

FINANCIAL STATEMENTS  
NORTH DAKOTA MEDICAL IMAGING AND  
RADIATION THERAPY BOARD  
For the Years Ended  
December 31, 2019 and 2018

NORTH DAKOTA MEDICAL IMAGING AND  
RADIATION THERAPY BOARD  
Bismarck, North Dakota  
December 31, 2019 and 2018

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*Yvonne M. Kubis*  
*Certified*  
*Public Accountant*

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
North Dakota Medical Imaging and  
Radiation Therapy Board of Examiners  
P O Box 398  
Bismarck, ND 58502

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the North Dakota Medical Imaging and Radiation Therapy Board of Examiners, as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

**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**

My responsibility is to express opinions on these statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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 judgement, including the assessment of the risks of material misstatements, 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, I 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.



I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

#### Opinions

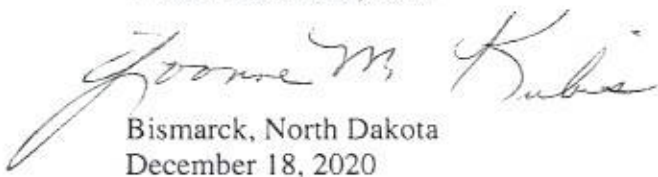
In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the North Dakota Medical Imaging and Radiation Therapy Board of Examiners, as of December 31, 2019 and 2018, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### Other Matters

##### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 8 and on pages 17 and 23 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who consider it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standard generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, and other knowledge I obtained during my audit of the basic financial statements. I did not express opinions or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express opinions or provide any assurance.

Yvonne M. Kubis, CPA



Bismarck, North Dakota  
December 18, 2020



## Management's Discussion and Analysis

As management of the North Dakota Medical Imaging and Radiation Therapy Board of Examiners, we offer the readers of the North Dakota Medical Imaging and Radiation Therapy Board of Examiners' financial statements this narrative overview and analysis of the financial activities for the North Dakota Medical Imaging and Radiation Therapy Board of Examiners for the years ended December 31, 2019 and 2018. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the North Dakota Medical Imaging and Radiation Therapy Board of Examiners' financial statements, which follow this narrative.

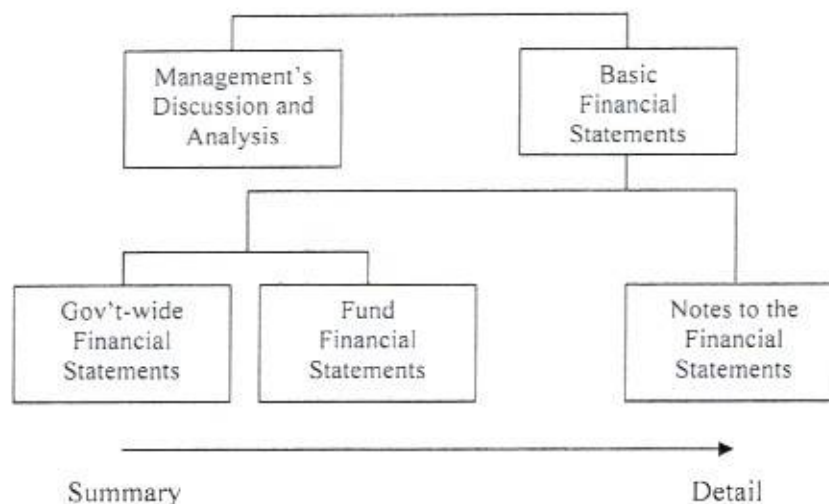
### Financial Highlights

- The assets of the North Dakota Medical Imaging and Radiation Therapy Board of Examiners *exceeded* its liabilities at the close of the years of 2019 and 2018 by \$164,270 and \$142,687 respectively.
- The governmental Board's total net assets *increased* by \$21,583 in 2019 and *increased* by \$57,381 in 2018, primarily due to variances in the governmental type activities net assets.
- As of the close of the year 2019, the North Dakota Medical Imaging and Radiation Therapy Board of Examiners' governmental funds reported combined ending fund balances of \$164,270 an *increase* of \$21,583 in comparison with the prior year. As of the close of the fiscal year 2018, the governmental funds reported combined ending fund balances of \$142,687 an *increase* of \$57,381 in comparison with the prior year. Approximately 99 percent of the total fund balances of \$164,270 for 2019 and \$142,687 for 2018 were available for spending at the Board's discretion at the end of each year.
- At the end of the years 2019 and 2018 the unreserved fund balances for the General Fund were \$164,206 and \$142,629 respectively, or 99 percent of total expenditures for the fiscal years.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to North Dakota Medical Imaging and Radiation Therapy Board of Examiners's basic financial statements. The Board's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the Board through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the North Dakota Medical Imaging and Radiation Therapy Board of Examiners.

## Required Components of Annual Financial Report



### Basic Financial Statements

The first two statements in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the Board's financial status.

The next statements are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Board's government. These statements provide more detail than the government funds statements; 1) the governmental funds statements; and 2) the budgetary comparison statements; and 3) the proprietary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the Board's individual funds. Budgetary information can be found in this part of the statements.

### Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Board's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the Board's financial status as a whole.

The two government-wide statements report the Board's net position and how they have changed. Net position is the difference between the Board's total assets and total liabilities. Measuring net position is one way to gauge the Board's financial condition.

The governmental activities include most of the Board's basic services such as public safety and general administration. Licence renewals and fees finance are most to these activities.



## Fund Financial Statements

The fund financial statements (see Figure 2) provide a more detailed look at the Board's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The North Dakota Medical Imaging and Radiation Therapy Board of Examiners, like all other government entities in North Dakota, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the Board's budget ordinance. All of the funds of North Dakota Medical Imaging and Radiation Therapy Board of Examiners are categorized under governmental funds.

**Governmental Funds** - Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* that provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the Board's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The North Dakota Medical Imaging and Radiation Therapy Board of Examiners adopts a biennial budget for its General Fund, as required by the Board. The budget is a document that incorporates input from the Board, the management of the Board, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the Board to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the Board complied with the budget and whether or not the Board succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the budget document. The statement shows four columns: 1) the original budget as adopted by the board; 2) the final budget as amended by the board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

**Notes to the Financial Statements** - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 17-23 of this report.

## Government-Wide Financial Analysis

The government-wide financial statements for the years ended December 31, 2019 and 2018 are based on a new era in financial reporting for the North Dakota Medical Imaging and Radiation Therapy Board of Examiners and many other units of government across the United States. Prior to this, the North Dakota Medical Imaging and Radiation Therapy Board of Examiners maintained their governmental fund as a separate and very distinct type of accounting without any type of consolidated statement that accurately reflected the operations and net assets of the governmental Board as a whole. These statements were basically the equivalent of the fund financial statements that appear in this report with two account groups, the long-term debt and the general fixed assets, added in.

The changes in the financial statement reporting model are mandated by the Governmental Accounting Standards Board (GASB). GASB Statement 34 dictated the changes you see in the North Dakota Medical Imaging and Radiation Therapy Board of Examiners' financial reports as well as those of many other units of government. While other units of government were required to implement these changes for the fiscal year ended June 30, 2002 or 2003, the North Dakota Medical Imaging and Radiation Therapy Board of Examiners was required to implement Statement 34 as of January 1, 2016.

#### North Dakota Medical Imaging and Radiation Therapy Board of Examiners's Net Position

Figure 2

	Activities <u>2019</u>	Activities <u>2018</u>
Current Assets	\$ 338,757	\$ 184,475
Capital Assets	<u>0</u>	<u>0</u>
Total Assets	\$ 338,757	\$ 184,475
Current Liabilities	<u>174,487</u>	<u>41,788</u>
Total Liabilities	174,487	41,788
Net Position:		
Restricted for Other Purposes	4,390	3,644
Unrestricted	<u>159,880</u>	<u>139,043</u>
Total Net Position	\$ <u>164,270</u>	\$ <u>142,687</u>

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets of the North Dakota Medical Imaging and Radiation Therapy Board of Examiners exceeded liabilities by \$164,270 as of December 31, 2019 and by \$142,687 as of December 31, 2018. The Board's net position *increased* by \$21,583 for the fiscal year ended December 31, 2019 and *increased* by \$57,381 as of December 31, 2018. The Board owns no capital assets.



The North Dakota Medical Imaging and Radiation Therapy Board of Examiners has had a decrease in net assets over recent years. Revenues decreased since 2018 due to Covid-19. The expenses have also decreased.

**North Dakota Medical Imaging and Radiation Therapy Board of Examiners 's  
Changes in Net Position**

**Figure 3**

	Governmental Activities <u>2019</u>	Governmental Activities <u>2018</u>
Revenues:		
Program Revenues		
Charges for Services	\$ 0	\$ 0
General Revenues:		
Licences and Fees	80,917	157,652
Late Fees	0	850
Unrestricted Interest Income	1,047	955
Miscellaneous	<u>843</u>	<u>85</u>
Total Revenues	\$ 82,807	\$ 159,542
Expenses:		
General Government	<u>\$ 61,224</u>	<u>\$ 102,161</u>
Total Expenses	61,224	102,161
Increase (Decrease) in Net Position	21,583	57,381
Net Position, January 1	<u>142,687</u>	<u>85,306</u>
	\$ 164,270	\$ 142,687

**Governmental activities.** Governmental activities increased the Board's net position by \$21,583 in 2019 and increased the net position by \$57,381 in 2018 .

**Financial Analysis of the Board's Funds**

As noted earlier, the North Dakota Medical Imaging and Radiation Therapy Board of Examiners uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The North Dakota Medical Imaging and Radiation Therapy Board of Examiners has had a steady increase in Fund Balance since its inception in 2016 until 2018. Revenues increased steadily since 2016 until 2018 due to Covid-19. Expenses have decreased since 2018.

**Governmental Funds** The focus of the North Dakota Medical Imaging and Radiation Therapy Board of Examiners' governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the North Dakota Medical Imaging and Radiation Therapy Board of Examiners' financing requirements.

Specifically, unreserved fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of the North Dakota Medical Imaging and Radiation Therapy Board of Examiners. The unreserved fund balance of the General Fund and the related total fund balance for fiscal years 2019 and 2018 were \$164,206, with a total of \$164,270 and \$142,629 with a total of \$142,687 respectively. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balances and total fund balances to total fund expenditures. Unreserved fund balances represented about 99 percent of total General Fund expenditures for both years.

At December 31, 2019 the governmental funds of the North Dakota Medical Imaging and Radiation Therapy Board of Examiners reported fund balances of \$164,270 and \$142,687 respectively. Year 2019 represented a 15 percent increase over prior year.

### **General Fund Budgetary Highlights**

Revenues for the two year period January 1, 2018 thru December 31, 2019 were more than the budgeted amounts. The expenses were less than budgeted.

### **Economic Factors and Next Year's Budget and Rates**

The following key economic indicators reflect the growth and prosperity of the Board.

- \*Reasonable number of licenses
- \*A continuing demand for imaging and radiation therapists in North Dakota
- \*An undetermined decrease in membership with a related decrease in expenses due to Covid-19.

### **Budget Highlights for the Fiscal Year Ending December 31, 2021**

**Governmental Activities:** Revenues are expected to increase from new and renewed licenses. Expenses are expected to be decreased. The amount for the Website and database was decreased to \$20,000 from \$50,000 as the major improvements have been made. The budget was approved on January 3, 2020.

### **Requests for Information**

This report is designed to provide an overview of the Board's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to North Dakota Medical Imaging and Radiation Therapy Board of Examiners, P O Box 398, Bismarck, ND 58502, 701-425-0861

NORTH DAKOTA MEDICAL IMAGING AND RADIATION THERAPY  
BOARD OF EXAMINERS  
Bismarck, North Dakota  
Statements of Net Position  
December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Assets:		
Current Assets:		
Cash and Cash Equivalents	\$ 196,324	\$ 83,095
Certificates of Deposit	140,938	100,407
Interest Receivable	1,431	915
Prepaid Expenditures	<u>64</u>	<u>58</u>
Total Current Assets	\$ 338,757	\$ 184,475
 Total Assets	 <u>\$ 338,757</u>	 <u>\$ 184,475</u>
 Liabilities:		
Current Liabilities:		
Accounts Payable	\$ 4,390	\$ 3,644
Deferred Revenue	<u>170,097</u>	<u>38,144</u>
Total Current Liabilities	<u>\$ 174,487</u>	<u>\$ 41,788</u>
 Total Liabilities	 <u>\$ 174,487</u>	 <u>\$ 41,788</u>
 Net Position:		
Restricted for Other Purposes	\$ 4,390	\$ 3,644
Unrestricted	<u>159,880</u>	<u>139,043</u>
 Total Net Position	 <u>\$ 164,270</u>	 <u>\$ 142,687</u>



NORTH DAKOTA MEDICAL IMAGING AND RADIATION THERAPY  
BOARD OF EXAMINERS  
Bismarck, North Dakota  
Statement of Activities  
For the Year Ended December 31, 2019

Functions/Programs	<u>Expenses</u>	<u>Program Revenues</u>		Changes in Net Position Primary Governmental Activities
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Primary Government:				
Governmental Activities:				
General Government	\$ 61,274	\$ 50	\$ 0	\$ (61,224)
Total Primary Government	\$ 61,274	\$ 50	\$ 0	\$ (61,224)
General Revenues:				
Licenses and Fees				\$ 80,917
Late Fees				0
Unrestricted Interest Income				1,047
Miscellaneous				<u>843</u>
Total General Revenues				\$ <u>82,807</u>
Changes in Net Position				\$ 21,583
Net Position – Beginning				<u>142,687</u>
Net Position - Ending				\$ <u>164,270</u>

NORTH DAKOTA MEDICAL IMAGING AND RADIATION THERAPY  
BOARD OF EXAMINERS  
Bismarck, North Dakota  
Statement of Activities  
For the Year Ended December 31, 2018

Functions/Programs	<u>Expenses</u>	<u>Program Revenues</u>		Changes in Net Position Primary Government Governmental Activities
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Primary Government:				
Governmental Activities:				
General Government	\$ 102,261	\$ 100	\$ 0	\$ (102,161)
Total Primary Government	\$ 102,261	\$ 100	\$ 0	\$ (102,161)
General Revenues:				
Licenses and Fees				\$ 157,652
Late Fees				850
Miscellaneous Income				85
Interest Income				<u>955</u>
Total General Revenues				\$ 159,542
Changes in Net Position				\$ 57,381
Net Position – Beginning				<u>85,306</u>
Net Position - Ending				\$ 142,687

NORTH DAKOTA MEDICAL IMAGING AND RADIATION THERAPY  
BOARD OF EXAMINERS  
Bismarck, North Dakota  
Balance Sheets - Governmental Funds  
December 31, 2019 and 2018

	<u>2019</u> <u>General</u>	<u>2018</u> <u>General</u>
Assets:		
Cash and Cash Equivalents	\$ 196,324	\$ 83,095
Certificates of Deposit	140,938	100,407
Interest Receivable	1,431	915
Prepaid Expenditures	<u>64</u>	<u>58</u>
Total Assets	<u>\$ 338,757</u>	<u>\$ 184,475</u>
Liabilities and Fund Balances		
Liabilities:		
Accounts Payable	\$ 4,390	\$ 3,644
Deferred Revenues	<u>170,097</u>	<u>38,144</u>
Total Liabilities	\$ 174,487	\$ 41,788
Fund Balances:		
Reserved for:		
Prepaid Expenditures	\$ 64	\$ 58
Unreserved and Undesignated:	164,206	142,629
Reported in the General Fund		
Total Fund Balances (Deficit)	<u>\$ 164,270</u>	<u>\$ 142,687</u>
Total Liabilities and Fund Balances	<u>\$ 338,757</u>	<u>\$ 184,475</u>



NORTH DAKOTA MEDICAL IMAGING AND RADIATION THERAPY  
BOARD OF EXAMINERS

Bismarck, North Dakota

Reconciliation of the Governmental Funds Balance Sheets  
to the Statements of Net Position  
December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Total Governmental Fund Balances	\$ 164,270	\$ 142,687
The Board has no long-term assets or liabilities including property and equipment. Therefore no reconciliation is required between the fund financial statements and the government wide financial statements.	<u>0</u>	<u>0</u>
Net Position of Governmental Activities	<u>\$ 164,270</u>	<u>\$ 142,687</u>

NORTH DAKOTA MEDICAL IMAGING AND RADIATION THERAPY  
BOARD OF EXAMINERS  
Bismarck, North Dakota  
Statements of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Years Ended December 31, 2019 and 2018

	2019 <u>General</u>	2018 <u>General</u>
Revenues:		
License Application Fee	\$ 3,225	\$ 3,600
Online Renewals	0	0
License Fee	24,682	25,918
Renewal Fees	47,610	126,264
BD Tech License	236	0
BD Tech Renewal	17	0
New LXMO	1,810	0
Renewal LXMO	242	0
Late Fee	0	850
Temporary License	3,095	1,870
Miscellaneous Income	893	185
Interest Income	<u>1,047</u>	<u>955</u>
Total Revenues	\$ <u>82,857</u>	\$ <u>159,642</u>
Expenditures:		
Association Management	\$ 36,075	\$ 34,800
Board Member Training	3	0
Postage	490	1,212
Photocopies - APT	217	317
Printing - Forms/Newsletter	1,034	0
Web Page	36	36
Legal Fees – Business & Litigation	4,891	3,713
Dues & Subscription	0	0
Record Retention/File Management	0	0
Office Supplies	686	51
Telephone/Faxes	646	895
Advertising – Administration Rules	2,747	0
Technology Development	0	0
Audit Fees	0	990
Bank Fees	0	0
Credit Card/PayPal Fees	6,123	292
Meetings	2,484	3,251
Mileage	380	270

Lodging	0	169
Meals	37	45
Per Diem	1,000	1,300
Insurance- Risk Management/WFS	835	1,053
Website Improvement & Security	3,590	53,867
Admin Rules Research & Development	0	0
Miscellaneous Expenses	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$ 61,274</u>	<u>\$ 102,261</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 21,583</u>	<u>\$ 57,381</u>
Net Change in Fund Balances		
Fund Balances (Deficit) – Beginning	<u>\$ 142,687</u>	<u>\$ 85,306</u>
Fund Balances (Deficit) - Ending	<u>\$ 164,270</u>	<u>\$ 142,687</u>



NORTH DAKOTA BOARD OF OCCUPATIONAL THERAPY PRACTICE  
 Bismarck, North Dakota  
 Reconciliation of the Statements of Revenues, Expenditures and  
 Changes in Fund Balances of Governmental Funds to the  
 Statement of Activities  
 For the Years Ended December 31, 2019 and 2016

	<u>2019</u>	<u>2018</u>
Net Change in Governmental Fund Balances	\$ 21,583	\$ 98,675
The Board has no long-term assets or liabilities including property and equipment. Therefore no reconciliation is required between the fund financial statements and the government wide financial statements.		
	<u>0</u>	<u>0</u>
Change in Net Position of Governmental Activities	\$ 21,583	\$ 98,675

NORTH DAKOTA MEDICAL IMAGING AND RADIATION THERAPY  
BOARD OF EXAMINERS  
NOTES TO FINANCIAL STATEMENTS  
For the Years Ended December 31, 2019 and 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the North Dakota Medical Imaging and Radiation Therapy Board of Examiners (the Board) conform to generally accepted accounting principles (GAAP) as applied to governmental units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's policies are described below.

A: Nature of Operations

The Board is a statewide administrative agency formed by Statute in 2015 consisting of nine members appointed by the Governor of North Dakota. The function and purpose of the Board is to protect citizens of North Dakota from illegal practice of medical imaging or radiation therapy through the administration, coordination, evaluation, and examination of licensure in North Dakota, and to carry out the provisions of Chapter 43-62 of the North Dakota Century Code.

The Board shall set and collect fees for licensure, license renewal and other services deemed necessary to carry out its purpose. These fees must be used to pay all expenses incurred in carrying out the Board's purpose.

B. Reporting Entity

The reporting entity of the North Dakota Medical Imaging and Radiation Therapy Board of Examiners is determined in accordance with the criteria defined in GASB Statement No. 14, the Financial Reporting Entity.

As required by generally accepted accounting principles, these financial statements present the Board (the primary government). There were no component units.

C. Basis of Presentation and Basis of Accounting

Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government (the Board). These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the Board.

C. Basis of Presentation and Basis of Accounting (continued)

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the Board and for each function of the Board's governmental activities.

NORTH DAKOTA MEDICAL IMAGING AND RADIATION THERAPY  
BOARD OF EXAMINERS  
NOTES TO FINANCIAL STATEMENTS  
For the Years Ended December 31, 2019 and 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont)

Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

Indirect expenses of the general government related to the administration and support of the Board's programs, such as personnel and accounting are allocated to programs based on their percentage of total primary government expenses.

Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Board's funds, including fiduciary funds. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major funds, each displayed in a separate column. All remaining funds are aggregated and reported as nonmajor funds. The Board has the following major governmental funds:

General fund. This is the Board's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Revenue from licenses and fees is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Board considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred.

General capital asset acquisitions are reported as expenditures in governmental funds. Acquisitions under capital leases are reported as other financing sources.

The Board has implemented GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis - for State and Local Governments* and related standards. These new standards provide for significant changes in terminology and presentation and for the inclusion of Management's Discussion and Analysis as required supplementary information.

The government reports deferred revenues on its balance sheet. Deferred revenues arise when potential revenue meets both the "measurable" and "available" criteria for recognition in the current



NORTH DAKOTA MEDICAL IMAGING AND RADIATION THERAPY  
BOARD OF EXAMINERS  
NOTES TO FINANCIAL STATEMENTS  
For the Years Ended December 31, 2019 and 2018

The government reports deferred revenues on its balance sheet. Deferred revenues arise when potential revenue meets both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the government before it has a legal claim. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed and revenue is recognized.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont)

D. Budget

The Board is not required by North Dakota Law to adopt a biannual budget for the General Fund. The budget is presented on the modified accrual basis of accounting, which is consistent with generally accepted accounting principles ("GAAP"). All budget appropriations lapse at year end.

E. Encumbrance Accounting

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of the materials or services. For budgetary purposes, appropriations lapse at fiscal year-end and outstanding encumbrances at year-end are reappropriated in the next year.

F. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, money market accounts and highly liquid investments with an original maturity of three months or less. Deposits must either be deposited with the Bank of North Dakota or in other financial institutions situated and doing business within the state. Deposits, other than with the Bank of North Dakota, must be fully insured or secured with pledges of securities to 110% of the uninsured balance.

State statutes authorize the board to invest in:

- (1) Bonds, treasury bills and notes, or other securities that are a direct obligation of, or an obligation insured or guaranteed by, the treasury of the United States, or its agencies, instrumentalities, organizations created by an Act of Congress.
- (2) Securities sold under agreements to repurchase written by a financial institution in which the underlying securities for the agreement to repurchase are of the type listed above.
- (3) Certificates of Deposit fully insured by the Federal Deposit Insurance Corporation of the state.
- (4) Obligations of the state.

The investments of the board for the years ended December 31, 2019 and 2018 consisted of certificates of deposit stated at cost. For risk analysis purposes, the certificates of deposit are classified as deposits.

G. Use of Estimates

NORTH DAKOTA MEDICAL IMAGING AND RADIATION THERAPY  
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For the Years Ended December 31, 2019 and 2018

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont)

H. Net Position

Net position present the difference between assets and liabilities in the statement of net position. Net assets invested in capital assets are reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are legal limitations imposed on their use by Board legislation or external restrictions by creditors, grantors, laws or regulations of other governments.

Revenue Recognition

Revenue is recorded for licenses and other fees. Program revenues include income from lists and labels. Membership renewal fees received before June 30, 2019 are for the renewal period December 31, 2018 through December 31, 2019. New licenses issued during April through June 2017 would be good through June of 2019. Revenue is recognized when earned. Fees received in advance are recorded as deferred revenue.

NOTE 2: CASH AND INVESTMENTS

The following is a summary of the cash and investments as of December 31, 2017 and 2016:

	Balance 12/31/19	Balance 12/31/18
Security First Bank – Checking	\$ 196,224	\$ 82,995
Security First Bank – Savings	100	100
Security First Bank - CDs	<u>140,938</u>	<u>100,407</u>
	\$ 337,262	\$ 183,502

The following table provides information about the credit risks associated with the Board's cash deposits. Category 1 includes deposits that are insured or registered in the name of the Board, or securities held by the Board or its agent in the Board's name; Category 2 includes uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Board's name; Category 3 includes uninsured and unregistered, with securities held by the counterparty or by its trust department or agent, but not in the Board's name.

<u>12/31/ 2019</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	Carrying Amount
Checking	\$ 196,224			\$ 196,224
Savings	100			100
CDs	<u>140,938</u>			<u>140,938</u>
	<u>\$ 337,262</u>			<u>\$ 337,262</u>

NORTH DAKOTA MEDICAL IMAGING AND RADIATION THERAPY  
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For the Years Ended December 31, 2019 and 2018

<u>12/31/2018</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Carrying Amount</u>
Checking	\$ 82,995			\$ 82,995
Savings	100			100
CDs	<u>100,407</u>			<u>100,407</u>
	<u>\$ 183,502</u>			<u>\$ 183,502</u>

NOTE 3: RISK MANAGEMENT

The Board is exposed to risks including, but not limited to, public liability. The Board has contracted with the State of North Dakota's Risk Management Fund and the North Dakota Workforce Safety Insurance Program to limit the Board's exposure to loss. No claims have been filed against the Board as of December 31, 2019 and 2018, respectively, nor have any payments been made on the Board's behalf by the Risk Management Fund or Workforce Safety.

NOTE 4: EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through December 18, 2020 the date which the financial statements were available to be issued.



NORTH DAKOTA MEDICAL IMAGING AND RADIATION THERAPY  
BOARD OF EXAMINERS  
Bismarck, North Dakota  
Statements of Net Position  
December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Assets:		
Current Assets:		
Cash and Cash Equivalents	\$ 196,324	\$ 83,095
Certificates of Deposit	140,938	100,407
Interest Receivable	1,431	915
Prepaid Expenditures	<u>64</u>	<u>58</u>
Total Current Assets	\$ 338,757	\$ 184,475
 Total Assets	 <u>\$ 338,757</u>	 <u>\$ 184,475</u>
 Liabilities:		
Current Liabilities:		
Accounts Payable	\$ 4,390	\$ 3,644
Deferred Revenue	<u>170,097</u>	<u>38,144</u>
Total Current Liabilities	<u>\$ 174,487</u>	<u>\$ 41,788</u>
 Total Liabilities	 <u>\$ 174,487</u>	 <u>\$ 41,788</u>
 Net Position:		
Restricted for Other Purposes	\$ 4,390	\$ 3,644
Unrestricted	<u>159,880</u>	<u>139,043</u>
 Total Net Position	 <u>\$ 164,270</u>	 <u>\$ 142,687</u>



NORTH DAKOTA MEDICAL IMAGING AND RADIATION THERAPY  
BOARD OF EXAMINERS  
Bismarck, North Dakota  
Statements of Net Position  
December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Assets:		
Current Assets:		
Cash and Cash Equivalents	\$ 196,324	\$ 83,095
Certificates of Deposit	140,938	100,407
Interest Receivable	1,431	915
Prepaid Expenditures	<u>64</u>	<u>58</u>
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND 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  
North Dakota Medical Imaging  
and Radiation Therapy Board of Examiners  
P. O. Box 398  
Bismarck, ND 58502

I 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 governmental activities, each major fund, and the aggregate remaining fund information of North Dakota Medical Imaging and Radiation Therapy Board of Examiners, as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements, which collectively comprise North Dakota Medical Imaging and Radiation Therapy Board of Examiners' basic financial statements, and have issued my report thereon dated December 18, 2020.

Internal Control Over Financial Reporting

In planning and performing my audits, I considered the North Dakota Medical Imaging and Radiation Therapy Board of Examiners' 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 my opinions on the financial statements, but not for the purpose of expressing opinions on the effectiveness of North Dakota Medical Imaging and Radiation Therapy Board of Examiners' internal control. Accordingly, I do not express an opinion on the effectiveness of North Dakota Medical Imaging and Radiation Therapy Board of Examiners' internal control.

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

My 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during my audits I did not identify any deficiencies in internal control that I consider to be material weaknesses.

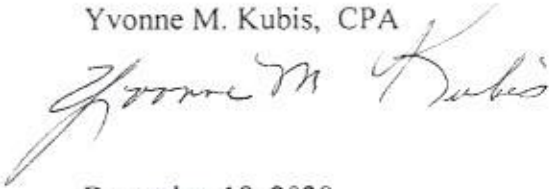
#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the North Dakota Medical Imaging and Radiation Therapy Board of Examiners' financial statements are free of material misstatement, I 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 statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audits, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Governmental Auditing Standards*.

#### Purpose of the Report

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

Yvonne M. Kubis, CPA



December 18, 2020