

Arizona Public Health Association  
Compiled Financial Statements

*Year Ended June 30, 2023*

(with comparative totals for the year ended June 30, 2022)

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Will Humble and the Board of Directors of  
Arizona Public Health Association  
700 East Jefferson Street Suite 100  
Phoenix, AZ 85034

Management is responsible for the accompanying financial statements of Arizona Public Health Association (a nonprofit organization), which comprise the Statement of Financial Position as of June 30, 2023 and 2022 and the related Statement of Activities, Cash Flows, and Functional Expenses for the years then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed compilation engagements in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

We are not independent with respect to Arizona Public Health Association.

*Stevenson CPA LLC*

Phoenix, Arizona  
September XX, 2023

**Dont we just issue this dated? since it's a compilation.**

**Arizona Public Health Association**  
**Statement of Financial Position**  
**As of June 30, 2023**  
(with comparative totals as of June 30, 2022)

	<u>2023</u>	<u>2022</u>
<b>Assets</b>		
<b>Current assets</b>		
Cash & cash equivalents	\$ 149,067	\$ 330,093
Contributions receivable	5,000	-
Short-term investments	301,381	51,115
Prepaid expenses	5,500	-
<b>Total current assets</b>	<u>460,948</u>	<u>381,208</u>
<b>Total assets</b>	<b>460,948</b>	<b>381,208</b>
<b>Liabilities and net assets</b>		
<b>Current liabilities</b>		
Accounts payable	7,388	601
Payroll liabilities	605	618
Deferred revenue	-	-
<b>Total current liabilities</b>	<u>7,993</u>	<u>1,219</u>
<b>Total liabilities</b>	7,993	1,219
<b>Net assets</b>		
With donor restrictions	12,000	18,000
Without donor restrictions	440,955	361,989
<b>Total net assets</b>	<u>452,955</u>	<u>379,989</u>
<b>Total liabilities &amp; net assets</b>	<u><b>\$ 460,948</b></u>	<u><b>\$ 381,208</b></u>

See Accountants' Compilation Report.

**Arizona Public Health Association**  
**Statement of Activities**  
**For the Year Ended June 30, 2023**  
(with comparative totals for the year ended June 30, 2022)

	<b>2023</b>			<b>2022</b>
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>	<b>Total</b>
<b>Support and revenue</b>				
Conference event	\$ 99,325	\$ -	\$ 99,325	\$ 47,365
Dues	71,925	-	71,925	74,040
Corporate & foundation contributions	20,750	20,000	40,750	59,150
Other income	11,701	-	11,701	3,381
Bequests	1,652	-	1,652	50,000
Individual contributions	109	-	109	8,116
Net assets released from restrictions	26,000	(26,000)	-	-
<b>Total support and revenue</b>	<b>231,462</b>	<b>(6,000)</b>	<b>225,462</b>	<b>242,052</b>
<b>Expenses</b>				
Program	109,905	-	109,905	93,295
Management & General	38,058	-	38,058	38,529
Fundraising	4,533	-	4,533	4,594
<b>Total expenses</b>	<b>152,496</b>	<b>-</b>	<b>152,496</b>	<b>136,418</b>
<b>Change in net assets</b>	<b>78,966</b>	<b>(6,000)</b>	<b>72,966</b>	<b>105,634</b>
<b>Net assets, beginning of year</b>	<b>361,989</b>	<b>18,000</b>	<b>379,989</b>	<b>274,355</b>
<b>Net assets, end of year</b>	<b>\$ 440,955</b>	<b>\$ 12,000</b>	<b>\$ 452,955</b>	<b>\$ 379,989</b>

See Accountants' Compilation Report.

**Arizona Public Health Association  
Statement of Functional Expenses  
For the Year Ended June 30, 2023  
(with comparative totals for the year ended June 30, 2022)**

	<u>2023</u>			<u>2022</u>	
	<u>Program</u>	<u>Management &amp; General</u>	<u>Fundraising</u>	<u>Total</u>	<u>Total</u>
Salaries	\$ 44,727	\$ 15,125	\$ 2,521	\$ 62,373	\$ 64,392
Payroll taxes	3,226	1,308	238	4,772	4,926
Total payroll & related	<u>47,953</u>	<u>16,433</u>	<u>2,759</u>	<u>67,145</u>	<u>69,318</u>
Awards and scholarships	7,712	-	-	7,712	1,428
Consultants & professional services	903	14,220	685	15,808	21,570
Copying & printing	3,283	-	-	3,283	787
Donations	-	500	-	500	500
Dues & subscriptions	2,233	5,720	977	8,930	7,037
Equipment	-	-	-	-	1,283
Fees	2,929	175	-	3,104	3,751
Insurance	1,761	557	112	2,430	2,229
Occupancy	-	-	-	-	-
Supplies	-	131	-	131	2,560
Travel & meeting	43,131	322	-	43,453	25,955
<b>Total expenses</b>	<b><u>\$ 109,905</u></b>	<b><u>\$ 38,058</u></b>	<b><u>\$ 4,533</u></b>	<b><u>\$ 152,496</u></b>	<b><u>\$ 136,418</u></b>

See Accountants' Compilation Report.

**Arizona Public Health Association**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2023**  
(with comparative totals for the year ended June 30, 2022)

	<b>2023</b>	<b>2022</b>
<b>Cash flows from operating activities</b>		
Net income	\$ 72,966	\$ 105,634
Adjustments to reconcile change in net assets to net cash used in operating activities:		
(Increase) decrease in contributions receivables	(5,000)	2,500
(Increase) in short-term investments	(250,266)	(154)
(Increase) in Prepaid expenses	(5,500)	-
Increase (decrease) in accounts payable	6,787	(1,615)
(Decrease) increase in payroll liabilities	(13)	73
(Decrease) in deferred revenue	-	(1,325)
<b>Net cash (used for) provided by investing activities</b>	<b>(181,026)</b>	<b>105,113</b>
<b>Net change in cash and cash equivalents</b>	<b>(181,026)</b>	<b>105,113</b>
<b>Cash and cash equivalents</b>		
Beginning of year	330,093	224,980
End of year	<b>\$ 149,067</b>	<b>\$ 330,093</b>

**Supplemental disclosure of cash flow information**

No amounts were paid for interest or taxes during the years ended June 30, 2023 and June 30, 2022.

See Accountants' Compilation Report.

**Arizona Public Health Association  
Notes to the Financial Statements  
For the Year Ended June 30, 2023  
(with summarized information for the year ended June 30, 2022)**

**NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

Arizona Public Health Association (the “Organization”) is a nonprofit membership organization that has been operating since 1928. Their members include health care professionals, state and county health employees, health educators, community advocates, doctors, nurses, students and faculty, and anyone who is interested in public health issues.

Each year, the Organization hosts two major conferences in Phoenix - one in the spring and one in the fall. The Organization hosts many other workshops throughout the year.

Mission Statement - A nonprofit, professional organization working to improve the level of health and well-being for all Arizonans through advocacy, professional development and networking.

Vision Statement - Healthy Communities for Arizona.

**Comparative Financial Information**

The accompanying financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with our compiled financial statements for the year ended June 30, 2022, from which the summarized information was derived.

**Cash and Cash Equivalents**

Arizona Public Health Association considers all cash and highly liquid investments with an initial maturity of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted for long-term purposes are excluded from this definition.

**Contributions Receivable**

The Organization’s contributions receivable at year end June 30, 2023 was \$5,000 and consisted of a grant from the American Public Health Association. There were no outstanding receivables at year end June 30, 2022. The allowance for uncollectable receivables is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Receivables are written off when deemed uncollectable. At June 30, 2023, all amounts are considered fully collectible, and as such, management has not established an allowance for uncollectable accounts. The American Public Health Association is a related party to Arizona Public Health Association.

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**Short-Term Investments**

Short-term investments consist of certificates of deposit with original maturities of greater than three months and remaining maturities of less than one year. Short-term investments are recorded at cost plus accrued interest.



**Arizona Public Health Association**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2023**  
**(with summarized information for the year ended June 30, 2022)**

**NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Credit Risk**

Management manages deposit concentration risk by placing cash and certificates of deposit in reputable, federally insured financial institutions. The FDIC insures deposits up to \$250,000. Deposit balances are fully insured by the FDIC. To date, no losses have been experienced in any of these accounts.

**Net Assets**

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board may designate, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

*Net Assets With Donor Restrictions* – Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions may be perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets from restrictions.

**Revenue Recognition**

The Organization's revenues are derived primarily from dues, grants, conference events, and contributions. Revenue is recognized when earned. Contributions are recognized when cash, securities or other assets, unconditional promises to give, or notifications of a beneficial interest are received. All contributions, pledges, and grants are considered to be available without donor restrictions unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for a specific purpose are reported as with donor restriction thereby increasing that net asset class. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

**Functional Allocation of Expenses**

The costs of providing programs and other activities have been summarized on a functional basis on the Statement of Activities. The Statement of Functional Expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among programs, management and general and fundraising based on management's estimates of indirect overhead costs. Expenses that are attributed to more than one program or supporting function have been allocated among the various functions using a reasonable basis that is consistently applied, as follows:

- Salaries and payroll taxes are allocated on estimates of time and effort.
- Insurance and equipment are allocated based on management's estimate.

**Arizona Public Health Association**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2023**  
**(with summarized information for the year ended June 30, 2022)**

**NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Income Tax Status**

The Organization is organized as an Arizona nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described, in Section 501(c)(3), qualifies for the charitable contribution deduction under Sections 170(b)(1)(A)(vi) and (viii), and has been determined not to be a private foundation under Sections 509(a)(1) and (3), respectively. The Organization is annually required to file a Return of Organization Exempt from Income Tax, Form 990, with the IRS. In addition, the Organization is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. Management has determined that the Organization is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

**Reclassifications**

Certain reclassifications of amounts previously reported have been made to the accompanying consolidated financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

**Recent Accounting Guidance**

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842), which requires lessees to recognize leases on the balance sheet and disclose key information about leasing arrangements. The new standard establishes a right-of-use (ROU) model that requires a lessee to recognize a ROU asset and lease liability on the statement of financial position for most leases with a term longer than 12 months. Leases will be classified as finance or operating, with classification affecting the pattern and classification of the expense recognition in the consolidated statement of activities. The standard is effective for the Organization for the year ended June 30, 2023.

In June 2021, the FASB issued ASU No. 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets, requires not-for-profits to present contributed nonfinancial assets as a separate line item in the statement activities and provide additional disclosures about contributions of nonfinancial assets. Contributed nonfinancial assets, commonly referred to as gifts-in-kind, include fixed assets (such as land, buildings, and equipment), use of fixed assets or utilities, materials and supplies, intangible assets, services, and unconditional promises of those assets. The ASU is effective for the Organization for the year ended June 30, 2023.

**Subsequent Events**

Subsequent events have been evaluated by management through September XX, 2023, which is the date the financial statements were available to be issued. this is too close to the footer. and see my question about date on report. See Accountants' Compilation Report

**Arizona Public Health Association**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2023**  
(with summarized information for the year ended June 30, 2022)

**NOTE 2 – LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Financial assets:	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 149,067	\$ 330,093
Certificates of deposit available upon maturity	301,381	51,115
Contributions receivable	5,000	-
<b>Total financial assets</b>	<b>455,448</b>	<b>381,208</b>
Less financial assets held to meet donor imposed purpose restrictions (Note 5)	isnt this 12,000 and 18,000? -	-
<b>Total amount available for general expenditures within one year</b>	<b>\$ 455,448</b>	<b>\$ 381,208</b>

**NOTE 3 – CONTRIBUTIONS RECEIVABLE**

Contributions receivable are estimated to be collected as follows at June 30:

	<u>2023</u>	<u>2022</u>
Within one year	\$ 5,000	\$ -
In one to five years	-	-
Over five years	-	-
<b>Total</b>	<b>\$ 5,000</b>	<b>\$ -</b>

One grantor accounted for 100% of total contributions receivable, at June 30, 2023. There were no restrictions on the contributions receivable balance at either the year ended June 30, 2023 nor 2022.

**NOTE 4 – LINE OF CREDIT**

The Organization has a credit card with a credit line of \$40,000. At the year ended June 30, 2023 and 2022, the credit card balance was \$6,833 and \$581, respectively, activity from which is reflected in expenses and in accounts payable balance at year end.

**NOTE 5 – NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consisted of the following at June 30:

	<u>2023</u>	<u>2022</u>
Subject to expenditure for specified purpose:		
Clean Energy	\$ 12,000	\$ 18,000
<b>Total net assets with donor restrictions</b>	<b>\$ 12,000</b>	<b>\$ 18,000</b>

**Arizona Public Health Association**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2023**  
(with summarized information for the year ended June 30, 2022)

**NOTE 5 – NET ASSETS WITH DONOR RESTRICTIONS (continued)**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose as follows for the years ended June 30:

	<b>2023</b>	<b>2022</b>
Subject to expenditure for specified purpose:		
Clean Energy	\$ 18,000	\$ -
Fall Conference	-	4,000
<b>Total net assets with donor restrictions</b>	<b>\$ 18,000</b>	<b>\$ 4,000</b>

Amounts received and released by satisfying donor purpose restrictions in the current year are reported in without donor restrictions and totaled \$8,000 and \$12,000 during the years ended June 30, 2023 and 2022, respectively.

**NOTE 6 – CONCENTRATIONS OF REVENUE**

The Organization's major sources of revenue are from annual membership dues (from individuals and organizations), registrations (to attend conferences and workshops) and sponsorships (corporate support of the conferences and programs of the organization).

	<b>2023</b>	<b>2022</b>
Conference event	44%	20%
Dues	32%	31%
Corporate & foundation contributions	18%	24%
Other	5%	1%
Individual contributions	1%	24%
<b>Total</b>	<b>100%</b>	<b>100%</b>

**NOTE 7 – PAYMENTS TO AFFILIATES**

The Organization is an affiliate member of American Public Health Association. The payments made to American Public Health Association for the years ended June 30, 2023 and 2022 were \$1,371 and \$0, respectively. At the year ended June 30, 2023, \$5,000 contributions receivable is due from the American Public Health Association.