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STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

September 22, 2022

Board of Directors  
Indiana Minority Health Coalition, Inc.  
3737 North Meridian St., Suite 300  
Indianapolis, IN 46208

We have reviewed the audit report of Indiana Minority Health Coalition, Inc., which was opined upon by Katz, Sapper & Miller, LLP, for the period July 1, 2020 to June 30, 2021. Per the *Independent Auditors' Report* the financial statements included in the report present fairly the financial condition of The Chamber of Commerce of St. Joseph County as of June 30, 2021 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Katz, Sapper & Miller, LLP prepared the audit report in accordance with the guidelines established by the State Board of Accounts.

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

A handwritten signature in black ink that reads "Tammy R. White".

Tammy R. White, CPA  
Deputy State Examiner



**INDIANA MINORITY HEALTH COALITION, INC.**

CONSOLIDATED FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITORS' REPORT

June 30, 2021 and 2020

# INDIANA MINORITY HEALTH COALITION, INC.

## CONTENTS

### Page

#### FINANCIAL STATEMENTS

Independent Auditors' Report	1-2
Consolidated Statements of Financial Position	3
Consolidated Statements of Activities	4
Consolidated Statements of Functional Expenses	5-6
Consolidated Statements of Cash Flows	7
Notes to Consolidated Financial Statements	8-13

#### SUPPLEMENTARY INFORMATION

Schedule of Contract and Grant Activity for Federal, State, and Local Government Awards	14
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## *Independent Auditors' Report*

Board of Directors  
Indiana Minority Health Coalition, Inc.

We have audited the accompanying consolidated financial statements of Indiana Minority Health Coalition, Inc., which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### ***Management's Responsibility for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated 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 the entity'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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Indiana Minority Health Coalition, Inc., as of June 30, 2021 and 2020, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The schedule of contract and grant activity for federal, state, and local government awards is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements. The schedule of contract and grant activity for federal, state, and local government awards is required by the Indiana State Board of Accounts. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*Katz, Sapper & Miller, LLP*

Indianapolis, Indiana  
April 22, 2022

**INDIANA MINORITY HEALTH COALITION, INC.**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**June 30, 2021, and 2020**

**ASSETS**

	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>		
Cash	\$ 1,383,370	\$ 1,030,043
Grants receivable	978,489	702,855
Other assets	76,541	20,519
Property and equipment, net	<u>304,929</u>	<u>89,473</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 2,743,329</u></u>	<u><u>\$ 1,842,890</u></u>

**LIABILITIES AND NET ASSETS**

<b>LIABILITIES</b>		
Accounts payable and other accrued expenses	\$ 859,530	\$ 531,958
Accrued payroll, taxes and benefits	119,396	192,432
PPP loan		359,583
Line of credit borrowings		275,000
Total Liabilities	<u>978,926</u>	<u>1,358,973</u>
<b>NET ASSETS</b>		
Without donor restrictions	1,507,186	483,917
With donor restrictions	<u>257,217</u>	
Total Net Assets	<u>1,764,403</u>	<u>483,917</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 2,743,329</u></u>	<u><u>\$ 1,842,890</u></u>

*See accompanying notes.*

**INDIANA MINORITY HEALTH COALITION, INC.**

**CONSOLIDATED STATEMENTS OF ACTIVITIES**  
**Years Ended June 30, 2021 and 2020**

	<u>Without</u>	<u>2021</u>		<u>2020</u>
	<u>Donor</u>	<u>With</u>		<u>Without</u>
	<u>Restrictions</u>	<u>Donor</u>	<u>Total</u>	<u>Donor</u>
		<u>Restrictions</u>		<u>Restrictions</u>
<b>REVENUE AND SUPPORT</b>				
Grants and contracts:				
State of Indiana	\$ 5,107,827		\$ 5,107,827	\$ 3,222,391
Federal		\$ 50,000	50,000	50,000
Foundations and other	92,121	212,000	304,121	39,000
Indiana Department of Correction	3,804,881		3,804,881	3,556,195
Contributions	115,351		115,351	3,512
Event revenue	23,184		23,184	73,791
Administrative fees	233,321		233,321	180,409
Dues revenue	43,456		43,456	8,784
Other revenue	39,741		39,741	155,936
Forgiveness of PPP loan	359,583		359,583	
Net assets released from restrictions	4,783	(4,783)		
Total Revenue and Support	<u>9,824,248</u>	<u>257,217</u>	<u>10,081,465</u>	<u>7,290,018</u>
<b>EXPENSES</b>				
Program services	6,059,424		6,059,424	4,957,319
Management and general	2,730,408		2,730,408	2,537,233
Fundraising	11,147		11,147	12,311
Total Expenses	<u>8,800,979</u>		<u>8,800,979</u>	<u>7,506,863</u>
<b>CHANGE IN NET ASSETS</b>	1,023,269	257,217	1,280,486	(216,845)
<b>NET ASSETS</b>				
Beginning of Year	<u>483,917</u>	<u>-</u>	<u>483,917</u>	<u>700,762</u>
End of Year	<u>\$ 1,507,186</u>	<u>\$ 257,217</u>	<u>\$ 1,764,403</u>	<u>\$ 483,917</u>

See accompanying notes.

**INDIANA MINORITY HEALTH COALITION, INC.**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**Year Ended June 30, 2021**

	<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total Expenses</b>
Salaries	\$ 695,853	\$ 1,623,656		\$ 2,319,509
Employment taxes and benefits	194,577	476,379		670,956
Professional and contracted services	4,102,061			4,102,061
Professional and contracted services - coalition		104,707		104,707
Coalition contracts	700,292	233,430		933,722
Office and equipment rent		115,741		115,741
Telecommunications		35,874	\$ 8,968	44,842
Postage and printing		4,463	1,487	5,950
Office and program supplies	164,185	41,046		205,231
Business travel	21,414	4,744		26,158
Depreciation		28,194		28,194
Interest and fees		7,992		7,992
Conference and training	21,207	2,356		23,563
Advocacy	87,500			87,500
Charitable contributions		51,042		51,042
Other program and administrative costs	<u>72,335</u>	<u>784</u>	<u>692</u>	<u>73,811</u>
	<u>\$ 6,059,424</u>	<u>\$ 2,730,408</u>	<u>\$ 11,147</u>	<u>\$ 8,800,979</u>

*See accompanying notes.*

**INDIANA MINORITY HEALTH COALITION, INC.**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**Year Ended June 30, 2020**

	<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total Expenses</b>
Salaries	\$ 637,750	\$ 1,488,082		\$ 2,125,832
Employment taxes and benefits	217,702	532,994		750,696
Professional and contracted services	3,019,280			3,019,280
Professional and contracted services - coalition		65,216		65,216
Coalition contracts	673,403	224,468		897,871
Office and equipment rent		99,517		99,517
Telecommunications		35,655	\$ 8,914	44,569
Postage and printing		9,506	3,169	12,675
Office and program supplies	94,858	23,714		118,572
Business travel	63,586	15,825		79,411
Depreciation		19,100		19,100
Interest and fees		14,772		14,772
Conference and training	58,215	6,468		64,683
Advocacy	87,500			87,500
Other program and administrative costs	<u>105,025</u>	<u>1,915</u>	<u>228</u>	<u>107,169</u>
	<u><u>\$ 4,957,319</u></u>	<u><u>\$ 2,537,233</u></u>	<u><u>\$ 12,311</u></u>	<u><u>\$ 7,506,863</u></u>

*See accompanying notes.*

**INDIANA MINORITY HEALTH COALITION, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**Years Ended June 30, 2021 and 2020**

	<b>2020</b>	<b>2019</b>
<b>OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets	\$ 1,280,486	\$ (216,845)
Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities:		
Forgiveness of PPP loan	(359,583)	
Depreciation	28,194	19,100
(Increase) decrease in certain assets:		
Grants receivable	(275,634)	(286,015)
Other assets	(56,022)	(3,599)
Increase in certain current liabilities:		
Accounts payable and other accrued expenses	327,572	195,064
Accrued payroll, taxes and benefits	(73,036)	111,065
Net Cash Provided (Used) By Operating Activities	<u>871,977</u>	<u>(181,230)</u>
<b>INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(243,650)	(83,566)
Net Cash Used by Investing Activities	<u>(243,650)</u>	<u>(83,566)</u>
<b>FINANCING ACTIVITIES</b>		
Borrowings (repayments) on line of credit, net	(275,000)	110,000
Proceeds from PPP loan		359,583
Net Cash Provided (Used) By Financing Activities	<u>(275,000)</u>	<u>469,583</u>
<b>NET INCREASE IN CASH</b>	353,327	204,787
<b>CASH</b>		
Beginning of Year	<u>1,030,043</u>	<u>825,256</u>
End of Year	<u>\$ 1,383,370</u>	<u>\$ 1,030,043</u>
<b>SUPPLEMENTAL DISCLOSURES</b>		
Cash paid for interest	\$ 1,909	\$ 10,562
Cash paid for income taxes	29,174	37,185
Noncash financing activity:		
Forgiveness of PPP loan	359,583	

*See accompanying notes.*

## INDIANA MINORITY HEALTH COALITION, INC.

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS June 30, 2021 and 2020

#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**General:** Indiana Minority Health Coalition, Inc. (IMHC) is a not-for-profit organization that was created in 1992 by nine community-based organizations and incorporated in 1994 with a focus on improving the health of Indiana's ethnic and racial minority populations. IMHC deals with a broad range of health issues and promotes and supports its fifteen local affiliate county and other community-based organizations in their efforts to address minority health issues with advocacy, education, program development, community outreach, service delivery, public relations, research, and leadership. County and community coalitions exist across the state and are established to implement health promotion and disease prevention programming at the local level.

One of the first programs initiated by IMHC was a joint participation with the Indiana State Department of Health (ISDH) in the implementation of the legislatively mandated Minority Health Initiative. The Minority Health Initiative is a five-year strategic plan for improving the health status of minorities in the state of Indiana. Its focus is to decrease excess deaths and morbidity from preventable health conditions. The plan involves coalition development, health promotion and health education, minority student recruitment into health and human service fields, cultural competency training for providers, increased access to health care, and improved data collection and reporting systems for racial/ethnic information. Key program objectives include:

- Healthy lifestyle management programs for individuals and families
- Awareness, education and training in disease prevention and health maintenance
- Cultural sensitivity and competency among health care professionals
- Updated research and resource information on key health issues
- Impact on health policy and solutions to issues affecting black and minority populations
- Personal responsibility for assessing healthcare needs

**Principles of Consolidation:** The consolidated financial statements include IMHC's wholly owned for-profit subsidiary IMHC Services, Inc. (IMHCS) (together, the Organization). IMHCS was organized in August 2014 and was subsequently certified by the State of Indiana as a Minority Business Enterprise. IMHCS was created to actively seek state, federal, and private sector procurement opportunities to increase revenue without donor restrictions that can be returned to IMHC. IMHCS currently has contracts with Wexford Health Sources, Inc. (Wexford) and Centurion Health of Indiana, LLC (Centurion) to help facilitate the mental health services and staffing required to treat incarcerated inmates in Indiana correctional facilities. IMHCS sub-contracts with psychiatrists and a pharmaceutical company to provide services and treatment necessary for the inmates. IMHCS's assets exceeded liabilities by approximately \$49,071 and \$57,522 as of June 30, 2021 and 2020, respectively. This included payables to IMHC of \$314,185 and \$641,656, respectively, which are eliminated in consolidation. The resulting change in net assets for the years ended June 30, 2021 and 2020, was a decrease of \$8,452 and an increase of \$825,687, respectively.

**Basis of Presentation:** The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, which require the Organization to report information regarding its consolidated financial position and activities depending on the absence or presence of donor-imposed restrictions. Accordingly, the Organization presents information regarding its financial position and activities according to the following net asset classifications:

- **Net Assets Without Donor Restrictions** are not subject to donor-imposed restrictions and may be used at the discretion of the Organization's management and Board of Directors.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- **Net Assets With Donor Restrictions** are subject to stipulations imposed by donors. All of the Organization's donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization.

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities. Restrictions expire when the stipulated purpose for which the resource was restricted has been fulfilled.

**Estimates:** The preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities, and the reported amounts of revenue and expenses. Actual results could differ from those estimates.

**Cash** consists of cash in bank accounts and cash on hand. The Organization maintains its cash in bank accounts which, at times, may exceed the federally insured limits. The Organization has not experienced any losses from its bank accounts.

**Grants Receivable:** Receivable balances consist of amounts billed for services provided. The Organization does not charge interest on outstanding receivables. An allowance for doubtful accounts is considered by management based upon the Organization's historical losses, specific circumstances and general economic conditions. Periodically, management reviews receivables and records an allowance based on current circumstances, and charges off the receivable against the allowance when all attempts to collect the receivable are deemed to have failed in accordance with the Organization's collection policy. Management determined no allowance was necessary as of June 30, 2021 and 2020. Conditional promises to give are recognized when the conditions on which they depend are substantially met. There were no conditional promises to give as of June 30, 2021 and 2020.

**Property and Equipment** are stated at cost for purchased assets, or at fair value at the date of donation for donated assets, less accumulated depreciation. The Organization uses the property and equipment that it acquires in the programs for which it was purchased or in other authorized programs. Property and equipment is depreciated using the straight-line method over the estimated useful lives of the assets of 5.7 years.

Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of property and equipment is measured by comparison of its carrying amount to future net undiscounted cash flows the property and equipment are expected to generate. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the property and equipment exceeds its fair market value. No adjustment to the carrying amount of these long-lived assets was required in 2021 or 2020.

**Grant Revenue** is recognized as earned as the eligible expenses are incurred. Grant expenditures are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required. The Organization receives a majority of its funding from the ISDH, by submitting claims for approval and payment.

The Organization uses certain grant funds received to issue its own contracts to coalitions and other service providers. Although the expenditures made and units of service performed by these sub-grantees and service providers are certified as bona fide, documentation of the purpose of such expenditures and units of service performed are subject to audit under the appropriate governmental agency. The Organization would become liable for the funds required to be returned to the agency issuing the contract if a sub-grantee or service provider were unable to adequately document expenditures, substantiate its local cost sharing requirement or document the units of service performed and was unable to refund any unearned funds themselves.

**Administrative Fees** represent service fees charged to Wexford by IMHCS. Administrative fees are recognized as the services are provided.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Event Revenue** is considered an unconditional contribution, except for the portion related to the direct benefit being provided to the donors that is considered an exchange transaction. The contribution portion of the revenue is recognized when received, and the exchange transaction portion of the revenue is recognized when the event occurs.

**Dues Revenue** is billed monthly to coalitions and recognized ratably over the year. The Organization provides membership benefits in return for the dues, primarily advocating and supporting local initiatives.

**Functional Allocation of Expenses:** The costs of providing program and other activities have been summarized on a functional basis in the consolidated statements of activities and functional expenses. Directly identifiable expenses are charged to the specific program or supporting service benefited. Expenses related to more than one function are allocated among program and support services based on occupied space (including, occupancy, interest and fees, and depreciation) or time spent by staff (including, personnel expenses, office and program supplies, telecommunications, business travel, and conference and trainings). Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

**Income Taxes:** IMHC is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Internal Revenue Code. In addition, the Organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Internal Revenue Code. IMHCS is a taxable corporation. IMHCS' 2019 tax year is currently under examination by the Internal Revenue Service. As of June 30, 2021, no findings had been issued as a result of the examination. IMHC had no unrelated business income tax for 2021 and 2020.

Income taxes include federal and state income taxes currently payable and deferred income taxes. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the consolidated financial statement carrying amounts of assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period of enactment. Deferred income tax expense represents the change during the year in the deferred tax assets and liabilities. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax asset will not be realized.

**Reclassifications:** Certain amounts in the 2020 consolidated financial statements have been reclassified to conform to the presentation of the 2021 consolidated financial statements.

**Subsequent Events:** Management has evaluated the consolidated financial statements for subsequent events occurring through April 22, 2022, the date the consolidated financial statements were available to be issued.

## NOTE 2 - AVAILABLE RESOURCES AND LIQUIDITY

The Organization's financial assets available for general expenditure that is, without donor or other restrictions limiting their use, within one year of June 30, 2021 and 2020 were as follows:

	2021	2020
Cash	\$1,383,370	\$1,030,043
Grants receivable	<u>978,489</u>	<u>702,855</u>
Total Financial Assets	2,361,859	1,732,898
Donor-imposed Restrictions:		
Funds subject to expenditure for specified purpose	<u>(257,217)</u>	<u>                    </u>
Total Financial Assets Available Within One Year	<u>\$2,104,642</u>	<u>\$1,732,898</u>

The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

IMHC has a line of credit available to meet short-term needs. See Note 4 for information about this arrangement.

## NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of June 30, 2021 and 2020:

	2021	2020
Property and equipment	\$ 851,317	\$ 587,731
Less: Accumulated depreciation	<u>(546,388)</u>	<u>(498,258)</u>
Total Property and Equipment, net	<u>\$ 304,929</u>	<u>\$ 89,473</u>

## NOTE 4 - DEBT AND CREDIT ARRANGEMENTS

IMHC has a bank line of credit agreement which provides for borrowings up to a maximum aggregate amount of \$300,000, with interest computed at daily LIBOR plus 3% (3.15% at June 30, 2021). The line of credit agreement, as amended, expires in April 2022. There were no borrowings outstanding under the line of credit at June 30, 2021. Borrowings outstanding under the line of credit were \$275,000 at June 30, 2020. Borrowings under the line of credit are collateralized by substantially all of IMHC's assets.

On May 3, 2020, the Organization received loan proceeds of \$359,583 under the Paycheck Protection Program (PPP) established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act). PPP loans, including accrued interest, are forgivable as long as the entity uses the proceeds for eligible purposes, including payroll, benefits, rent and utilities. Under the PPP, the amount of forgiveness is reduced if the entity terminates employees or reduces salaries during the covered period. The Organization believes it used the proceeds for purposes consistent with the PPP and has received forgiveness from the bank. The Organization recognized a gain on loan forgiveness as other income upon legal release of the obligation by the bank on April 1, 2021.

## NOTE 5 - OPERATING LEASES

The Organization leases building space for their administrative office in Indianapolis, Indiana under a long-term operating lease through February 2021. Subsequent to June 30, 2021, the lease was amended and extended through February 2026. The Organization also leases certain equipment and additional office space for medical practice in Logansport, Indiana pursuant to two long-term noncancelable operating leases that expire in March 2022 and October 2023, respectively. Total rental expense included in the consolidated statement of activities for the years ended June 30, 2021 and 2020 was \$115,741 and \$99,517 respectively.

At June 30, 2021, the future minimum rental payments required by all long-term operating leases were as follows:

<b>Payable In Fiscal Year</b>	<b>Rental Payments</b>
2022	\$120,833
2023	96,436
2024	88,436
2025	88,436
2026	<u>58,958</u>
Total Required Rental Payments	<u>\$453,099</u>

## NOTE 6 - INCOME TAXES

At June 30, 2021, IMHCS had federal net operating loss carryforwards of approximately \$6,000 available to offset future taxable income. Due to uncertainty surrounding the realization of its deferred tax assets, IMHCS recorded a valuation allowance for all of its net deferred tax assets in 2021.

The components of the IMHCS's net deferred tax assets at June 30, 2021 and 2020, were as follows:

	<b>2021</b>	<b>2020</b>
Net operating loss carryforwards	\$ 6,100	\$ -
Total deferred tax liabilities	<u>(3,900)</u>	<u>-</u>
	2,200	-
Less: Valuation allowance	<u>(2,200)</u>	<u>-</u>
Net Deferred Tax Assets	<u>\$ -</u>	<u>\$ -</u>

IMHC and IMHCS file U.S. federal and state of Indiana information tax returns. IMHC and IMHCS are no longer subject to U.S. federal and state income tax examinations by tax authorities for fiscal years before 2016. Management believes that IMHC and IMHSC's income tax filing positions will be sustained on audit and does not anticipate any adjustments that will result in a material change. Therefore, no reserve for uncertain income tax positions has been recorded. IMHC and IMHCS's policy for recording interest and penalties, if any, associated with income tax examinations will be to record such items as a component of income taxes.

## NOTE 7 - NET ASSETS

Net assets with donor restrictions consisted of the following as of June 30, 2021:

Subject to Expenditures for a Specified Purpose:	
Diabetes prevention	\$ 45,217
COVID-19 vaccine awareness	32,000
Minority health disparity intervention	<u>180,000</u>
Net Assets with Donor Restrictions	<u>\$ 257,217</u>

**NOTE 7 - NET ASSETS (CONTINUED)**

For the year ended June 30, 2021, net assets released from donor restrictions consisted of \$4,783 incurred by satisfying the restricted purpose of diabetes prevention.

There were no donor-restricted net assets as of June 30, 2020.

**NOTE 8 - EMPLOYEE BENEFIT PLAN**

IMHC has a Section 403(b) tax deferred annuity retirement savings plan for all of its qualified employees. The plan also provides for IMHC to make discretionary contributions which are allocated among eligible employees and subject to a five-year vesting period. For the years ended June 30, 2021 and 2020, contributions of \$11,852 and \$78,285, respectively, were made by IMHC.

**NOTE 9 - CONCENTRATIONS**

ISDH and Wexford accounted for approximately 83% and 93% of revenue and support for the years ended June 30, 2021 and 2020, respectively, and 77% and 85% of grants receivable at June 30, 2021 and 2020, respectively.

**NOTE 10 - UNCERTAINTY RELATED TO CORONAVIRUS**

On January 30, 2020, the World Health Organization declared a global health emergency over the novel coronavirus known as COVID-19. The pandemic has raised awareness about the disparity of minority healthcare, which has increased awareness surrounding the Organization and its cause. The full extent to which the effects of COVID-19 will directly or indirectly impact the Organization's business, results of operations and financial condition, will depend on future developments and cannot be determined at this time; however, management is taking actions to mitigate the impact of the outbreak to the Organization.

## **SUPPLEMENTARY INFORMATION**

**INDIANA MINORITY HEALTH COALITION, INC.**  
**SCHEDULE OF CONTRACT AND GRANT ACTIVITY FOR FEDERAL, STATE,  
AND LOCAL GOVERNMENT AWARDS**  
Year Ended June 30, 2021

	Type of Funding	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
<b>FEDERAL AWARDS</b>				
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
Passed through the Black Women's Health Imperative National Diabetes Prevention Program	Federal Grant	93.261	Grant Number NU58DP006367-01-00	\$ <u>50,000</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>				<u>50,000</u>
<b>NONFEDERAL AWARDS</b>				
<b>INDIANA STATE DEPARTMENT OF HEALTH</b>				
Direct programs:				
Minority Health Initiative	Fee for service	N/A	N/A	1,909,098
Minority Health Epidemiology	Fee for service	N/A	N/A	701,867
EMPOWERED	Fee for service	N/A	N/A	212,959
Speak Life	Fee for service	N/A	N/A	<u>2,283,903</u>
<b>TOTAL EXPENDITURES OF NONFEDERAL AWARDS</b>				<u>5,107,827</u>
<b>TOTAL EXPENDITURES OF FEDERAL, STATE, AND GOVERNMENT AWARDS</b>				<u>\$ 5,157,827</u>