

**GLOBAL HEALTH CORPS, INC.**  
**FINANCIAL STATEMENTS**  
**YEARS ENDED JULY 31, 2023 AND 2022**

**GLOBAL HEALTH CORPS, INC.**  
**YEARS ENDED JULY 31, 2023 AND 2022**  
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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, 2023 and 2022, and the related statement of activities and statement of functional expenses for the year ended July 31, 2023, and statements of cash flows for the years ended July 31, 2023 and 2022, 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, 2023 and 2022, and its changes in net assets for the year ended July 31, 2023, and its cash flows for the years ended July 31, 2023 and 2022 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, 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 27, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended July 31, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.



Hauppauge, New York  
January 22, 2024

**GLOBAL HEALTH CORPS, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JULY 31, 2023 AND 2022**

	<b>2023</b>	<b>2022</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 5,363,019	\$ 8,646,487
Receivables		
Net trades pending settlement	-	506,475
Foundation and corporate grants	355,874	549,205
Prepaid expenses	32,422	51,879
<b>Total current assets</b>	5,751,315	9,754,046
<b>Right of use operating lease</b>	288,440	-
<b>Other assets</b>	101,405	98,237
<b>Total assets</b>	\$ 6,141,160	\$ 9,852,283
<b>Liabilities and Net Assets</b>		
<b>Current liabilities</b>		
Accounts payable and accrued expenses	116,891	431,841
Operating lease - current portion	186,500	-
<b>Total current liabilities</b>	303,391	431,841
<b>Operating lease - long-term portion</b>	157,166	-
<b>Total liabilities</b>	460,557	431,841
<b>Net assets</b>		
Without donor restrictions	4,950,603	6,392,442
With donor restrictions	730,000	3,028,000
<b>Total net assets</b>	5,680,603	9,420,442
<b>Total liabilities and net assets</b>	\$ 6,141,160	\$ 9,852,283

**GLOBAL HEALTH CORPS, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JULY 31, 2023**  
**(WITH COMPARATIVE TOTALS FOR 2022)**

	<b>2023</b>			<b>2022</b>
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>	
<b>Revenue and support</b>				
Foundation and corporate grants	\$ 864,300	\$ 545,100	\$ 1,409,400	\$ 11,062,091
Individual contributions	73,312	-	73,312	51,571
Other income	25,876	-	25,876	384,746
Interest	1,212	-	1,212	3,909
In-kind contributions	58,035	-	58,035	58,562
Net assets released from restrictions:				
Satisfaction of program restrictions	2,843,100	(2,843,100)	-	-
<b>Total revenue and support</b>	<b>3,865,835</b>	<b>(2,298,000)</b>	<b>1,567,835</b>	<b>11,560,879</b>
<b>Expenses</b>				
Program services - Fellow support	2,324,535	-	2,324,535	2,040,441
Program services - Alumni support	1,046,768	-	1,046,768	1,112,562
Fundraising	768,473	-	768,473	557,104
Management and general	1,167,898	-	1,167,898	1,142,500
<b>Total expenses</b>	<b>5,307,674</b>	<b>-</b>	<b>5,307,674</b>	<b>4,852,607</b>
<b>Change in net assets</b>	<b>(1,441,839)</b>	<b>(2,298,000)</b>	<b>(3,739,839)</b>	<b>6,708,272</b>
<b>Net assets</b>				
Beginning of year	6,392,442	3,028,000	9,420,442	2,712,170
End of year	<u>\$ 4,950,603</u>	<u>\$ 730,000</u>	<u>\$ 5,680,603</u>	<u>\$ 9,420,442</u>

**GLOBAL HEALTH CORPS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JULY 31, 2023**  
**(WITH COMPARATIVE TOTALS FOR 2022)**

	<b>2023</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>2022</b>
Payroll	\$ 798,347	\$ 601,746	\$ 1,400,093	\$ 538,748	\$ 547,010	\$ 1,085,758	\$ 2,485,851	\$ 2,043,457
Taxes and benefits	200,502	53,242	253,744	47,668	48,400	96,068	349,812	248,065
Training and events	189,095	38,180	227,275	979	-	979	228,254	246,513
Stipends and awards	389,808	-	389,808	-	-	-	389,808	262,446
Healthcare	166,897	73,693	240,590	39,936	31,111	71,047	311,637	240,110
Travel and meals	55,722	83,726	139,448	39,859	33,927	73,786	213,234	167,112
Professional development	32,178	900	33,078	47,889	-	47,889	80,967	53,188
Recruitment and selection	7,324	645	7,969	5,377	-	5,377	13,346	9,075
Professional fees	137,613	111,024	248,637	198,628	45,637	244,265	492,902	867,684
Occupancy	208,932	7,090	216,022	72,451	37,353	109,804	325,826	384,622
Office	101,033	68,670	169,703	129,966	22,526	152,492	322,195	236,234
Telephone	32,437	4,362	36,799	16,440	2,214	18,654	55,453	45,993
Printing and postage	4,516	3,404	7,920	6,204	259	6,463	14,383	10,214
Insurance	131	86	217	23,753	36	23,789	24,006	25,704
Depreciation	-	-	-	-	-	-	-	12,190
<b>Total</b>	<b>\$ 2,324,535</b>	<b>\$ 1,046,768</b>	<b>\$ 3,371,303</b>	<b>\$ 1,167,898</b>	<b>\$ 768,473</b>	<b>\$ 1,936,371</b>	<b>\$ 5,307,674</b>	<b>\$ 4,852,607</b>

See Notes to Financial Statements

**GLOBAL HEALTH CORPS, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JULY 31, 2023 AND 2022**

	<b>2023</b>	<b>2022</b>
<b><i>Cash flows from Operating Activities</i></b>		
<b>Change in net assets</b>	\$(3,739,839)	\$ 6,708,272
<b>Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities</b>		
Depreciation	-	12,190
Net trades pending settlement	506,475	(506,475)
Receivable - Foundation and corporate grants	193,331	732,194
Prepaid expenses	19,457	20,016
Other assets	(3,168)	(6,448)
Right of use operating lease	(288,440)	-
Accounts payable and accrued expenses	(314,950)	168,645
Operating lease	343,666	-
<b>Net cash (used in) provided by operating activities</b>	<b>(3,283,468)</b>	<b>7,128,394</b>
<b><i>Cash flows from Financing Activities</i></b>		
Forgiveness of notes payable	-	(375,000)
<b>Net cash (used in) financing activities</b>	<b>-</b>	<b>(375,000)</b>
<b>Net (decrease) increase in cash</b>	(3,283,468)	6,753,394
<b>Cash</b>		
Beginning of year	8,646,487	1,893,093
End of year	<b>\$ 5,363,019</b>	<b>\$ 8,646,487</b>



**GLOBAL HEALTH CORPS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JULY 31, 2023 AND 2022**

**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 48% and 83% of total foundation and corporate grant revenue for the years ended July 31, 2023 and 2022, respectively.

***Accounting pronouncements adopted***

The Organization adopted ASU No. 2016-02, Leases (Topic 842) as of August 1, 2022, using the modified retrospective approach and utilizing the effective date as its date of initial application, for which prior periods are presented in accordance with the previous guidance in ASC 840, Leases. Topic 842 requires a lessee to record a right-of-use asset and a liability, which represents the present value of the obligation to make lease payments for operating leases.

**GLOBAL HEALTH CORPS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JULY 31, 2023 AND 2022**

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

***Accounting pronouncements adopted – cont'd***

The Organization adopted ASU 2020-07, Presentation and Disclosures by Not-For-Profit Entities for Contributed Nonfinancial Assets (“Gifts-in-Kind”) for the year ended July 31, 2023. The core guidance in ASU 2020-07 is to increase transparency around contributed nonfinancial assets (also known as “gifts-in-kind”) received by not-for-profit (“NFP”) organizations, including transparency on how those assets are used and how they are valued. ASU 2020-07 improves financial reporting by providing updated presentation and disclosure requirements about contributed nonfinancial assets for NFPs. The amendments did not change existing recognition and measurement requirements for those assets. The adoption of ASU 2020-07 did not result in changes to the Organizations financial statements.

***Receivables***

Foundation and corporate grants receivable are recorded at net realizable value. Total corporate and foundation grants receivable as of July 31, 2023 and 2022, were \$355,874 and \$549,205, respectively. One grantor accounted for approximately 56% and 73% of the Organization’s grants receivables as of July 31, 2023 and 2022, respectively.

Receivables for the year ended July 31, 2022, 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 were \$506,475. There were no net trades pending settlement as of July 31, 2023.

***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.

**GLOBAL HEALTH CORPS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JULY 31, 2023 AND 2022**

**Note 2 – Cash**

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

	<u>2023</u>	<u>2022</u>
Interest bearing	\$ 5,102,133	\$ 8,100,989
Non-interest bearing	<u>260,886</u>	<u>545,498</u>
Total	<u>\$ 5,363,019</u>	<u>\$ 8,646,487</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.

Foreign currency balances have been translated to their U.S. dollar equivalent using the applicable exchange rate at the balance sheet date.

**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:

	<u>2023</u>	<u>2022</u>
<b>Financial assets at year end</b>		
Cash and cash equivalents	\$ 5,363,019	\$ 8,646,487
Foundation and corporate grants receivable	355,874	549,205
Net trades pending settlement	<u>-</u>	<u>506,475</u>
Available financial assets	<u>\$ 5,718,893</u>	<u>\$ 9,702,167</u>
<b>Less amounts not available to be used within one year:</b>		
Foundation and corporate grants receivable with donor restrictions	<u>-</u>	<u>200,000</u>
Total amounts unavailable for general expenditures within one year	<u>-</u>	<u>200,000</u>
Total financial assets available for general expenditures within one year	<u>\$ 5,718,893</u>	<u>\$ 9,502,167</u>

**GLOBAL HEALTH CORPS, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**YEARS ENDED JULY 31, 2023 AND 2022**

**Note 3 - Availability of financial assets – cont'd**

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, 2023 and 2022, there was no outstanding balance.

**Note 4 - 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. For the year ended July 31, 2022, the loan proceeds were included in Other income on the Statement of Activities.

**Note 5 - 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.

**Note 6 - 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.

**GLOBAL HEALTH CORPS, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**YEARS ENDED JULY 31, 2023 AND 2022**

**Note 7 - 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 8 - Contributed nonfinancial assets**

For the years ended July 31, 2023 and 2022, in-kind contributions recognized within the statement of activities included:

	<u>2023</u>	<u>2022</u>
Information technology	\$ 2,400	\$ 2,400
Event space & related services	25,250	-
Contributed services	<u>30,385</u>	<u>56,162</u>
Total	<u>\$ 58,035</u>	<u>\$ 58,562</u>

The Organization recognized contributed nonfinancial assets within revenue. No contributed nonfinancial assets had donor-imposed restrictions.

Contributed information technology items consist of web-based services and tools and are valued at the estimated fair value based on the current retail rates for the services and tools provided. These items are utilized in the general management of the Organization throughout the fiscal year.

Contributed event space & related services consist of event space, planning, and catering services and are valued at the estimated fair value based on the current retail rates for the services provided. These contributions were utilized for various events throughout the year and are recognized when the event occurs.

Contributed services recognized comprise professional services from attorneys advising the Organization on various administrative legal matters. Contributed services are valued and are reported at the estimated fair value in the financial statements based on current rates for similar legal services.

**GLOBAL HEALTH CORPS, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**YEARS ENDED JULY 31, 2023 AND 2022**

**Note 9 - 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. Certain leases are cancellable by either party with specific advance notice.

Effective July 1, 2020 through July 31, 2022, and June 1, 2023 through December 31, 2023, the Organization obtained an abatement of rent 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.

Total occupancy expense for the years ended July 31, 2023 and 2022 was \$325,826 and \$384,622, respectively.

Future minimum lease obligations as of July 31, 2023 are as follows:

2024	\$	209,226
2025		161,501
Less: Present value discount		<u>(27,061)</u>
Total	\$	<u>343,666</u>

**Note 10 - 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, 2022, from which the summarized information was derived.

**Note 11 - 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.