

**GLOBAL HEALTH CORPS, INC.**  
**FINANCIAL STATEMENTS**  
**YEARS ENDED JULY 31, 2022 AND 2021**

**GLOBAL HEALTH CORPS, INC.**  
**YEARS ENDED JULY 31, 2022 AND 2021**  
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## Independent Auditor's Report

Board of Directors  
Global Health Corps, Inc.

### Opinion

We have audited the financial statements of the Global Health Corps, Inc. (the "Organization"), which comprise the statements of financial position as of July 31, 2022 and 2021, and the related statement of activities and statement of functional expenses for the year ended July 31, 2022, and statements of cash flows for the years ended July 31, 2022 and 2021, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of July 31, 2022 and 2021, and its changes in net assets for the year ended July 31, 2022, and its cash flows for the years ended July 31, 2022 and 2021 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. 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 the Organization 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 the Organization'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 the Organization'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 Organization'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.

## **Report on Summarized Comparative Information**

We have previously audited the Organization's July 31, 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 1, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended July 31, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.



Hauppauge, New York  
January 27, 2023

**GLOBAL HEALTH CORPS, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JULY 31, 2022 AND 2021**

	<b>2022</b>	<b>2021</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash	\$ 8,646,487	\$ 1,893,093
Receivables		
Net trades pending settlement	506,475	-
Foundation and corporate grants	549,205	1,281,399
Prepaid expenses	51,879	71,895
<b>Total current assets</b>	<b>9,754,046</b>	<b>3,246,387</b>
<b>Property and equipment - net</b>	-	12,190
<b>Other assets</b>	98,237	91,789
<b>Total assets</b>	<b>\$ 9,852,283</b>	<b>\$ 3,350,366</b>
<b>Liabilities and Net Assets</b>		
<b>Current liabilities</b>		
Notes payable - short term	\$ -	\$ 375,000
Accounts payable and accrued expenses	431,841	263,196
<b>Total current liabilities</b>	<b>431,841</b>	<b>638,196</b>
<b>Net assets</b>		
Without donor restrictions	6,392,442	1,281,830
With donor restrictions	3,028,000	1,430,340
<b>Total net assets</b>	<b>9,420,442</b>	<b>2,712,170</b>
<b>Total liabilities and net assets</b>	<b>\$ 9,852,283</b>	<b>\$ 3,350,366</b>

**GLOBAL HEALTH CORPS, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JULY 31, 2022**  
**(WITH COMPARATIVE TOTALS FOR 2021)**

	<b>2022</b>			<b>2021</b>
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>	
<b>Revenue and support</b>				
Foundation and corporate grants	\$ 7,147,591	\$ 3,914,500	\$ 11,062,091	\$ 2,095,370
Individual contributions	51,571	-	51,571	767,723
Other income	375,000	-	375,000	275,000
In-kind contributions	58,562	-	58,562	61,518
Interest	13,655	-	13,655	18,954
Net assets released from restrictions:				
Satisfaction of program restrictions	2,316,840	(2,316,840)	-	-
<b>Total revenue and support</b>	<b>9,963,219</b>	<b>1,597,660</b>	<b>11,560,879</b>	<b>3,218,565</b>
<b>Expenses</b>				
Program services - Fellow support	2,040,441	-	2,040,441	1,419,242
Program services - Alumni support	1,112,562	-	1,112,562	877,489
Fundraising	557,104	-	557,104	725,233
Management and general	1,142,500	-	1,142,500	938,229
<b>Total expenses</b>	<b>4,852,607</b>	<b>-</b>	<b>4,852,607</b>	<b>3,960,193</b>
<b>Change in net assets</b>	<b>5,110,612</b>	<b>1,597,660</b>	<b>6,708,272</b>	<b>(741,628)</b>
<b>Net assets</b>				
Beginning of year	1,281,830	1,430,340	2,712,170	3,453,798
End of year	<u>\$ 6,392,442</u>	<u>\$ 3,028,000</u>	<u>\$ 9,420,442</u>	<u>\$ 2,712,170</u>

**GLOBAL HEALTH CORPS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JULY 31, 2022**  
**(WITH COMPARATIVE TOTALS FOR 2021)**

	<b>2022</b>							
	<b>Program Services</b>			<b>Supporting Services</b>				
	<b>Fellow Support</b>	<b>Alumni Support</b>	<b>Total</b>	<b>Management &amp; General</b>	<b>Fundraising</b>	<b>Total</b>	<b>Grand Total</b>	<b>2021</b>
Payroll	\$ 772,726	\$ 531,690	\$ 1,304,416	\$ 333,497	\$ 405,544	\$ 739,041	\$ 2,043,457	\$ 2,045,544
Taxes and benefits	153,988	39,363	193,351	24,690	30,024	54,714	248,065	199,086
Training and events	236,584	8,760	245,344	1,169	-	1,169	246,513	23,602
Stipends and awards	262,446	-	262,446	-	-	-	262,446	172,994
Healthcare	127,541	63,219	190,760	25,085	24,265	49,350	240,110	266,953
Travel and meals	48,440	32,770	81,210	73,039	12,863	85,902	167,112	25,069
Professional development	21,025	308	21,333	31,737	118	31,855	53,188	43,551
Recruitment and selection	3,269	-	3,269	5,806	-	5,806	9,075	16,749
Professional fees	67,270	334,774	402,044	441,290	24,350	465,640	867,684	562,635
Occupancy	244,287	70,585	314,872	34,496	35,254	69,750	384,622	338,887
Office	69,367	27,305	96,672	115,816	23,746	139,562	236,234	186,578
Telephone	30,491	2,466	32,957	12,298	738	13,036	45,993	34,332
Printing and postage	2,870	1,231	4,101	5,946	167	6,113	10,214	7,011
Insurance	137	91	228	25,441	35	25,476	25,704	23,904
Depreciation	-	-	-	12,190	-	12,190	12,190	13,298
<b>Total</b>	<b>\$ 2,040,441</b>	<b>\$ 1,112,562</b>	<b>\$ 3,153,003</b>	<b>\$ 1,142,500</b>	<b>\$ 557,104</b>	<b>\$ 1,699,604</b>	<b>\$ 4,852,607</b>	<b>\$ 3,960,193</b>

**GLOBAL HEALTH CORPS, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JULY 31, 2022 AND 2021**

	<b>2022</b>	<b>2021</b>
<b><i>Cash flows from Operating Activities</i></b>		
<b>Change in net assets</b>	\$ 6,708,272	\$ (741,628)
<b>Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities</b>		
Depreciation	12,190	13,298
Net trades pending settlement	506,475	-
Receivable - Foundation and corporate grants	(280,756)	510,673
Prepaid expenses	20,016	(35,965)
Other assets	(6,448)	3,245
Accounts payable and accrued expenses	168,645	83,735
<b>Net cash provided by (used in) operating activities</b>	<b>7,128,394</b>	<b>(166,642)</b>
<b><i>Cash flows from Financing Activities</i></b>		
Proceeds from notes payable	-	375,000
Forgiveness of notes payable	(375,000)	(275,000)
<b>Net cash provided by (used in) financing activities</b>	<b>(375,000)</b>	<b>100,000</b>
<b>Net increase (decrease) in cash</b>	6,753,394	(66,642)
<b>Cash</b>		
Beginning of year	1,893,093	1,959,735
End of year	<b>\$ 8,646,487</b>	<b>\$ 1,893,093</b>

**Supplemental cash flow information:**

For the years ended July 31, 2022 and 2021, the Organization paid \$0 in interest on notes payable.



**GLOBAL HEALTH CORPS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JULY 31, 2022 AND 2021**

**Note 1 - Description of Organization and Significant Accounting Policies**

***General***

Global Health Corps, Inc. (the "Organization") is a tax-exempt organization that operates as a voluntary health and welfare entity. The Organization's mission is to mobilize a diverse community of leaders to build the movement for global health equity. The organization envisions a world where every person lives a healthy, dignified life.

Management has evaluated subsequent events through the date of the auditor's report, the date the financial statements were available to be issued.

***Basis of accounting***

The financial statements are presented on the accrual basis of accounting.

***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 the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

***Revenue recognition***

Grants and contributions are recorded at fair value on the earlier of the receipt of cash or an unconditional promise to give. Contributions are recognized as public support pursuant to the terms of the gifts. Unless specifically restricted by the donor, all contributions are considered to be without donor restrictions. Noncash gifts are recorded at their fair value.

Three grantors accounted for 83% and 40% of total foundation and corporate grant revenue for the years ended July 31, 2022 and 2021, respectively.

**GLOBAL HEALTH CORPS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JULY 31, 2022 AND 2021**

**Note 1 - Description of Organization and Significant Accounting Policies (cont'd)**

***Receivables***

Foundation and corporate grants receivable are recorded at net realizable value. Total corporate and foundation grants receivable as of July 31, 2022 and 2021, were \$549,205 and \$1,281,399, respectively. One grantor accounted for approximately 73% and 47% of the Organization's grants receivables as of July 31, 2022 and 2021, respectively.

Receivables include net trades pending settlement from liquidated donations of securities occurring at fiscal year-end. Total net trades pending settlement as of July 31, 2022 and 2021, were \$506,475 and \$0, respectively.

***Functional allocation of expenses***

The financial statements report certain categories of expenses that are attributable to more than one function. Expenditures classified as program services relate primarily to the tax-exempt purpose of the Organization. Expenditures classified as management and general relate primarily to administrative functions. All expenses are allocated in a manner that best reflects the actual costs associated with each function, primarily based on estimates of time and effort.

***Reclassification***

Certain prior year amounts have been reclassified to conform to the current year presentation.

**Note 2 – Cash**

Cash consists of U.S. and foreign currencies as follows:

	<u>2022</u>	<u>2021</u>
Interest bearing	\$ 8,100,989	\$ 1,401,243
Non-interest bearing	<u>545,498</u>	<u>491,850</u>
Total	<u>\$ 8,646,487</u>	<u>\$ 1,893,093</u>

At times throughout the years the Organization may have on deposit in banks, amounts in excess of FDIC insurance limits. The Organization has not experienced any losses in such accounts and the Directors believe it is not exposed to any significant credit risks.

**GLOBAL HEALTH CORPS, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**YEARS ENDED JULY 31, 2022 AND 2021**

**Note 3 - Availability of Financial Assets**

The Organization's financial assets available within one year of the Statement of Financial Position date for expenditure are as follows:

	2022	2021
<b>Financial assets at year end</b>		
Cash	\$ 8,646,487	\$ 1,893,093
Foundation and corporate grants receivable	549,205	1,281,399
Net trades pending settlement	506,475	-
Available financial assets	\$ 9,702,167	\$ 3,174,492
 <b>Less amounts not available to be used within one year:</b>		
Foundation and corporate grants receivable with donor restrictions	200,000	400,000
Total amounts unavailable for general expenditures within one year	200,000	400,000
Total financial assets available for general expenditures within one year	\$ 9,502,167	\$ 2,774,492

Certain financial assets are subject to donor restrictions based on a specific time period or purpose. None of the other financial assets are subject to restrictions that make them unavailable for general expenditure within one year of the Organization's Statement of Financial Position date. As part of the Organization's liquidity management, financial assets without donor restrictions are structured to be available for general expenditures, liabilities, and other obligations as they come due.

The Organization maintains a \$500,000 line of credit which can be drawn upon without restriction in the event of an unanticipated liquidity need. As of July 31, 2022 and 2021, there was no outstanding balance.

**GLOBAL HEALTH CORPS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JULY 31, 2022 AND 2021**

**Note 4 - Property and equipment**

	2022	2021
Furniture & equipment	\$ 269,306	\$ 269,306
Less accumulated depreciation	269,306	257,116
Property and equipment - net	\$ -	\$ 12,190

Property and equipment is stated at cost or estimated fair value at date of donation. Depreciation expense for each of the years ended July 31, 2022 and 2021 was \$12,190 and \$13,298, respectively, computed using the straight-line method over the estimated useful lives of the respective assets.

Expenditures for maintenance, repairs and minor renewals are charged to expenses as incurred; major renewals and betterments are capitalized.

**Note 5 - Notes payable**

In February 2021, the Organization received a loan from its bank in the amount of \$375,000 under the Paycheck Protection Program established by the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"). The Organization met the guidelines of loan forgiveness since the proceeds were used for eligible expenditures as described in the CARES Act and in September 2021, the Small Business Administration authorized full forgiveness of the loan. The loan proceeds were included in Other income on the Statement of Activities.

**Note 6 - Net assets**

The net assets of the Organization are classified as without donor restrictions and with donor restrictions.

Net assets without donor restrictions are available for any purpose or obligation of the Organization.

Net assets with donor restrictions are those whose use by the Organization has been limited by donors to a specific time period or purpose.

## GLOBAL HEALTH CORPS, INC.

### NOTES TO FINANCIAL STATEMENTS

#### YEARS ENDED JULY 31, 2022 AND 2021

##### **Note 7 - Fellow support**

The Organization is party to Memorandums of Agreement with various nonprofit organizations and government agencies, which are united in their missions of increasing global health equity, which govern the roles and responsibilities of the nonprofit organization, Global Health Corps, and the fellow. Financial, supervisory, and professional development support for the fellows as well as other aspects related to programming are specified in the terms of the agreements. Expenses relating to these agreements are included with program services and are recognized in the financial statements in the year the support is incurred.

##### **Note 8 - Alumni support**

Upon completion of the 13-month fellowship, fellows transition to the Alumni community of the Organization. The Organization provides ongoing leadership resources, training, and other opportunities to further an alum's personal development and strengthen their connections to the Alumni community. The Organization seeks to use the alumni support program to amplify and multiply an alum's impact on global health systems.

##### **Note 9 - In-kind contributions and contributed services**

Contributed services are recognized in the financial statements at their estimated fair value if the services received either create or enhance nonfinancial assets, or require specialized skills, are provided by individuals possessing those skills, and would typically be purchased if not provided by donation.

Contributed furniture and equipment is recorded at estimated fair value at the date of the donation as support and revenue without restrictions unless the use of such contributed assets is limited by a donor-imposed restriction.

During the years ended July 31, 2022 and 2021, the Organization received donated services and other materials at an estimated fair value of \$58,562 and \$61,518, respectively.

##### **Note 10 - Lease commitments**

The Organization leases various office and housing space in the United States and Africa (Malawi, Rwanda, Uganda and Zambia) from unrelated organizations with expiration dates between September 30, 2019 to February 28, 2025.

Effective July 1, 2020 through July 31, 2022, the Organization obtained an abatement on their lease of office space in New York, which lowered their monthly expense to \$10,000. All other terms in the lease remain the same.

Certain leases are cancellable by either party with specific advance notice.

**GLOBAL HEALTH CORPS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JULY 31, 2022 AND 2021**

**Note 10 - Lease commitments (cont'd):**

Total occupancy expense for the years ended July 31, 2022 and 2021 was \$384,622 and \$338,887, respectively.

Future minimum lease obligations as of July 31, 2022 are as follows:

2023	\$ 260,334
2024	271,295
2025 and thereafter	<u>161,501</u>
Total	<u>\$ 693,130</u>

**Note 11 - Prior year summarized information**

The financial statements include certain prior year summarized comparative information in total but not by net asset class and functional expense category. Such information does not include sufficient detail to constitute a presentation in conformity with the basis of accounting on which these financial statements were prepared. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended July 31, 2021, from which the summarized information was derived.

**Note 12 - Tax status**

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC") and had obtained a favorable tax determination letter dated November 5, 2010. The Directors believe that the Organization is currently designed and operated in compliance with the requirements of the IRC.