

## **Ohio Professionals Health Program**

Financial Statements and Accompanying Information

December 31, 2024 and 2023

with Independent Auditors' Report

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## **INDEPENDENT AUDITORS' REPORT**

Board of Trustees  
Ohio Professionals Health Program

### **Opinion**

We have audited the accompanying financial statements of Ohio Professionals Health Program (an Ohio not-for-profit corporation), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ohio Professionals Health Program as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Ohio Professionals Health Program and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Ohio Professionals Health Program's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Ohio Professionals Health Program's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Ohio Professionals Health Program's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

## **Accompanying 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 schedule of expenditures of federal awards 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 May 21, 2025, on our consideration of Ohio Professionals Health Program's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Ohio Professionals Health Program's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Ohio Professionals Health Program's internal control over financial reporting and compliance.

*Clark, Schaefer, Hackett & Co.*

Columbus, Ohio  
May 21, 2025

Ohio Professionals Health Program  
Statements of Financial Position  
December 31, 2024 and 2023

Assets	<u>2024</u>	<u>2023</u>
Current assets:		
Cash and cash equivalents	\$ 453,914	575,221
Pledges receivable	7,741	65,046
Investments	2,156,256	2,083,672
Interest receivable	4,221	9,311
Prepaid expenses	<u>67,048</u>	<u>38,508</u>
	<u>2,689,180</u>	<u>2,771,758</u>
Property and equipment:		
Leasehold improvements	23,154	-
Furniture and equipment	721,366	675,975
Less accumulated depreciation	<u>364,919</u>	<u>281,240</u>
	<u>379,601</u>	<u>394,735</u>
Other assets:		
Right of use assets, operating leases	1,171,537	1,330,227
Deposits	<u>8,765</u>	<u>8,765</u>
	<u>1,180,302</u>	<u>1,338,992</u>
	<u>\$ 4,249,083</u>	<u>4,505,485</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 29,239	43,620
Accrued expenses	73,571	77,768
Refundable advance	-	157,555
Lease liability, operating - current portion	<u>157,813</u>	<u>154,794</u>
	<u>260,623</u>	<u>433,737</u>
Long-term liabilities -		
Lease liability, operating - less current portion	<u>1,080,633</u>	<u>1,238,446</u>
Net assets:		
Without donor restrictions:		
Undesignated	2,896,492	2,726,967
Board designated	10,000	10,000
With donor restrictions	<u>1,335</u>	<u>96,335</u>
	<u>2,907,827</u>	<u>2,833,302</u>
	<u>\$ 4,249,083</u>	<u>4,505,485</u>

See accompanying notes to the financial statements.

Ohio Professionals Health Program  
Statements of Activities  
Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Changes in net assets without donor restrictions:		
Revenue:		
Contributions:		
Individuals and groups	\$ 221,493	308,430
Gift-in-kind	16,949	13,654
Supporting organizations and associations	2,900	-
Ohio Medical Quality Foundation	510,000	500,000
Ohio Department of Mental Health and Addiction Services	3,490,888	1,509,112
Other grants	3,000	-
Other revenue:		
Honoraria	1,973	1,860
Investment income (loss), net	282,891	211,968
Net assets released from restriction	95,000	-
	<u>4,625,094</u>	<u>2,545,024</u>
Expenses:		
Program services	3,749,552	2,811,113
Management and general	503,748	413,940
Fundraising	202,269	152,498
	<u>4,455,569</u>	<u>3,377,551</u>
Change in net assets without donor restrictions	<u>169,525</u>	<u>(832,527)</u>
Changes in net assets with donor restrictions:		
Revenue:		
Contributions	-	95,000
Net assets released from restriction	(95,000)	-
Change in net assets with donor restrictions	<u>(95,000)</u>	<u>95,000</u>
Change in net assets	74,525	(737,527)
Net assets - beginning of year	<u>2,833,302</u>	<u>3,570,829</u>
Net assets - end of year	<u>\$ 2,907,827</u>	<u>2,833,302</u>

See accompanying notes to the financial statements.

Ohio Professionals Health Program  
Statement of Functional Expenses  
Year Ended December 31, 2024

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Personnel	\$ 2,942,922	380,849	138,490	3,462,261
Travel, lodging and meals	60,521	7,832	2,848	71,201
Accounting	25,227	3,265	1,187	29,679
Legal	81,070	10,491	3,815	95,376
Bank fees	-	1,545	-	1,545
Insurance and bonding	27,649	3,578	1,301	32,528
Public awareness	7,679	-	-	7,679
Dues and subscriptions	16,069	-	-	16,069
Meetings, conferences and banquets	21,869	2,830	1,029	25,728
Printing	8,794	1,138	414	10,346
Postage	580	75	27	682
Rent-office	166,438	21,539	7,832	195,809
Rent-equipment	3,649	472	172	4,293
Supplies	17,895	2,316	842	21,053
Office expenses	28,778	3,724	1,354	33,856
Computer services	59,637	7,718	2,806	70,161
Telephone	12,355	1,599	581	14,535
Continuing education	3,320	-	-	3,320
Consulting and contract labor	163,681	37,694	9,800	211,175
Utilities	11,699	1,514	551	13,764
Depreciation	71,127	9,205	3,347	83,679
Resource development	-	4,191	25,079	29,270
Miscellaneous	16,790	2,173	794	19,757
	<u>\$ 3,749,552</u>	<u>503,748</u>	<u>202,269</u>	<u>4,455,569</u>

See accompanying notes to the financial statements.

Ohio Professionals Health Program  
Statement of Functional Expenses  
Year Ended December 31, 2023

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Personnel	\$ 2,225,757	288,039	104,742	2,618,538
Travel, lodging and meals	63,148	8,172	2,972	74,292
Accounting	13,688	1,771	644	16,103
Legal	37,423	4,843	1,761	44,027
Bank fees	-	1,356	-	1,356
Insurance and bonding	25,010	3,237	1,177	29,424
Public awareness	10,535	-	-	10,535
Dues and subscriptions	27,826	-	-	27,826
Meetings, conferences and banquets	29,150	3,772	1,372	34,294
Printing	23,522	3,044	1,107	27,673
Postage	2,386	309	112	2,807
Rent-office	166,429	21,538	7,832	195,799
Rent-equipment	2,295	297	108	2,700
Supplies	15,745	2,038	741	18,524
Office expenses	11,420	1,478	537	13,435
Computer services	23,154	2,997	1,090	27,241
Telephone	6,374	825	300	7,499
Continuing education	368	-	-	368
Consulting and contract labor	42,586	56,000	4,200	102,786
Utilities	9,844	1,274	463	11,581
Depreciation	68,299	8,839	3,214	80,352
Resource development	-	3,315	19,836	23,151
Miscellaneous	6,154	796	290	7,240
	<u>\$ 2,811,113</u>	<u>413,940</u>	<u>152,498</u>	<u>3,377,551</u>

See accompanying notes to the financial statements.

Ohio Professionals Health Program  
Statements of Cash Flows  
Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Change in net assets	\$ 74,525	(737,527)
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	83,679	80,352
Unrealized gain on investments	(221,364)	(187,395)
Non-cash lease expense	3,896	10,676
Effects of change in operating assets and liabilities:		
Pledges receivable	57,305	(65,046)
Grants receivable	-	1,000,000
Interest receivable	5,090	(5,159)
Prepaid expenses	(28,540)	(15,407)
Accounts payable	(14,381)	24,718
Refundable advance	(157,555)	157,555
Accrued expenses	(4,197)	23,971
Net cash flows from operating activities	<u>(201,542)</u>	<u>286,738</u>
Cash flows from investing activities:		
Purchases of property and equipment	(68,545)	(9,234)
Purchases of investments	(2,124,037)	(2,479,971)
Sales of investments	<u>2,272,817</u>	<u>2,398,587</u>
Net cash flows from investing activities	<u>80,235</u>	<u>(90,618)</u>
Change in cash and cash equivalents	(121,307)	196,120
Cash and cash equivalents - beginning of year	<u>575,221</u>	<u>379,101</u>
Cash and cash equivalents - end of year	\$ <u><u>453,914</u></u>	<u><u>575,221</u></u>

See accompanying notes to the financial statements.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The following accounting principles and practices of Ohio Professionals Health Program (the Organization) are set forth to facilitate the understanding of data presented in the financial statements.

### **Nature of operations**

Ohio Professionals Health Program is a not-for-profit corporation incorporated in 1995. The Organization was established to facilitate the health and wellness of healthcare professionals in order to enhance patient safety. The Organization's programs strive to improve the quality of healthcare for the citizens of Ohio through assurance of healthy healthcare professionals.

### **Basis of accounting**

These financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

### **Basis of presentation**

The financial statements of the Organization have been prepared in accordance with GAAP which requires the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and governing board. The Board of Trustees has designated certain amounts of the net assets without donor restrictions for family healing and support.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will likely be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. The Organization had no net assets with perpetual restrictions at December 31, 2024 or 2023.

### **Measure of operations**

The Organization includes in its measure of operations all revenue and expenses that are integral to its programs and supporting activities, net assets released from donor restrictions to support operating expenditures, and transfers from Board-designated funds to support current operating activities. The measure of operations includes support for operating activities from net assets with donor restrictions and net assets without donor restrictions.

### **Cash and cash equivalents**

The Organization considers all highly liquid investments with a maturity of three months or less from the date of purchase to be cash equivalents.

### **Receivables**

Unconditional pledges receivable are recorded at the amount of the pledge less a discount representing interest over the life of the pledge. Conditional pledges receivable are recognized when the conditions on which they depend are met. Management deemed no allowance for doubtful pledges to be necessary as of December 31, 2024 and 2023.

### **Investments**

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statements of financial position. Investment income (including unrealized gains and losses on investments, interest, and dividends), net of investment fees, is included in operating revenues without donor restrictions in the accompanying statements of activities.

### **Property and equipment**

Property and equipment are recorded at cost. Assets are depreciated using the straight-line method over the estimated useful lives of the respective assets, which range from five to seven years. Leasehold improvements are depreciated over the shorter of the estimated life of the asset or the remaining length of the lease.

### **Contributions**

Unconditional contributions are recognized upon receipt or the date the promise is received and are reported as support without donor restrictions unless specifically restricted by the donor. Unconditional contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished) in the reporting period in which the contribution is recognized. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restriction.

Contributions that are considered to be conditional contributions, that is, those with a measurable performance or other barrier and a right of return, are recognized as revenue once the conditions on which they depend have been met. The Organization adopted the simultaneous release option for donor-restricted conditional contributions that are recognized and used within the same reporting period, therefore, these amounts are reported as without donor restrictions. Amounts received in advance of the conditions being met are recorded as refundable advances on the accompanying statement of financial position. The Organization had outstanding conditional contributions of \$3,500,000 in at December 31, 2024, that are expected to be recognized as revenue in 2025.

### **Functional expense allocation**

The costs of providing the various programs and other activities are included on a functional basis in the accompanying statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on employee time records. These expenses are allocated based on estimates of time and effort and costs incurred by programs.

**Income taxes**

Ohio Professionals Health Program is an Ohio not-for-profit corporation and is exempt from Ohio income tax. It is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, Ohio Professionals Health Program qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an Organization that is not a private foundation under Section 509(a)(2).

**Use of estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

**Subsequent events**

The Organization evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through May 21, 2025, the date the financial statements were available to be issued.

**2. FAIR VALUE MEASUREMENTS:**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach are used to measure fair value. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Organization has the ability to access.
- Level 2 inputs (other than quoted prices included in level 1) are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the assets or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability.

The following tables present the Organization's fair value hierarchy for those assets and liabilities measured at fair value at December 31:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<u>December 31, 2024</u>			
Exchange Traded Funds:			
Equity -			
Large Growth	\$ 374,011	-	-
Mutual Funds:			
Equity -			
Global Large-Stock Blend	46,193	-	-
Fixed Income -			
Other	697,961	-	-
Equities – by sector:			
Consumer Discretionary	138,684	-	-
Consumer Staples	123,783	-	-
Energy	103,698	-	-
Financial	111,150	-	-
Health Care	101,548	-	-
Industrials	33,884	-	-
Information Technology	295,114	-	-
Telecommunication Services	130,230	-	-
	<u>1,038,091</u>	-	-
	\$ <u>2,156,256</u>	-	-
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<u>December 31, 2023</u>			
Exchange Traded Funds:			
Equity -			
Large Growth	\$ 316,888	-	-
Mutual Funds:			
Equity:			
Diversified Emerging Funds	20,501	-	-
Global Large-Stock Blend	45,119	-	-
	<u>65,620</u>	-	-
Fixed Income -			
Treasury Bonds	808,482	-	-

	Level 1	Level 2	Level 3
<u>December 31, 2023</u>			
Equities – by sector:			
Consumer Discretionary	105,621	-	-
Consumer Staples	121,881	-	-
Energy	94,966	-	-
Financial	86,090	-	-
Health Care	100,030	-	-
Information Technology	240,291	-	-
Utilities	31,457	-	-
Telecommunication Services	112,346	-	-
	892,682	-	-
	\$ 2,083,672	-	-

Exchange traded funds and mutual funds are valued at net asset value (NAV) of the shares held at year-end, which is based on observable market quotations for identical assets and are priced on a daily basis at the close of business.

### 3. CONTRIBUTED NONFINANCIAL ASSETS:

The Organization received and recorded contributions of donated materials and professional services as support in the accompanying statements.

Contributed nonfinancial assets recognized within the statements of activities were as follows for the year ended December 31:

	Revenue Recognized		Utilization	Donor Restrictions	Valuation Techniques and Inputs
	2024	2023			
Advertising space	\$ 5,000	-	Fundraising	No associated donor restrictions	Based on current market rates for services
Exhibit space	11,949	13,654	Fundraising	No associated donor restrictions	Based on current market rates for services
	\$ 16,949	13,654			

### 4. OPERATING LEASES:

The Organization rents office equipment under one noncancelable lease expiring in February 2026. The Organization also leases office space under a noncancelable operating lease expiring in December 2031. Variable lease costs, such as the Organization's proportionate share of actual costs of utilities, common area maintenance, property taxes, and insurance that are not included in the lease liability are recognized in the period in which they are incurred.

As of December 31, 2024, the Organization has not entered into any additional leases expected to commence in 2025.

For the years ended December 31, 2024 and 2023, the Organization had the following recorded in operating expenses associated with lease arrangements:

	2024	2023
Lease expense:		
Operating lease expense	\$ 179,996	179,996
Variable lease expense	20,106	18,503
	\$ 200,102	198,499
Other information:		
Weighted-average remaining lease term in years	6.99	7.98
Weighted-average discount rate	1.63%	1.63%

The following is an analysis of maturities of lease liabilities as of December 31:

2025	\$	176,580
2026		181,362
2027		181,392
2028		188,686
2029		189,166
Thereafter		393,945
		1,311,131
Less imputed interest		72,685
		1,238,446
Less current portion		157,813
	\$	1,080,633

Non-cash lease expense on the statements of cash flows includes the amortization of the lease right-of use assets of \$158,690 and \$156,246, respectively, offset by a change in the lease liability of \$154,794 and \$145,570, respectively, for the years ended December 31, 2024 and 2023. Lease payments within operating activities were \$176,100 and \$169,320, respectively, for the years ended December 31, 2024 and 2023.

#### 5. RETIREMENT PLAN:

The Organization has adopted a 401(k) retirement plan. The plan permits eligible employees to elect to contribute a portion of their compensation to the plan. The Organization can, at its option, make a contribution on behalf of all eligible employees. Contributions to the plan for the years ended December 31, 2024 and 2023 were \$188,342 and \$130,883, respectively.

**6. NET ASSETS WITH DONOR RESTRICTIONS:**

Net assets with donor restrictions consisted of the following at December 31:

	2024	2023
Family healing and support	\$ 1,335	1,335
Clinical staff	-	95,000
	\$ 1,335	96,335

**7. LIQUIDITY:**

The Organization is substantially supported by contributions, some of which come with donor restrictions. Because a donor’s restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditures within one year. As part of the Organization’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The following table presents the financial assets available to meet cash needs for general expenditures within one year of December 31:

	2024	2023
Financial assets:		
Cash and cash equivalents	\$ 453,914	575,221
Pledges receivable, net	7,741	65,046
Interest receivable	4,221	9,311
Investments	2,156,256	2,083,672
Financial assets available at year-end	2,622,132	2,733,250
Less those unavailable for general expenditures within one year due to:		
Restrictions by donor for time or purpose	(1,335)	(96,335)
Financial assets available to meet cash needs for general expenditures within one year	\$ 2,620,797	2,636,915

**8. ECONOMIC DEPENDENCY AND CONCENTRATIONS OF RISK:**

During 2024, grants from two grantors comprised approximately 90% of the Organization’s total revenue. During 2023, grants from two grantors comprised approximately 77% of the Organization’s total revenue, and receivables from one donor comprised approximately 100% of the Organization’s total contributions receivable.

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

To the Board of Trustees  
Ohio Professionals Health Program  
Columbus, Ohio

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 Ohio Professionals Health Program (a not-for-profit organization) which comprise the statement of financial position as of December 31, 2024, 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 May 21, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) 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 Ohio Professionals Health Program's internal control. Accordingly, we do not express an opinion on the effectiveness of Ohio Professionals Health Program's internal control.

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

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

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 Ohio Professionals Health Program's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Clark, Schaefer, Hackett & Co.*

Columbus, Ohio  
May 21, 2025

## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Trustees of  
Ohio Professionals Health Program  
Columbus, Ohio

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

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

We have audited Ohio Professionals Health Program's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Ohio Professionals Health Program's major federal programs for the year ended December 31, 2024. Ohio Professionals Health Program's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Ohio Professionals Health Program complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended December 31, 2024.

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

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Ohio Professionals Health Program and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for its major federal program. Our audit does not provide a legal determination of Ohio Professionals Health Program's compliance with the compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Ohio Professionals Health Program's federal program.

## ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Ohio Professionals Health Program's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Ohio Professionals Health Program's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Ohio Professionals Health Program's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Ohio Professionals Health Program's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Ohio Professionals Health Program's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

*Clark, Schaefer, Hackett & Co.*

Columbus, Ohio  
May 21, 2025

Ohio Professionals Health Program  
 Schedule of Expenditures of Federal Awards  
 Year Ended December 31, 2024

Federal Agency / Pass-Through Agency / Program Title	Federal Assistance Listing Number	Federal Expenditures
U.S. Department of Treasury Passed through the State of Ohio to the Ohio Department of Mental Health and Addiction Services: COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	\$ <u>3,490,888</u>

See notes to the schedule of expenditures of federal awards.

**NOTE A. BASIS OF PRESENTATION:**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Ohio Professionals Health Program (the Organization) under programs of the federal government for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of the Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

**NOTE B. 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 limited as to reimbursement.

**NOTE C. INDIRECT COST RATE:**

The Organization has elected not to use the 10% de minimus indirect cost rate allowed under the Uniform Guidance.

**Section I – Summary of Auditors’ Results**

***Financial Statements***

Type of auditors’ report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	None
• Significant deficiency(ies) identified not considered to be material weaknesses?	None reported
Noncompliance material to the financial statements noted?	None

***Federal Awards***

Internal control over major programs:	
• Material weakness(es) identified?	None
• Significant deficiency(ies) identified not considered to be material weaknesses?	None reported
Type of auditors’ report issued on compliance for major programs:	Unmodified
Any audit findings that are required to be reported in accordance with the Uniform Guidance?	None
Identification of major programs:	
• ALN 21.027 – COVID-19 Coronavirus State and Local Recovery Funds	
Dollar threshold to distinguish between Type A and Type B Programs:	\$750,000
Auditee qualified as low-risk auditee?	No

**Section II – Financial Statement Findings**

None

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

None

**Section IV – Schedule of Prior Audit Findings**

None

