

**Centennial Area Health Education Center Inc
Greeley, Colorado**

**Financial Statements
June 30, 2024**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Centennial Area Health Education Center
Greeley, Colorado

Opinion

We have audited the accompanying financial statements of Centennial Area Health Education Center (a nonprofit organization), which comprise the statement of financial position as of June 30, 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Centennial Area Health Education Center as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Centennial Area Health Education Center and to meet our other ethical responsibilities in accordance with the 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 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 Centennial Area Health Education Center's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 auditor's 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 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, 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 Centennial Area Health Education Center'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 Centennial Area Health Education Center'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.

P. Andrew Hall, LLC

P. Andrew Hall, LLC
Corpus Christi, Texas
April 10, 2025

Centennial Area Health Education Center
Statement of Financial Position
June 30, 2024
With Comparative Totals at June 30, 2023

ASSETS	<u>2024</u>	<u>2023</u>
Current Assets		
Cash and cash equivalents	\$ 549,633	\$ 544,350
Investments	1,516,144	1,157,606
Accounts receivable	91,831	64,013
Prepaid expenses	<u>2,000</u>	<u>19,794</u>
Total Current Assets	<u>2,159,608</u>	<u>1,785,763</u>
Total Assets	<u><u>\$ 2,159,608</u></u>	<u><u>\$ 1,785,763</u></u>
 LIABILITIES		
Current Liabilities		
Accounts payable	\$ 133,425	\$ 17,230
Accrued liabilities	47,614	42,056
Deferred revenue	<u>-</u>	<u>5,008</u>
Total Current Liabilities	<u>181,039</u>	<u>64,294</u>
Total Liabilities	<u>181,039</u>	<u>64,294</u>
 NET ASSETS		
Net assets without donor restrictions	<u>1,978,569</u>	<u>1,721,469</u>
Total Net Assets	<u>1,978,569</u>	<u>1,721,469</u>
Total Liabilities and Net Assets	<u><u>\$ 2,159,608</u></u>	<u><u>\$ 1,785,763</u></u>

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

Centennial Area Health Education Center
Statement of Activities
For the Year Ended June 30, 2024
With Comparative Totals For the Year Ended June 30, 2023

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total	
			2024	2023
REVENUES, GAINS AND OTHER SUPPORT				
Grants	\$ 349,106	\$ -	\$ 349,106	\$ 362,846
Student housing	203,400	-	203,400	192,780
Tuition and conference fees	491,630	-	491,630	186,892
Sponsorships and reimbursements	10,000	-	10,000	-
Donations	1,250	-	1,250	6,358
Other	3,061	-	3,061	-
Investment income (loss) (net of investment fees of \$11,667 and \$11,300)	99,321	-	99,321	53,636
Total Revenues	<u>1,157,768</u>	<u>-</u>	<u>1,157,768</u>	<u>802,512</u>
EXPENSES				
Program Expenses:				
Housing and Health provider training and support	795,017	-	795,017	684,475
Total Program Services	<u>795,017</u>	<u>-</u>	<u>795,017</u>	<u>684,475</u>
Supporting Services:				
Management and administrative	72,059	-	72,059	42,160
Fundraising	33,592	-	33,592	9,596
Total Support Services	<u>105,651</u>	<u>-</u>	<u>105,651</u>	<u>51,756</u>
Total Expenses	<u>900,668</u>	<u>-</u>	<u>900,668</u>	<u>736,231</u>
CHANGE IN NET ASSETS	257,100	-	257,100	66,281
Net Assets, beginning of year	<u>1,721,469</u>	<u>-</u>	<u>1,721,469</u>	<u>1,655,188</u>
Net Assets, end of year	<u>\$ 1,978,569</u>	<u>\$ -</u>	<u>\$ 1,978,569</u>	<u>\$ 1,721,469</u>

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

**Centennial Area Health Education Center
Statement of Functional Expenses
For the Year Ended June 30, 2024
With summarized Totals For the Year Ended June 30, 2023**

	Program	Management and General	Fundraising	Total	
				2024	2023
Salaries	\$ 237,283	\$ 27,830	\$ 6,680	\$ 271,793	\$ 264,569
Employee Benefits and Taxes	53,120	6,206	1,522	60,848	55,512
Total Salaries and related expense	290,403	34,036	8,202	332,641	320,081
Advertising	6,450	-	-	6,450	4,203
Conference expenses	303,239	-	-	303,239	147,214
Dues and subscriptions	-	3,660	-	3,660	1,443
Housing	143,394	-	-	143,394	149,149
Insurance	2,290	2,289	-	4,579	10,364
Office expenses	7,752	909	219	8,880	10,669
Postage and shipping	237	28	6	271	177
Professional fees and contracted services	-	26,300	24,000	50,300	46,200
Supplies	27,450	3,219	773	31,442	26,118
Travel and meetings	10,764	1,262	303	12,329	15,826
Occupancy	2,227	261	66	2,554	4,058
Miscellaneous Expense	811	95	23	929	729
Total functional expenses	<u>\$ 795,017</u>	<u>\$ 72,059</u>	<u>\$ 33,592</u>	<u>\$ 900,668</u>	<u>\$ 736,231</u>

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

Centennial Area Health Education Center
Statement of Cash Flows
For the Year Ended June 30, 2024
With Comparative Totals For the Year Ended June 30, 2023

	2024	2023
Cash Flows From Operating Activities		
Change in net assets	\$ 257,100	\$ 66,281
Adjustments to reconcile change in net assets to net cash provided by (used) by operating activities		
Unrealized (gain) / loss on investments	(48,888)	(14,506)
Decrease (increase) in accounts receivable	(27,818)	15,006
Decrease (increase) in prepaid expenses	17,794	9,309
(Decrease) increase in accounts payable	116,195	9,069
(Decrease) increase in accrued liabilities	5,558	14,707
(Decrease) increase in deferred revenue	(5,008)	(32,736)
Total adjustments	57,833	849
Net cash provided (used) by operating activities	314,933	67,130
Cash Flows From Investing Activities		
Purchases of investments	(309,650)	(187,131)
Net cash provided (used) by investing activities	(309,650)	(187,131)
Net Change in cash and cash equivalents	5,283	(120,001)
Cash and cash equivalents, beginning of year	544,350	664,351
Cash and cash equivalents, end of year	\$ 549,633	\$ 544,350
Non Cash Disclosures		
Unrealized gain (loss) on investments	\$ 48,888	\$ 14,506

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

Centennial Area Health Education Center Inc
Notes to Financial Statements
June 30, 2024

Note 1 Organization and Summary of Significant Accounting Policies

This summary of significant accounting policies of Centennial Area Health Education Center Inc, (CAHEC) is presented to assist in understanding the Organization's financial statements. The accounting policies conform to accounting principles generally accepted in the United States of America and have been applied to the preparation of the financial statements.

Organization

The Organization was formed and organized as a nonprofit organization in 1978 in the State of Colorado. The organization's objectives are to address health workforce shortages and health disparities in their designated region, through education and local collaboration. CAHEC is exempt from Federal income taxes under the provisions described in Section 501 (c) (3) of the Internal Revenue Code.

Basis of Accounting and Presentation

The financial statements of CAHEC have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Financial statement presentation follows the pronouncements of the Financial Accounting Standard Board, which is the authoritative body, in its Financial Accounting Standards (FASB ASC 958-205-45), Financial Statements of Non-for-Profit Organizations. The organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

The financial statements are presented with certain prior year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2023, from which the summarized information was derived.

Cash and Cash Equivalents

The Organization considers petty cash, deposits in bank accounts and certificates of deposit which mature within 90 days of purchase to be cash equivalents.

Restricted and Unrestricted Revenue Support

Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions, depending on the existence and/or nature of any donor restrictions.

In-kind Donations

Donated materials and equipment are reflected as in-kind donations in the accompanying statements at their estimated values on the date of receipt. No amounts have been reflected in the statements for donated services from volunteers as no objective basis is available to measure the value of such services.

Centennial Area Health Education Center Inc
Notes to Financial Statements (Continued)
June 30, 2024

Note 1 Organization and Summary of Significant Accounting Policies (Continued)
Restricted and Unrestricted Revenue Support (Continued)

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions. The Organization had no net assets with donor restrictions that are restricted for future programs. When an expense is incurred for both restricted and unrestricted purposes it is the Organization's policy to apply it to restricted uses first. The Organization had no release of restrictions from program related grants for the year ending June 30, 2024.

Property, Equipment and Depreciation

The Organization follows the practice of capitalizing expenditures for furniture and equipment, at cost, or fair market value if the asset is donated to the organization, that exceed the value of \$1,000. The Organization has not adopted a policy for applying time restrictions on contributions of long-lived assets. Depreciation is provided using the straight-line method over the estimated useful lives of the assets which range from three to five years for equipment and 40 years for buildings.

Compensated Absences

Employees accrue paid time off (PTO) based on length of employment and time worked. Upon separation PTO will be paid out up to a maximum of 200 hours based on the employees current rate of pay. At June 30, 2024 the Organization had \$20,844 accrued for compensated absences reported in accrued liabilities.

Deferred Revenue

CAHEC receives payments for registration to conferences it provides in advance of the conference. When these registration fees are received, they are recorded as deferred revenue in the liability section of the Statement of Financial Position in the year they are received. When the conference is completed, they are removed from deferred revenue and recorded as revenue in the Statement of Activities.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been presented in these financial statements. Due to the Organization's non-profit qualification, donors may be entitled to a charitable deduction for amounts contributed to the Organization. There are no unrelated business activities subject to income taxes. The tax return for June 30, 2022, June 30, 2023 and June 30, 2024 remains open for examination.

Advertising

The Organization expenses advertising costs at the time the cost is incurred. The Organization incurred \$6,906 in advertising costs for the year ended June 30, 2024.

Centennial Area Health Education Center Inc
Notes to Financial Statements (Continued)
June 30, 2024

Note 1 Organization and Summary of Significant Accounting Policies (Continued)

Use of Estimates

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

Expense Allocation

The costs of providing various services and other activities are summarized on a functional basis in the statement of activities. Certain costs have been allocated among the programs and supporting services benefited as determined by management.

Components of Program and Supporting Services and Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions. The expenses include compensation, occupancy, professional services and certain other expenses. Compensation and professional services are allocated based on management's estimate of the relative attention and effort exerted towards specific functional areas. Occupancy costs are allocated similarly to compensation as occupancy costs relate to providing workspace for employees rather than specific functions.

Health provider training, education, support - Includes the functions necessary to provide continuing education, training and retention of health professionals in rural and underserved areas.

Housing - Provides housing and support for medical and health occupation students during their rotations in rural and underserved areas.

Management and Administrative - Management and administration includes the functions necessary to maintain and operate the organization.

Fundraising – Fundraising includes the costs necessary to prepare grant applications and to solicit contributions for funding.

Note 2 Cash and Cash Equivalents

The Organization's cash and cash equivalents were in excess of FDIC coverage. The Organization had \$61,366 exposed to credit risk at June 30, 2024.

Note 3 Accounts Receivable

Accounts receivable at June 30, 2024 totaled \$91,831 and consisted primarily of amounts due from governmental agencies. Management has reviewed the receivables and believes all amounts will be fully collectible. Accordingly, no allowance for bad debt or bad debt expense has been recognized.

Note 4 Investments

CAHEC values investments at fair market value (FMV) using level one inputs. As of June 30, 2024, the Organization had the following investments:

Centennial Area Health Education Center Inc
Notes to Financial Statements (Continued)
June 30, 2024

Note 4 Investments (Continued)

<u>Investment Type</u>	<u>Fair Market Value</u>	<u>Percent of total investments</u>
U.S. Treasuries	\$ 140,101	9%
Corporate Bonds	282,940	19%
TIPs	19,079	1%
Mortgage Backed Securities	166,236	11%
High Yield	106,941	7%
Preferred Stock	39,847	3%
Intl Developed Equity	95,778	6%
Intl Emerging Equity	117,665	8%
U.S. Large Cap Equities	247,348	16%
U.S. Small/ Mid Cap Equities	68,919	5%
Natural Resources	30,166	2%
REIT	52,739	3%
Global Listed Infrastructure	59,139	4%
Private Equity	2,209	0%
Interval Funds	76,016	5%
Other	11,021	1%
Total Fair Market Value	<u>\$ 1,516,144</u>	<u>100%</u>

Components of investment income are as noted below:

Unrealized gains on investments	\$ 48,888
Interest and dividends	62,100
Investment fees	(11,667)
Total	<u>\$ 99,321</u>

The Organization incurred fees of \$11,667 related to investment activities for the year ended June 30, 2024.

Note 5 Retirement Plans

CAHEC has a defined contribution retirement plan covering all full-time employees to which CAHEC contributes 5% of an employee's salary. During the years ended Jun 30, 2024, 2023 and 2022 CAHEC contributed \$10,705, \$6,100, and \$2,958, respectively.

Note 6 Economic Dependence and Contingencies

CAHEC receives most of its operating support from funds provided through grants administered by the University of Colorado. The grant amounts are appropriated each year by the Federal government and the State of Colorado. Management is not aware of any actions that would adversely affect the aggregate amount of funds CAHEC will receive in the next fiscal year.

The organization receives grant monies designated for general purposes and are subject to audit by the grantor agencies. Such audits may result in requests for reimbursements due to disallowed expenditures. Management does not believe that such disallowances are likely to occur.

Centennial Area Health Education Center Inc
Notes to Financial Statements (Continued)
June 30, 2024

Note 7 Subsequent Events

Management has evaluated subsequent events through April 10, 2025 the date the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure.

Note 8 Reclassifications

Certain items have been reclassified from the prior year's presentation to conform with the current year's presentation.

Note 9 Liquidity and Available Resources

CAHEC monitors its liquidity so that it is able to meet its operating needs and other commitments while maximizing the investment of its excess operating cash and cash equivalents. CAHEC has the following financial assets that could readily be made available within one year of the statement of financial position date to fund expenses without limitations:

Cash and Investments	\$ 2,065,777
Receivables	<u>91,846</u>
	<u>\$ 2,157,623</u>

In addition to financial assets available to meet general expenditures over the year, CAHEC generally operates with a balanced budget for operations and anticipates covering its general expenditures by collecting contributions and other revenues, and by utilizing expected and committed grants from government organizations that are intended to support normal operations and access to prior year operating surpluses that are available in current assets. The statement of cash flows identifies the sources and uses of the CAHEC's cash and cash equivalents and shows cash and cash equivalents provided by operations of \$314,933 for the fiscal year ending June 30, 2024.