Advocacy	167,950	-	-	167,950	-	-	167,950
Printing and publications	19,607	10,171	3,102	32,880	55,381	-	88,261
Noncapitalized equipment	1	-	441	441	58,839	-	59,280
Supplies	206	-	40	246	31,940	-	32,186
Depreciation	-	-	-	-	16,296	-	16,296
Postage and shipping	10,581	89	2,755	13,425	8,344	-	21,769
Equipment rental & maint.	-	-	-	-	6,258	-	6,258
Total expenses	<u>\$ 15,304,990</u>	<u>\$ 1,817,228</u>	<u>\$ 3,971,857</u>	<u>\$ 21,094,075</u>	<u>\$ 3,803,786</u>	<u>\$ 2,538</u>	<u>\$ 24,900,399</u>

*The accompanying notes are an integral part of these financial statements.*



ASSOCIATION OF STATE AND TERRITORIAL CHRONIC DISEASE PROGRAM DIRECTORS  
D/B/A THE NATIONAL ASSOCIATION OF CHRONIC DISEASE DIRECTORS  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (2,251,831)	\$ 742,961
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	13,635	16,296
Unrealized/Realized gain on investments	(122,654)	(131,092)
Decrease (Increase) in government grants and other receivables	1,415,704	(1,748,651)
(Increase) Decrease in other assets	(50,437)	327,152
Increase in accounts payable and accrued expenses	481,054	157,545
Increase in Other Liabilities	12,275	8,653
Increase (Decrease) in deferred revenue	<u>549,625</u>	<u>(21,086)</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>47,371</u>	<u>(648,222)</u>
NET CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(1,525,853)	(5,359)
Sale of Investments	1,499,156	-
Purchase of Property and Equipment	<u>(117,769)</u>	<u>(15,089)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(144,466)</u>	<u>(20,448)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(97,095)	(668,670)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEARS	<u>1,868,178</u>	<u>2,536,848</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEARS	\$ <u><u>1,771,083</u></u>	\$ <u><u>1,868,178</u></u>

*The accompanying notes are an integral part of these financial statements.*

ASSOCIATION OF STATE AND TERRITORIAL CHRONIC DISEASE PROGRAM DIRECTORS  
D/B/A THE NATIONAL ASSOCIATION OF CHRONIC DISEASE DIRECTORS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020 AND 2019

**1. ORGANIZATION**

The Association of State and Territorial Chronic Disease Program Directors d/b/a The National Association of Chronic Disease Directors (“NACDD”), is a public health association for Chronic Disease Directors from every state and U.S. territory. Its mission is to improve the health of the public by strengthening state-based leadership and expertise for chronic disease prevention and control in states and national levels.

Since its founding in 1988, NACDD has been a national leader in the effort to reduce chronic diseases by mobilizing its members to advocate for preventive policies and programs, and to encourage knowledge sharing and develop model partnerships for health promotion through state and community-based prevention strategies. NACDD primarily receives support through a cooperative agreement with the Centers for Disease Control and Prevention (CDC).

The following are NACDD’s major program activities in addressing and preventing chronic disease for the fiscal years ended September 30, 2020 and 2019:

**Prevention** - NACDD implements various public health programs and activities to address prevention, early detection, and education using different tools, innovative resources, and strategies to prevent chronic diseases.

**Public Awareness and Health Education** – Programs implemented by NACDD provide public information, awareness, education, tools, innovative resources, technical assistance and strategies working with public health practitioners in State, Tribal, and Territorial Health Departments and other partners in chronic disease prevention.

**Professional Education and Training** - NACDD provides practice-based learning, mentoring, and leadership development opportunities that support skill building, cross-training, and best practices to drive successful implementation of evidence-based chronic disease prevention and health promotion by the target population. Technical assistance and support are aimed at public health practitioners working at the state, territorial and local levels, people working in professional positions like public health practitioners, health educators, nurses, physicians, epidemiologists, evaluators, and social workers whose focus is chronic disease prevention and health promotion.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

**Basis of Accounting**

The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP).

**Net Assets**

The financial statements report net assets and changes to net assets that are based on the existence or absence of donor-imposed restrictions as follows:

ASSOCIATION OF STATE AND TERRITORIAL CHRONIC DISEASE PROGRAM DIRECTORS  
D/B/A THE NATIONAL ASSOCIATION OF CHRONIC DISEASE DIRECTORS  
NOTES TO FINANCIAL STATEMENTS – Continued

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

- *Without donor restrictions* – net assets that are not subject to donor-imposed restrictions or the donor-imposed restrictions have expired. NACDD’s Board of Directors has designated a portion of these net assets without donor restrictions as available for use in general operations.
- *With donor restrictions* – net assets that are subject to donor-imposed restrictions. These include net assets that are subject to time or purpose restrictions. Assets with time or purpose restrictions are satisfied either by the passage of time or by actions of NACDD.

Revenue is reported as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. If an expense is incurred for a purpose for which net assets with donor restrictions are available, a donor-imposed restriction is fulfilled to the extent of the expense incurred. When a donor restriction expires (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as released from restrictions in the statement of activities. Gains and losses on investments are reported as investment income in net assets without donor restrictions.

**Cash Equivalents**

For purposes of the statement of cash flows, NACDD considers highly liquid investments with maturities of three months or less to be cash equivalents.

**Investments**

Investment securities are stated at fair value. Management fees and expenses are netted against interest and dividend income for the years ended September 30, 2020 and 2019, respectively.

**Government Grants and Other Receivables**

NACDD receives grants funding primarily from the U.S. Department of Health and Human Services (pass through entity — Centers for Disease Control and Prevention) for direct and indirect program costs and to provide certain whole or partial sub-grants to other agencies.

Federal grants are considered conditional contributions. Revenue from grants and contracts is recognized only when funds are utilized by NACDD to carry out the activity stipulated in the grants or contracts agreement. Grants and contracts receivable represent amounts due from funding organizations for reimbursable expenses incurred. Cash received under grants and contracts in advance of incurring the related expenses is reported as deferred revenue.

**Property and Equipment**

Equipment is stated at cost and is being depreciated on a straight-line basis over estimated useful life of three to seven years. Furniture and equipment are capitalized if it has a cost of \$5,000 or more and a useful life of more than one year when acquired.

ASSOCIATION OF STATE AND TERRITORIAL CHRONIC DISEASE PROGRAM DIRECTORS  
D/B/A THE NATIONAL ASSOCIATION OF CHRONIC DISEASE DIRECTORS  
NOTES TO FINANCIAL STATEMENTS – Continued

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

**Management Estimates**

NACDD's management has made certain estimates and assumptions related to the reporting of government grants receivable, accounts payable, and accrued expenses to prepare the financial statements in conformity with generally accepted accounting principles. Actual results could differ from those estimates.

**Grant Revenue**

Grant revenue is recognized when the qualifying cost are incurred for cost-reimbursement grants or contracts or when a unit of service is provided for performance grants. Grant revenue from federal agencies is subject to independent audit under the Office of Management and Budget's audit requirements for federal awards and review by grantor agencies. The review could result in the disallowance of expenditures under the terms of the grants or reductions of future grant funds. Based on prior experience, NACDD's management believes that cost ultimately disallowed, if any, would not materially affect the financial position of the organization.

**Revenue Concentrations**

For the years ended September 30, 2020 and 2019, NACDD received majority of its revenue from grants coming from the U.S. Department of Health and Human Services (pass through entity — Centers for Disease Control and Prevention). As a percentage of revenue, these grants amounted to 98% in 2020 and 99% in 2019.

**Functional Allocation of Expenses**

The cost of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NACDD's expenses are classified into two categories: 1) Program activities, which primarily focus on prevention of chronic disease, public awareness and health education, and professional education and training. 2) Support services are expenses incurred to support NACDD's mission activities. They include activities that provide governance (Board of Directors), oversight, business management, financial recordkeeping, budgeting and reporting, legal services, general and administrative, human resource management, and similar functions that ensure adequate working environment and an equitable employment program.

For the years ended September 30, 2020 and 2019 NACDD's expenses were allocated to these two areas as follows:

	2020		2019	
	Amount	%	Amount	%
Program Expenses	\$ 24,906,793	86%	\$ 21,094,075	85%
Support Expenses	3,964,376	14%	3,806,324	15%
Total	<u>\$ 28,871,169</u>	<u>100%</u>	<u>\$ 24,900,399</u>	<u>100%</u>

ASSOCIATION OF STATE AND TERRITORIAL CHRONIC DISEASE PROGRAM DIRECTORS  
D/B/A THE NATIONAL ASSOCIATION OF CHRONIC DISEASE DIRECTORS  
NOTES TO FINANCIAL STATEMENTS – Continued

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

**Tax Status**

NACDD is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code (IRC), though it would be subject to tax on income unrelated to its exempt purposes (unless that income is otherwise excluded by the IRC). Contributions to the organization are tax deductible to donors under Section 170 of the IRC. NACDD is not classified as a private foundation. NACDD is no longer subject to examination by federal, state or local tax authorities for periods before 2017.

**Adoption of New Accounting Pronouncements**

FASB issued ASU 2016-02, Leases (Topic 842), which, when effective, will require organizations to recognize assets and liabilities on the balance sheet for the rights and obligations created by the leases. A lessee will be required to recognize assets and liabilities for leases with terms that exceed twelve months. The standard will also require disclosures to help financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases. The disclosures include qualitative and quantitative requirements, providing additional information about the amounts recorded in the financial statements. NACDD does not expect the adoption to have a material impact on net assets. ASU 2020-05 Leases (Topic 842) issued on June 30, 2020, extended the effective date for this standard to fiscal year ending June 30, 2023.

In June 2018, the FASB issued ASU-2018-08, Nonprofit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. This ASU clarifies the guidance for evaluating whether a transaction is reciprocal (i.e., an exchange transaction) or nonreciprocal (i.e., a contribution) and for distinguishing between conditional and unconditional contributions. The ASU also clarifies the guidance used by entities other than nonprofits to identify and account for contributions made. The ASU has different effective dates for resource recipients and resource providers. Where NACDD is a resource recipient, the ASU is applicable to contributions received for annual periods beginning after December 15, 2018. NACDD adopted the ASU for the year ended September 30, 2020. The adoption did not have a material impact on the financial statements.

In May 2014, the Financial Accounting Standards Board (the “FASB”) issued an Accounting Standards Update (“ASU”) 2014-09, stating *Revenue from Contracts with Customers* Topic 606) will supersede the guidance in former ASC 605, Revenue Recognition. The new guidance requires entities to recognize revenue based on the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

**Reclassifications**

Certain prior year amounts have been reclassified to conform to the current year presentation.

**Subsequent Events**

Subsequent events have been evaluated through February 16, 2021, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

ASSOCIATION OF STATE AND TERRITORIAL CHRONIC DISEASE PROGRAM DIRECTORS  
D/B/A THE NATIONAL ASSOCIATION OF CHRONIC DISEASE DIRECTORS  
NOTES TO FINANCIAL STATEMENTS – Continued

**3. LIQUIDITY AND AVAILABILITY**

NACDD regularly monitors liquidity required to meet its operating needs and other financial commitments. In addition to the financial assets and other resources available for general expenditure within one year, NACDD has Board-designated Operating reserve net assets without donor restrictions of \$1,218,105 that, while NACDD does not intend to spend these for purposes other than those identified, the amounts could be made available for current operations, with Board approval as needed.

Financial assets for general expenditures available within one year from September 30, 2020, are as follows:

Financial assets:	
Cash and cash equivalents	\$ 1,771,083
Investments	1,218,105
Grants receivable	1,988,333
Other receivables	<u>61,170</u>
Total Financial Assets	5,038,691
Board Designated Operating Reserve	<u>(1,218,105)</u>
 Total Financial Assets available for general expenditures within one year	 \$ <u>3,820,586</u>

**4. INVESTMENTS**

The fair value of investments on: September 30, 2020 and 2019, are as follows:

	<u>2020</u>	<u>2019</u>
Short term Reserves and Cash	\$ 840,019	\$ -
Fixed Income Funds	287,353	-
Equity Funds	90,733	661,611
Balanced Mutual Fund	<u>-</u>	<u>407,143</u>
	\$ <u>1,218,105</u>	\$ <u>1,068,754</u>

**5. FAIR VALUE MEASUREMENTS**

NACDD follows the provisions of Statement of Financial Accounting Standards Board (FASB) Accounting Standards Codification ASC 820, Fair Value Measurements and Disclosures, for financial assets and liabilities. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. U.S. GAAP requires NACDD to disclose the fair value of each of its assets and liabilities based on the level of observable inputs. The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that a reporting entity has the ability to access at the measurement date or published net asset value for alternative investments with characteristics similar to a mutual fund.



ASSOCIATION OF STATE AND TERRITORIAL CHRONIC DISEASE PROGRAM DIRECTORS  
D/B/A THE NATIONAL ASSOCIATION OF CHRONIC DISEASE DIRECTORS  
NOTES TO FINANCIAL STATEMENTS – Continued

**5. FAIR VALUE MEASUREMENTS - continued**

- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability

The level in the fair value hierarchy within which a fair value measurement falls, in its entirety, is based on the lowest level input that is significant to the fair value measurement.

The following table summarized the NACDD's financial instruments measured at fair value on a recurring basis in accordance with ASC 820 as of September 30, 2020:

	Level 1	Level 2	Level 3	Total
Short term Reserves and Cash	\$ 840,019	\$ -	\$ -	\$ 840,019
Equity Funds	90,733	-	-	90,733
Fixed Income Funds	287,353	-	-	287,353
	<u>\$ 1,218,105</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,218,105</u>

The following table summarized the NACDD's financial instruments measured at fair value on a recurring basis in accordance with ASC 820 as of September 30, 2019:

	Level 1	Level 2	Level 3	Total
Equity funds	\$ 1,068,754	\$ -	\$ -	\$ 1,068,754
	<u>\$ 1,068,754</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,068,754</u>

**6. FURNITURE AND EQUIPMENT**

Furniture and equipment consisted of the following on September 30, 2020 and 2019:

	2020	2019
Furniture, equipment, & software	\$ 161,768	\$ 43,999
Leasehold Improvement	<u>35,617</u>	<u>35,617</u>
Total fixed assets	197,385	79,616
Less accumulated depreciation	<u>(79,613)</u>	<u>(65,978)</u>
Furniture and equipment, net	<u>\$ 117,772</u>	<u>\$ 13,638</u>

**7. DEFERRED REVENUE**

In March 2020, the President of the United States signed into law the Coronavirus Aid, Relief and Economic Security (CARES) Act, which provides Payroll Protection Program (PPP) loans to small businesses facing an unprecedented economic disruption due to the Coronavirus (COVID-19) outbreak. Paycheck Protection Program loans provide a direct incentive for small businesses to keep their workers on the payroll and to maintain their operations. On May 5, 2020, NACDD was able to

ASSOCIATION OF STATE AND TERRITORIAL CHRONIC DISEASE PROGRAM DIRECTORS  
D/B/A THE NATIONAL ASSOCIATION OF CHRONIC DISEASE DIRECTORS  
NOTES TO FINANCIAL STATEMENTS – Continued

**7. DEFERRED REVENUE - continued**

secure a loan of \$555,877 from the U.S. Government's Payroll Protection Program (PPP). The loan matures in 24 months or on May 5, 2022, with an interest rate of 1%. The loan and accrued interest may be eligible for forgiveness if the funds are used for eligible payroll, benefit, and other qualified expenses during the 24-week covered period. The loan has been accounted for as a conditional contribution from the U.S. Government (ASC Subtopic 958-605), and will be recognized into income when conditions are substantially met, including the approval of the application for loan forgiveness.

**8. LEASE COMMITMENTS**

NACDD leases office space under an operating lease that expires on February 28, 2020 with a provision to extend this lease for up to three additional, one-year periods. Rent expense was \$78,520 and \$78,411 for the years ended September 30, 2020 and 2019, respectively.

Gross minimum lease payments due per above lease agreement is \$32,717 for fiscal year 2021.

**9. EMPLOYEE BENEFIT PLAN**

NACDD sponsors a defined contribution 401(k) retirement plan in which all employees are eligible to participate. Contributions may be made by employees through pretax contributions. NACDD matches contributions 100% up to 5% of an employee's salary and matches 100% up to 7% of the CEOs salary. This is an increase from the prior year of 100% employer match up to the first 3% and additional 50% employer match up to 5% of their salary. Expenditures for employer contributions to the plan totaled \$122,097 and \$76,123 for the years ended September 30, 2020 and 2019, respectively.

**10. NET ASSETS**

	2020		2019	
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
Available for operations	\$ 1,390,274	\$ -	\$ 3,132,162	\$ -
Board designated operating reserve	1,218,105	-	1,068,754	-
Federal Grants- Administrative	-	-	-	608,467
Lupus Education- ACR#2	-	9,644	-	3,233
Community eConnect – Nevada	-	-	-	7,091
Community eConnect – Missouri	-	40	-	(12,707)
Community eConnect – Delaware	-	7,487	-	11,546
Hawaii Department of Health	-	15,000	-	56,052
South Dakota Dept. of Health	-	-	-	(63)
Arkansas Dept. of Public Health	-	-	-	1,851
Georgia Dept. of Health	-	14,451	-	4,052
Florida Dept. of Health- DMS-PO	-	-	-	15,444
Florida Dept. of Health-Clinic	-	15,223	-	15,223
ScreenVision- Montana	-	-	-	8,571
ScreenVision- South Carolina	-	-	-	10,000
North Dakota Health Equity	-	2,110	-	-



ASSOCIATION OF STATE AND TERRITORIAL CHRONIC DISEASE PROGRAM DIRECTORS  
D/B/A THE NATIONAL ASSOCIATION OF CHRONIC DISEASE DIRECTORS  
NOTES TO FINANCIAL STATEMENTS – Continued

**10. NET ASSETS - continued**

	2020		2019	
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
Community eConnect- Texas	-	2,600	-	-
ScreenVision- Connecticut	-	450	-	-
North Dakota Oral Health Grant	-	(5,039)	-	-
Active Southern West Virginia	-	7,500	-	-
	<u>\$ 2,608,379</u>	<u>\$ 69,466</u>	<u>\$ 4,200,916</u>	<u>\$ 728,760</u>

**11. COMMITMENT AND CONTINGENCY**

The COVID-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The United States and global markets experienced significant declines in value resulting from uncertainty caused by the pandemic. NACDD is closely monitoring its liquidity and is actively working to minimize the impact of these declines. The extent of the impact of COVID-19 on NACDD's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impact on NACDD's donors, employees, and vendors, all of which at present, cannot be determined. Accordingly, the extent to which COVID-19 may impact NACDD's financial position and changes in net assets and cash flows is uncertain and the accompanying financial statements include no adjustments relating to the effects of this pandemic.

## **SINGLE AUDIT SECTION**

ASSOCIATION OF STATE AND TERRITORIAL CHRONIC DISEASE PROGRAM DIRECTORS  
D/B/A THE NATIONAL ASSOCIATION OF CHRONIC DISEASE DIRECTORS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
SEPTEMBER 30, 2020

**Federal Grantor**

<i>Pass Through Grantor</i> Title of Federal Program	Contract Number	CFDA Number	Passed-through to Subrecipients	Federal Expenditures
Research and Development Cluster –				
<b>Department of Health and Human Services</b>				
<i>Passed through University of Washington</i>				
Low Wage IB Intervention	RO1CA160217	93.394	\$ -	\$ 19,681
Total Cancer Detection and Diagnosis Research			-	19,681
<b>Total Department of Health and Human Services</b>			-	19,681
Total Research and Development Cluster			-	19,681
Other Programs –				
<b>Department of Health and Human Services</b>				
<i>Direct Federal</i>				
Advancing Arthritis Public Health Approaches				
Through National Organizations	NU58DP006261	93.068	15,770	453,419
Prior year indirect costs overage	NU58DP006261	93.068	-	(19,958)
Total Chronic Diseases: Research, Control, and Prevention			15,770	433,461
<i>Direct Federal</i>				
Scaling and Sustaining the Diabetes Prevention Program	NU58DP006363	93.261	-	1,301,813
Prior year indirect costs overage	NU58DP006363	93.261	-	(121,656)
Total Scaling the National Diabetes Prevention Program to Priority Populations			-	1,180,157
<i>Passed through American Heart Association</i>				
The Partnership to Prevent Heart Disease and Stroke	NU58DP006117	93.334	-	5,232
Total Healthy Brain Initiative			-	5,232
<i>Passed through North Dakota Department of Health</i>				
Oral Health State Engagement Implementation				
For North Dakota Program	NU58DP006477	93.366	-	84,359
Total State Actions to Improve Oral Health				
Outcomes and Partner Actions to Improve Oral Health Outcomes			\$ -	\$ 84,359

ASSOCIATION OF STATE AND TERRITORIAL CHRONIC DISEASE PROGRAM DIRECTORS  
D/B/A THE NATIONAL ASSOCIATION OF CHRONIC DISEASE DIRECTORS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
SEPTEMBER 30, 2020

**Federal Grantor**

<i>Pass Through Grantor</i> Title of Federal Program	Contract Number	CFDA Number	Passed-through to Subrecipients	Federal Expenditures
Other Programs (Continued) –				
<b>Department of Health and Human Services - Continued</b>				
<i>Direct Federal</i>				
Preventative Health and Health Services	NU38OT0002896	93.421	\$ 368,566	\$ 21,707,862
COVID-19 Messaging for Chronic Disease Directors	NU38OT0002896	93.421	-	1,169,041
Prior year indirect costs overage	NU38OT0002896	93.421	-	(1,243,343)
Total State Actions to Improve Oral Health Outcomes and Partner Actions to Improve Oral Health Outcomes			<u>368,566</u>	<u>21,633,560</u>
<i>Passed through Nevada Department of Health and Human Services</i>				
Heart Disease and Stroke Prevention Program	NU58DP006538	93.426	-	67,335
<i>Passed through Missouri Department of Health and Senior Services</i>				
Community E-Connect	NU58DP006520	93.426	-	33,397
<i>Passed through Hawaii Department of Health</i>				
Community E-Connect	DP18-1805PPHF18	93.426	-	98,952
Total Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke			-	<u>199,684</u>
<i>Direct Federal</i>				
Partner Actions to Improve Oral Health Outcomes	NU58DP006574	93.446	-	129,272
Prior year indirect costs overage	NU58DP006574	93.446	-	(16,039)
Total Partner Actions to Improve Oral Health Outcomes			-	<u>113,233</u>
<i>Direct Federal</i>				
National Center for Chronic Disease Prevention For North Dakota Program	NU58DP006510	93.809	-	2,528,041
Prior year indirect cost overage	NU58DP006510	93.809	-	(151,033)
Total ILPI			-	<u>2,377,008</u>
<b>Total Department of Health and Human Services</b>			<u>384,336</u>	<u>26,026,694</u>
Total Other Programs			<u>384,336</u>	<u>26,026,694</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 384,336</u>	<u>\$ 26,046,375</u>

ASSOCIATION OF STATE AND TERRITORIAL CHRONIC DISEASE PROGRAM DIRECTORS  
D/B/A THE NATIONAL ASSOCIATION OF CHRONIC DISEASE DIRECTORS  
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
SEPTEMBER 30, 2020

**Note 1 - Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the Association of State and Territorial Chronic Disease Program Directors d/b/a The National Association of Chronic Disease Directors under programs of the federal government for the year ended September 30, 2020. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of NACDD, it is not intended to and does not present the financial position, changes in net assets, or cash flows of NACDD.

**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.

**Note 3 - Indirect Cost Rate**

NACDD has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Note 4 – Prior year indirect cost overage**

In the past, NACDD has followed the budget guidelines provided by the federal agency over the application of indirect costs. However, during year ended September 30, 2020, NACDD discovered that their calculation of the eligible direct cost base was not in line with the terms of the FY 19 agreement. Per the indirect cost rate agreement, the eligible direct cost for "Contractual Costs" is limited to first \$25,000 per contract. However, the budget approved by the federal agency allowed for 100% of contractual costs to be included in the eligible direct cost base. NACDD immediately determined the amount of overstated indirect costs and credited those costs to the affected programs. The total amount credited is \$1,552,029 and is presented on the face of the Schedule by grant. The prior year overstatement of indirect costs of \$1,552,029 is netted against grant revenue on the Statement of Activities for the year ended September 30, 2020.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
*GOVERNMENT AUDITING STANDARDS*

To the Board of Directors and Officers of  
Association of State and Territorial Chronic Disease Program Directors  
d/b/a The National Association of Chronic Disease Directors

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Association of State and Territorial Chronic Disease Program Directors d/b/a The National Association of Chronic Disease Directors ("NACDD") (a nonprofit organization), which comprise the statement of financial position as of September 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 16, 2021.

**Internal Control Over Financial Reporting**

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether NACDD's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.



Morrow, Georgia  
February 16, 2021

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE  
UNIFORM GUIDANCE

To the Board of Directors and Officers of  
Association of State and Territorial Chronic Disease Program Directors  
d/b/a The National Association of Chronic Disease Directors

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

We have audited the Association of State and Territorial Chronic Disease Program Directors d/b/a The National Association of Chronic Disease Directors' ("NACDD") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of NACDD's major federal programs for the year ended September 30, 2020. NACDD's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditor's Responsibility**

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



## Opinion on Each Major Federal Program

In our opinion, NACDD 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, 2020.

## Report on Internal Control over Compliance

Management of NACDD 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 NACDD'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 NACDD'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.

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.



Morrow, Georgia  
February 16, 2021

ASSOCIATION OF STATE AND TERRITORIAL CHRONIC DISEASE PROGRAM DIRECTORS  
D/B/A THE NATIONAL ASSOCIATION OF CHRONIC DISEASE DIRECTORS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
SEPTEMBER 30, 2020

**Financial Statements**

Type of auditor's report issued: **Unmodified**

Internal control over financial reporting:

	<u>Yes</u>	<u>No</u>	<u>None Reported</u>
• Material weakness(es) identified?	<u>          </u>	<u>    X    </u>	
• Significant deficiencies identified that are not considered to be material weaknesses?	<u>          </u>	<u>          </u>	<u>    X    </u>
Noncompliance material to financial statements noted?	<u>          </u>	<u>    X    </u>	

**Federal Awards**

Internal control over major programs:

• Material weakness(es) identified?	<u>          </u>	<u>    X    </u>	
• Significant deficiencies identified that are not considered to be material weaknesses?	<u>          </u>	<u>          </u>	<u>    X    </u>

Type of auditor's report issued on compliance for  
Major programs: **Unmodified**

Any audit findings disclosed that are required to  
be reported in accordance with 2 CFR section 200.516(a)  
of the Uniform Guidance?

               X

ASSOCIATION OF STATE AND TERRITORIAL CHRONIC DISEASE PROGRAM DIRECTORS  
D/B/A THE NATIONAL ASSOCIATION OF CHRONIC DISEASE DIRECTORS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
SEPTEMBER 30, 2020

**Identification of Major Programs:**

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.421	Strengthening Public Health Systems and Services through National Partnerships To Improve and Protect the Nations Health

Dollar threshold used to distinguish between  
type A and type B programs:

\$750,000

Yes

No

Auditee qualified as low-risk auditee?

X

**Section II – Financial Statement Findings**

No matters were reported.

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

No matters were reported.