



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B54292

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January 16, 2020

Board of Directors
Indiana Immunization Coalition, Inc.
9355 North 400 West
Fountaintown, IN 46130

We have reviewed the audit report of the Indiana Immunization Coalition, Inc., which was opined upon by Lemler Group, LLC, Independent Public Accountants, for the period July 1, 2018 to June 30, 2019. Per the *Independent Auditor's Report* the financial statements included in the report present fairly the financial condition of Indiana Immunization Coalition, Inc. as of June 30, 2019 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Lemler Group, LLC prepared the audit report in accordance with the guidelines established by the State Board of Accounts.

The report is filed with this letter in our office as a matter of public record.

A handwritten signature in blue ink that reads "Paul D. Joyce".

Paul D. Joyce, CPA
State Examiner

Audited Financial Statements

Indiana Immunization Coalition, Inc.

For the Year Ended June 30, 2019



LEMLERGROUP
certified public accountants

Indiana Immunization Coalition, Inc.

Table of Contents

| | |
|---|-----|
| Independent Auditor's Report | 1 |
| Financial Statements | |
| Statement of Financial Position | 2 |
| Statement of Activities and Changes in Net Assets | 3 |
| Statement of Cash Flows..... | 4 |
| Statement of Functional Expenses..... | 5 |
| Notes to Financial Statements | 6-9 |
| Schedule of Lead Auditor | 10 |



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Indiana Immunization Coalition, Inc.
Indianapolis, Indiana

Report on the Financial Statements

We have audited the accompanying financial statements of Indiana Immunization Coalition, Inc. (IIC), which comprise the statement of financial position as of June 30, 2019, and the statement of activities and changes in net assets, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to IIC's preparation and fair presentation of the financial statements 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 IIC's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of IIC as of June 30, 2019, and the results of its statement of activities and changes in net assets, cash flows and functional expenses for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Lemler Group, LLC
Indianapolis, Indiana

September 3, 2019

Indiana Immunization Coalition, Inc.

Statement of Financial Position June 30, 2019

ASSETS

Current Assets

| | |
|-----------------------------|----------------|
| Cash and cash equivalents | \$ 129,082 |
| Grant receivable | 92,382 |
| Prepaid expenses | 8,950 |
| Other receivable | 552 |
| Total current assets | <u>230,966</u> |

Fixed Assets

| | |
|--------------------------|--------------|
| Office equipment | 5,062 |
| Accumulated depreciation | (2,960) |
| Net fixed assets | <u>2,102</u> |

| | |
|---------------------|--------------------------|
| Total Assets | <u><u>\$ 233,068</u></u> |
|---------------------|--------------------------|

LIABILITIES AND NET ASSETS

Liabilities

| | |
|--------------------------|---------------|
| Accounts payable | \$ 8,799 |
| Deferred revenue | 26,866 |
| Total Liabilities | <u>35,665</u> |

Net Assets

| | |
|---------------------------------------|----------------|
| Net assets without donor restrictions | 197,403 |
| Total Net Assets | <u>197,403</u> |

| | |
|---|--------------------------|
| Total Liabilities and Net Assets | <u><u>\$ 233,068</u></u> |
|---|--------------------------|

Indiana Immunization Coalition, Inc.

Statement of Activities and Changes in Net Assets For the Year Ended June 30, 2019

Revenues

| | |
|-----------------------|-----------------------|
| Government contracts | \$ 428,565 |
| Grants | 102,995 |
| Interest | 924 |
| Other | 8,564 |
| Total revenues | <u><u>541,048</u></u> |

Expenses

| | |
|----------------------------|-----------------------|
| Program services | |
| Immunization | 429,905 |
| Awareness | 102,995 |
| Total program services | <u>532,900</u> |
| General and administrative | 1,613 |
| Fundraising | - |
| Total expenses | <u><u>534,513</u></u> |

| | |
|--------------------------------------|--------------------------|
| Net Increase In Net Assets | 6,535 |
| Net Assets, Beginning of Year | <u>190,868</u> |
| Net Assets, End of Year | <u><u>\$ 197,403</u></u> |

Indiana Immunization Coalition, Inc.

Statement of Cash Flows For the Year Ended June 30, 2019

Reconciliation of Changes in Net Assets to Net Cash Provided By Operating Activities

| | |
|----------------------|----------|
| Change in net assets | \$ 6,535 |
|----------------------|----------|

Adjustments to Reconcile Changes in Net Assets to Net Cash Provided By Operating Activities

| | |
|--|---------------|
| Depreciation expense | (554) |
| Decrease (increase) in grants receivable | 103,953 |
| Decrease (increase) in prepaid expenses | (8,950) |
| Decrease (increase) in other receivables | (46) |
| Increase (decrease) in accounts payable | (91,145) |
| Increase (decrease) in deferred revenue | 7,005 |
| Net Cash Provided By Operating Activities | <u>16,798</u> |

Cash Flow From Investing Activities

| | |
|--|--------------|
| Purchase of fixed assets | <u>(627)</u> |
| Net Cash Used In Investing Activities | <u>(627)</u> |

| | |
|--|--------|
| Net Increase In Cash and Cash Equivalents | 16,171 |
|--|--------|

| | |
|---|----------------|
| Cash and Cash Equivalents, Beginning of Year | <u>112,911</u> |
|---|----------------|

| | |
|---|--------------------------|
| Cash and Cash Equivalents, End of Year | <u><u>\$ 129,082</u></u> |
|---|--------------------------|

Indiana Immunization Coalition, Inc.

Statement of Functional Expenses For the Year Ended June 30, 2019

| | Immunization | Awareness | Total Program | Management and General | Fundraising | Totals |
|------------------------|------------------|------------------|------------------|---------------------------|-------------|------------------|
| Personnel | \$240,597 | \$ - | \$240,597 | \$ - | \$ - | \$240,597 |
| Supplies | 2,316 | - | 2,316 | - | - | 2,316 |
| Training and travel | 58,798 | - | 58,798 | - | - | 58,798 |
| Marketing | 19,878 | 65,351 | 85,229 | - | - | 85,229 |
| Legal and professional | 16,441 | - | 16,441 | - | - | 16,441 |
| Communication | 19,604 | - | 19,604 | - | - | 19,604 |
| Other | 72,271 | - | 72,271 | - | - | 72,271 |
| Conferences and events | - | 37,644 | 37,644 | 877 | - | 38,521 |
| Depreciation | - | - | - | 736 | - | 736 |
| Total expenses | <u>\$429,905</u> | <u>\$102,995</u> | <u>\$532,900</u> | <u>\$ 1,613</u> | <u>\$ -</u> | <u>\$534,513</u> |

Indiana Immunization Coalition, Inc.

Notes to Financial Statements For the Year Ended June 30, 2019

Note 1 – Nature of Activities

Background

Indiana Immunization Coalition, Inc. (IIC) was formed as an Indiana not-for-profit organization in November 2003 and is dedicated to improving the health of Indiana residents by providing information regarding the benefits of vaccinations across all ages. IIC maintains its independence by not accepting funding from vaccine manufacturers and distributors.

Mission Statement

Indiana Immunization Coalition exists to reduce the spread of vaccine-preventable diseases through immunization education, advocacy, promotion, and statewide collaborative partnerships.

Note 2 – Significant Accounting Policies

Accounting Method

IIC's financial statements were prepared on the accrual basis of accounting.

Adoption of Accounting Pronouncement

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 requires significant changes to the financial reporting model of organizations that follow the not-for-profit reporting model. The changes include reducing the classes of net assets from three classes to two: net assets with donor restrictions and net assets without donor restrictions. The ASU also requires changes in the way certain information is aggregated and reported by IIC, including required disclosures about liquidity and availability of resources and increased disclosures on functional expenses. The new standard is effective for IIC's year ended June 30, 2019 and thereafter and must be applied on a retrospective basis. IIC adopted the ASU effective July 1, 2018. Adoption of the ASU did not result in any reclassifications or restatements to net assets or changes in net assets.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to use estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and the report of revenues and expenses.

Subsequent Events

IIC evaluated subsequent events through September 3, 2019, which is the date the financial statements were available to be issued. This evaluation determined that there are no subsequent events that necessitated further disclosure in and/or adjustments to the accompanying financial statements.

Cash and Cash Equivalents

For the purpose of the statements of cash flows, IIC considers all highly liquid instruments with a maturity of three months or less to be considered cash and cash equivalents. Cash consists of checking and savings accounts. There are no cash equivalents.

Grant Receivable

IIC has an existing immunization program reimbursable grant with the Indiana State Department of Health (ISDH). ISDH disburses these grant funds on a cost reimbursement basis after authorized costs have been incurred and corresponding invoices and other support has been provided to ISDH. At June 30, 2019, IIC is owed \$92,382, which was subsequently received.

Indiana Immunization Coalition, Inc.

Note 2 – Significant Accounting Policies (continued)

Fixed Assets

IIC's fixed assets are stated at cost and depreciated over estimated useful lives of three to seven years using the straight-line method. IIC capitalizes items over \$500 that have a useful life of one year or more. Expenditures for improvements and major renewals are capitalized. When fixed assets were sold, retired or otherwise disposed of, the related cost and accumulated depreciation were eliminated from the accounts and any resulting gain or loss was credited or charged to income.

Deferred Revenue

During prior years, IIC received three grants: a \$10,000 grant to train parents as immunization advocates, a \$7,500 grant to promote meningitis vaccines at Indiana colleges and universities and a \$10,000 grant to educate the public about HPV and available vaccines. IIC has performed these services and the remaining amounts were recognized as revenue. During the year ended June 30, 2019, IIC received \$110,000 in meningitis B digital media grants. IIC performed \$83,134 in services which was recognized as revenue. At June 30, 2019, \$26,866 of grant funds were in deferred revenue.

Income Taxes

IIC is exempt from federal and state income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code; therefore, no provision for income taxes was made in the financial statements. IIC is classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(vi).

Generally accepted accounting principles in the United States require IIC to examine its tax positions for uncertain positions. IIC is not aware of any tax positions that are more likely than not to change in the next 12 months, or that would not sustain an examination by applicable taxing authorities.

IIC's policy is to recognize penalties and interest as incurred in its statement of activities as a component of operating expenses, and totaled \$0 for the year ended June 30, 2019. IIC's federal and state income tax returns are subject to examination by the applicable tax authorities, generally for three years after the later of the original or extended due date.

Net Assets

The financial statements were prepared in accordance with Financial Statements of Not-for-Profit Organizations. This requires, among other things, that the financial statements report the changes in and total of each of the net asset classes, based upon donor restrictions, as applicable. Net assets are classified as either without or with donor restrictions. The following class of net assets and a brief description is as follows:

Net Assets Without Donor Restrictions – These amounts are not subject to usage restrictions based on donor-imposed requirements and include general assets and liabilities of IIC. These amounts also include previously restricted assets where restrictions were met or expired. The net assets without donor restrictions may be used freely at the direction of management to support IIC's purpose and operations.

Net Assets With Donor Restrictions – These amounts are subject to usage limitations based on donor-imposed or grantor restrictions. These restrictions may be temporary or may be based on a particular use. Restrictions may be met by the passage of time or by management's actions. Certain assets may be restricted in perpetuity. When a restriction expired, the amount was reclassified to without donor restrictions and reported in the statement of activities as net assets released from restrictions. IIC has no net assets with donor restrictions.

Indiana Immunization Coalition, Inc.

Note 2 – Significant Accounting Policies (continued)

Government Contract

Revenues under government grants are recognized as services provided. IIC received immunization grants from U.S. Health and Human Services, passed thru ISDH, for the program as noted below:

- Immunization Cooperative Agreement is to increase immunization rates and decrease vaccine-preventable disease incidence rates throughout Indiana. This is a cost reimbursement grant where IIC incurs program expenses and remits cost reimbursement reports on a monthly basis. This grant ran from July 1, 2018 through June 30, 2019 and has subsequently been renewed for one year, July 1, 2019 through June 30, 2020. For each grant reporting period, IIC has roughly 60 days after the agreement date to remit for program reimbursements.

Expense Allocation

IIC provides information and training regarding the benefits of vaccinations for all ages across Indiana. Due to the terms of various agreements, the majority of IIC's costs are related to a specific program.

Advertising and Marketing Expense

IIC expensed advertising and marketing costs as they incurred. For the year ended June 30, 2019, advertising and marketing expense was \$85,229.

Note 3 – Liquidity

IIC's liquidity management consists of the following quantitative and qualitative measurements:

Quantitative measurement - IIC's resources available for general use within one year at June 30, 2019 was:

| | |
|--|-------------------|
| Financial assets | \$ 230,966 |
| Not available within one year | (8,950) |
| Less current obligations | <u>(35,665)</u> |
| Financial assets available for general use within one year | <u>\$ 186,351</u> |

Qualitative measurement - IIC receives a significant amount of its support through contributions and grants. Because these contributions and grants require resources to be used in a particular manner or in a future period, IIC must maintain sufficient resources to meet those responsibilities to its donors and grantors. Thus, financial assets may not be available for general expenditure within one year. In the course of business, management structures IIC's financial assets to be available as its general expenditures, liabilities, and other obligations come due, and endeavors to maintain cash balances equal to approximately three months of operating expenses.

Note 4 – Concentrations and Contingencies

Concentration in Credit Risk

IIC maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 for those accounts that earn interest and unlimited coverage on those accounts that are non-interest bearing. At June 30, 2019, IIC's uninsured cash balances totaled \$0.

Indiana Immunization Coalition, Inc.

Note 4 – Concentrations and Contingencies (continued)

Concentration in Contributions

IIC received approximately 79% of its total revenue from ISDH related to immunization service grants for the year ended June 30, 2019. In the event that this support were to be eliminated, it is likely that IIC would need to reduce current operations.

Contingencies in Governmental Awards

Financial awards from federal, state and local governmental entities are subject to financial and compliance audits. Such audits could result in claims against IIC for disallowed costs or noncompliance with grantor restrictions. No provision was made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

Note 5 – Funds Received from ISDH

For the year ended June 30, 2019, amounts received from ISDH and services performed by IIC were as follows:

| | |
|----------------------|-------------------|
| Immunization Program | <u>\$ 428,565</u> |
|----------------------|-------------------|

Indiana Immunization Coalition, Inc.

Schedule of Lead Auditor For the Year Ended June 30, 2019

Auditor Information: Lemler Group, LLC
5625 N. Post Road, Suite 104
Indianapolis, Indiana 46216

Phone Number: (317) 449-0121

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Auditor Contact: David W. Lemler, CPA

Auditor Contact Title: Member

Auditor Contact Email: dlemler@lemlergroup.com