

# **American Academy of Pediatrics**

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**Federal Awards  
Supplemental Information  
June 30, 2016**

# American Academy of Pediatrics

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Report on Schedule of Expenditures of Federal Awards  
Required by the Uniform Guidance  
Independent Auditor's Report

To the Board of Directors  
American Academy of Pediatrics

We have audited the basic financial statements of the American Academy of Pediatrics as of and for the year ended June 30, 2016 and have issued our report thereon dated September 27, 2016, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. We have not performed any procedures with respect to the audited financial statements subsequent to September 27, 2016.

The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by the Uniform Guidance 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.

*Plante & Moran, PLLC*

September 27, 2016

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*

Independent Auditor's Report

To Management and the Board of Directors  
American Academy of Pediatrics

We have audited, 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, the financial statements of the American Academy of Pediatrics (the "Academy"), which comprise the statement of financial position as of June 30, 2016 and the related statements of activities, changes in net assets, and cash flows for the year then ended, and related notes to the financial statements, and have issued our report thereon dated September 27, 2016.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Academy's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control. Accordingly, we do not express an opinion on the effectiveness of the Academy'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 Academy's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

To Management and the Board of Directors  
American Academy of Pediatrics

### **Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Academy'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 Academy's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Plante & Moran, PLLC*

September 27, 2016

Report on Compliance for Each Major Federal Program;  
Report on Internal Control Over Compliance  
Independent Auditor's Report

To the Board of Directors  
American Academy of Pediatrics

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

We have audited the American Academy of Pediatrics' (the "Academy") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016. The Academy'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 the requirements of laws, regulations, contracts, and grants applicable to each of its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Academy'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* (the "Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Academy's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Academy's compliance.

To the Board of Directors  
American Academy of Pediatrics

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

In our opinion, the Academy 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 June 30, 2016.

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

Management of the Academy is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Academy's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Academy's internal control over compliance.

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

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

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

*Plante & Moran, PLLC*

September 27, 2016

# American Academy of Pediatrics

## Schedule of Expenditures of Federal Awards Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program Title	CFDA	Pass-through Number	Federal Expenditures	Provided to Subrecipients
Research and Development Cluster:				
U.S. Department of Health and Human Services:				
Maternal and Child Health Federal Consolidated Programs	93.110			
Direct Awards:				
MCH Research Network Programs			\$ 219,772	\$ 15,311
Child Care			42,733	
Bright Futures Pediatric Implementation			1,420,284	191,610
Primary Care Drug Therapeutics CER in a Pediatric EHR Network			468,438	148,646
Medical Home Capacity Building for Children with Special Health Care Needs			1,384,085	103,270
Coordinating Center for Access to Services for Children and Youths with Epilepsy			714,096	235,648
Alliance for Innovation on Maternal and Child Health (AIM)			321,475	45,632
Pass-through from Boston University Medical Center - The Catalyst Center: National Center for Health Insurance and Financing for Children and Youth with Special Healthcare Needs		4500001894	37,424	-
Pass-through from Massachusetts General Hospital: Autism Intervention Research Network for Physical Health		220045	50,000	-
Total Maternal and Child Health Federal Consolidated Programs			4,658,307	740,117
Agency for Healthcare Research and Quality - Research on Healthcare Costs, Quality, and Outcomes:				
Direct Awards:	93.226			
National Center for Pediatric Practice Based Research and Learning			121,751	52,336
Asthma Mobile App Development, Dissemination and Evaluation			54,352	-
Evidence-based Childhood Obesity Treatment: Improving Access and Systems of Care			20,758	-
Pass-through from Albert Einstein College of Medicine of Yeshiva University - Reducing Diagnostic Errors in Primary Care Pediatrics		310809	98,334	-
Pass-through from Medical College of Wisconsin - CHIPRA Pediatric Healthcare Quality Measures in Program Centers of Excellence		U18HS020498	72,604	-
Pass-through from Children's Hospital of Philadelphia - Informing Policy to Implement Pediatric Family Engagement in Meaningful Use Stage 3		3210230914	6,981	-
Total Agency for Healthcare Research and Quality			374,780	52,336
Centers for Disease Control and Prevention				
National Center for Immunization and Respiratory Diseases	93.185			
Direct Awards - Increasing Adolescent Immunization Rates through Pediatric Partnerships			87,071	5,000
National Institutes of Health:				
National Cancer Institute:	93.393			
Direct Awards - Adolescent Smoking Cessation in Pediatric Primary Care			176,972	14,949
Pass-through from Massachusetts General Hospital - Changing Pediatric Office Systems Nationally to Address Parental Tobacco Use		221371	87,864	-
National Cancer Institute - Pass-through from Massachusetts General Hospital - Addressing Parental Smoking by Changing Pediatric Office Systems	93.701	R01CA127127	(30)	-
Total National Cancer Institute			264,806	14,949

See Notes to Schedule of Expenditures  
of Federal Awards.



# American Academy of Pediatrics

## Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program Title	CFDA	Pass-through Number	Federal Expenditures	Provided to Subrecipients
Research and Development Cluster (Continued):				
U.S. Department of Health and Human Services (Continued):				
National Institute of Child Health and Human Development - Pass-through from Seattle Children's Research Institute: Dialogue Around Respiratory Illness Treatment (DART)	93.865	11320SUB	\$ 85,715	\$ -
National Institute on Drug Abuse - Direct Awards - Helping Eliminate Marijuana Use Through Pediatric Practice	93.279		11,075	-
National Institute of Mental Health - Direct Awards - Transition to Medication Self-Management for Youth with ASD & Co-Occurring ADHD	93.242		212,258	152,361
Total Research and Development Cluster			5,694,012	964,763
U.S. Department of Health and Human Services:				
Administration for Children and Families - Office of Head Start - Direct Awards - National Center on Health	93.600		5,698,026	2,347,565
Centers for Disease Control and Prevention:				
Office for State, Tribal, Local and Territorial Support - Direct Awards - PPHF 2013: OSTLTS Partnerships - CBA of the Public Health System ( <i>Umbrella Agreement</i> )	93.424		2,164,440	194,913
National Center for Immunization and Respiratory Diseases - Direct Awards - Increasing Immunization Rates and Enhancing Disease Prevention through Partnerships with Providers	93.733		1,463,830	142,316
National Center on Birth Defects and Developmental Disabilities - Disabilities - Direct Awards - Public Health Program to Enhance Health & Development in Infants and Children	93.283		77,226	-
National Center for Chronic Disease Prevention and Health Promotion Direct Awards - Priority 7 - School Health Services	93.938		285,023	-
Pass-through from the American Lung Association - Providing Technical Assistance for Effective Tobacco Cessation Policies	93.759	U58DP004966	45,697	-
Agency For Toxic Substances and Disease Registry - Direct Awards - Meeting the Environmental Health Needs of Children	93.161		1,100,210	815,816
Total Centers for Disease Control and Prevention			5,136,426	1,153,045
Substance Abuse and Mental Health Services Administration -				
Substance Abuse and Mental Health Services Projects of Regional and National Significance - Pass-through from the American Academy Addiction Psychiatry Providers' Clinical Support System for Opioid Therapies	93.243	PCSSO14-4	27,615	-
U.S. Agency for International Development -				
Foreign Assistance for Programs Overseas:	98.001			
Pass-through from Jhpiego Corporation - Grand Challenge for Development - Saving Lives at Birth		13-SBA-058	314	-
Pass-through from Save the Children Federation, Inc - Survive and Thrive Global Domestic Alliance		14-SBA-035	335,487	184,822
Total U.S. Agency for International Development			335,801	184,822
Total expenditures of federal awards			\$ 16,891,880	\$ 4,650,195

See Notes to Schedule of Expenditures  
of Federal Awards.

# American Academy of Pediatrics

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## Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2016

### Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the American Academy of Pediatrics under programs of the federal government for the year ended June 30, 2016. 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* (the "Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the American Academy of Pediatrics, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the American Academy of Pediatrics.

### 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, as applicable, either the cost principles in OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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. Pass-through entity identifying numbers are presented where available.

The Academy has elected not to use the 10 percent *de minimus* indirect cost rate to recover indirect costs as allowed under the Uniform Guidance.

### Note 3 - Adjustments and Transfers

During the year ended June 30, 2016, there were no transfers of grant overpayments.

### Note 4 - Loans Outstanding

Of the federal expenditures presented in the Schedule, there were no loans or loan guarantees outstanding at June 30, 2016.

### Note 5 - Noncash Assistance

The grantee neither received nor disbursed federal awards in the form of nonmonetary assistance for the year ended June 30, 2016.

# American Academy of Pediatrics

## Schedule of Findings and Questioned Costs Year Ended June 30, 2016

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

#### Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?  Yes  None reported

Noncompliance material to financial statements noted?

Yes  No

#### Federal Awards

Internal control over major programs:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?  Yes  None reported

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 Section 2 CFR 200.516 (a)?

Yes  No

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
93.600	Head Start - National Center on Health
93.733	Increasing Immunization Rates and Enhancing Disease Prevention Through Partnerships with Providers

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

Auditee qualified as low-risk auditee?  Yes  No

### Section II - Financial Statement Audit Findings

None

### Section III - Federal Program Audit Findings

None