

**DuPage Health Coalition**

Financial Statements and  
Independent Auditor's Report

Year Ended June 30, 2020

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
DuPage Health Coalition

We have audited the accompanying financial statements of DuPage Health Coalition, which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows 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 from 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 the entity'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 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 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 DuPage Health Coalition as of June 30, 2020, and the changes in its net assets and cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

## **Report on Summarized Comparative Information**

We have previously audited DuPage Health Coalition's 2019 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated October 22, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in black ink that reads "Trimarco Radonich LLC". The signature is written in a cursive, flowing style.

Naperville, Illinois  
November 2, 2020

# DUPAGE HEALTH COALITION

## Statement of Financial Position

June 30, 2020

(With Summarized Financial Information for June 30, 2019)

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash	\$ 2,551,056	\$ 2,146,448
Grants receivable	317,112	80,399
Prepaid expenses and other	57,024	115,409
Total current assets	2,925,192	2,342,256
PROPERTY AND EQUIPMENT		
Executive office facility and improvements	394,457	394,457
Furniture and equipment	15,020	15,020
Subtotal	409,477	409,477
Less accumulated depreciation	(189,075)	(169,459)
Total property and equipment	220,402	240,018
TOTAL ASSETS	\$ 3,145,594	\$ 2,582,274
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 76,565	\$ 74,466
Accrued payroll and withholdings	21,440	12,572
Accrued paid time off	36,153	26,166
Paycheck Protection Program Loan	106,332	-
Total current liabilities	240,490	113,204
NET ASSETS		
Without donor restrictions	2,878,518	2,405,542
With donor restrictions	26,586	63,528
Total net assets	2,905,104	2,469,070
TOTAL LIABILITIES AND NET ASSETS	\$ 3,145,594	\$ 2,582,274

The accompanying notes are an integral part of these financial statements.

# DUPAGE HEALTH COALITION

## Statement of Activities

For the Year Ended June 30, 2020  
(With Summarized Financial Information for the Year Ended June 30, 2019)

	Without Donor Restrictions	With Donor Restrictions	Total	
			2020	2019
<b>GRANTS, CONTRIBUTIONS AND REVENUE</b>				
Government	\$ 208,839	\$ -	\$ 208,839	\$ 187,134
Hospitals	2,202,542	-	2,202,542	2,289,402
Foundations and other	316,112	10,000	326,112	175,206
Program Service Fees	86,607		86,607	89,264
Net assets released from restrictions	46,942	(46,942)	-	-
Total grants, contributions and revenue	2,861,042	(36,942)	2,824,100	2,741,006
<b>FUNCTIONAL EXPENSES</b>				
Program services	2,270,653	-	2,270,653	2,481,016
Administration	45,349		45,349	41,379
Fundraising	72,155	-	72,155	67,433
Total functional expenses	2,388,157	-	2,388,157	2,589,828
Change in net assets from operating activities	472,885	(36,942)	435,943	151,178
<b>NONOPERATING</b>				
Interest income	91	-	91	138
CHANGE IN NET ASSETS	472,976	(36,942)	436,034	151,316
NET ASSETS, BEGINNING OF THE YEAR	2,405,542	63,528	2,469,070	2,317,754
NET ASSETS, END OF YEAR	\$ 2,878,518	\$ 26,586	\$ 2,905,104	\$ 2,469,070

The accompanying notes are an integral part of these financial statements.

# DUPAGE HEALTH COALITION

## Statement of Functional Expenses

For the Year Ended June 30, 2020  
(With Summarized Financial Information for the Year Ended June 30, 2019)

	Program Services				Supporting Services		Total Expenses	
	Access DuPage	Silver Access	Dispensary of Hope	Total	Administration	Fundraising	2020	2019
PERSONNEL								
Salaries	\$ 596,220	\$ 44,722	\$ -	\$ 640,942	\$ 26,520	\$ 57,500	\$ 724,962	\$ 640,233
Payroll taxes	52,509	3,619	-	56,128	2,031	4,316	62,475	60,480
Employee benefits	75,605	2,547	-	78,152	835	1,756	80,743	104,286
Total personnel	724,334	50,888	-	775,222	29,386	63,572	868,180	804,999
DIRECT PROGRAM AND SUPPORT								
Direct program costs	733,741	565,936	28,355	1,328,032	-	-	1,328,032	1,594,233
Postage and delivery	6,798	2,042	-	8,840	296	296	9,432	9,289
Occupancy	21,252	1,766	-	23,018	1,449	1,449	25,916	22,550
Telecommunications	6,659	-	-	6,659	358	143	7,160	22,152
Printing and reproduction	7,878	93	-	7,971	177	797	8,945	6,412
Liability insurance	18,401	-	-	18,401	968	-	19,369	18,695
Equipment rental	9,518	-	-	9,518	649	649	10,816	11,448
Supplies	5,858	594	-	6,452	399	399	7,250	10,682
Marketing, education, and training	3,133	1,360	-	4,493	458	229	5,180	8,362
Repairs and maintenance	14,118	-	-	14,118	743	-	14,861	12,501
Utilities	6,624	-	-	6,624	209	139	6,972	6,285
Travel and meals	1,685	2,414	-	4,099	108	-	4,207	6,172
Software and computer supplies	8,420	-	-	8,420	574	574	9,568	2,852
Record storage	2,699	-	-	2,699	-	-	2,699	3,434
Dues, subscriptions, and permits	890	-	-	890	99	-	989	221
Accounting	10,577	-	-	10,577	1,548	774	12,899	12,214
Consulting	14,839	-	-	14,839	2,859	2,859	20,557	9,759
Other professional fees	5,069	-	-	5,069	165	275	5,509	7,827
Total direct program and support	878,159	574,205	28,355	1,480,719	11,059	8,583	1,500,361	1,765,088
Depreciation	14,712	-	-	14,712	4,904	-	19,616	19,741
TOTAL FUNCTIONAL EXPENSES	\$ 1,617,205	\$ 625,093	\$ 28,355	\$ 2,270,653	\$ 45,349	\$ 72,155	\$ 2,388,157	\$ 2,589,828

The accompanying notes are an integral part of these financial statements.

# DuPage Health Coalition

## Statement of Cash Flows

For the Year Ended June 30, 2020

(With Summarized Financial Information for the Year Ended June 30, 2019)

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 435,943	\$ 151,178
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	19,616	19,741
(Increase) decrease in		
Grants receivable	(236,713)	(80,399)
Prepaid expense	58,385	(62,133)
Increase (decrease) in		
Accounts payable	2,099	74,466
Accrued expenses and withholdings	18,855	(15,181)
Total adjustments	(137,758)	(63,506)
Net cash from operating activities	298,185	87,672
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	91	138
Purchases of property and equipment	-	(114,457)
Net cash from investing activities	91	(114,319)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from paycheck protection program loan	106,332	-
NET INCREASE IN CASH	404,608	(26,647)
CASH, BEGINNING OF YEAR	2,146,448	2,173,095
CASH, END OF YEAR	\$ 2,551,056	\$ 2,146,448

The accompanying notes are an integral part of these financial statements.



## **DuPage Health Coalition**

### **Notes to Financial Statements**

June 30, 2020

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#### **1. NATURE OF ACTIVITIES**

DuPage Health Coalition (the “Organization”) is a nonprofit organization incorporated in the State of Illinois under the Illinois Not for Profit Act of 1986. The Organization’s mission is to develop and sustain in DuPage County (Illinois) a system for effectively and efficiently managing the health of low-income populations across the continuum of care. The DuPage Health Coalition accomplishes its goals through a variety of community strategic planning efforts, also operating a number of consumer-focused direct service programs.

Three key programs operated by the DuPage Health Coalition are Access DuPage, Silver Access, and Dispensary of Hope.

The Access DuPage program coordinates near comprehensive health access for low income and medically uninsured residents of DuPage County via a network of volunteer health providers and additional supportive services.

Silver Access provides low income Affordable Care Act Marketplace eligible families with premium payment assistance to reduce financial barriers to insurability.

DuPage Dispensary of Hope provides donated medications to low income and uninsured DuPage County residents.

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **Basis of Presentation**

Information regarding DuPage Health Coalition’s financial position and activities is reported according to the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net assets without donor restrictions.* Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of DuPage Health Coalition, whose board may designate assets without restrictions for specific operational purposes from time to time.

*Net assets with donor restrictions.* Net assets that are subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of DuPage Health Coalition or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Cash**

Cash consists of a demand deposit and savings accounts which exceed federally insured limits. However, management does not believe DuPage Health Coalition is exposed to any significant risk of loss on such accounts.

**Property and Equipment**

Property and equipment are stated cost if purchased, or at estimated fair value at the date of gift if donated, less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 5 years for furniture and equipment to 20 years for the executive office facility.

**Revenue and Revenue Recognition**

Program service fees are recognized when earned. Contributions and grants are recognized when cash, other assets, or an unconditional promise to give is received.

DuPage Health Coalition reports contributions restricted by the donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without restrictions and reported in the statements of activities as net assets released from restrictions.

**Income Taxes**

DuPage Health Coalition is exempt from federal and state income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code and applicable state regulations.

Management has evaluated DuPage Health Coalition's tax positions and concluded that the Organization has taken no uncertain tax positions that require adjustment to or disclosure in the financial statements to comply with the provisions of the accounting guidance for income taxes. Tax years subsequent to the fiscal year ended June 30, 2016, are open for examination.

**Functional Allocation of Expenses**

The costs of providing program and supporting services have been summarized on a functional basis in the Statement of Activities. Accordingly, costs have been allocated among the programs and supporting services using a direct functional method, when applicable, and on the basis of proportional use of the service provided as estimated by management.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Prior Year Information**

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2019, from which the summarized information was derived.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

**3. LINE OF CREDIT**

DuPage Health Coalition maintains a \$150,000 line of credit with a local bank, collateralized by the Organization's executive office facility. There were no amounts outstanding on the line of credit during the year ended June 30, 2020 or 2019. If utilized, interest is payable monthly at the prime rate plus .17 percent; there is no stated expiration date.

**4. PAYCHECK PROTECTION PROGRAM LOAN**

During April 2020, the Organization applied for and was approved for a loan in the amount of \$106,332 under the Paycheck Protection Program created as part of the relief efforts to COVID-19 and administered by the Small Business Administration. The loan accrues interest at 1%, but payments are not required to begin for six months after the funding of the loan. The Organization is eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. The loan is uncollateralized and is fully guaranteed by the Federal government.

**5. NET ASSETS WITH DONOR RESTRICTIONS**

Temporarily restricted net assets as of June 30, 2020 and 2019 are for the Access DuPage program and are time restricted.

**6. RETIREMENT PLAN**

The Organization maintained a SIMPLE IRA plan for eligible employees which was changed to a 403(b) plan during the fiscal year. The Organization matches dollar-for-dollar participant deferrals up to 3% of their compensation. Contributions by the Organization were \$10,828 and \$10,483 for the years ended June 30, 2020 and 2019, respectively.

**7. COORDINATION OF MEDICAL SERVICES**

DuPage Health Coalition coordinates health services provided to its' 6,193 enrollees by local health care entities and professionals who are key to the execution of the Organization's mission statement. Such services include hospital care, physicians, and drug assistance programs, and are provided to the enrollees at no cost or for a nominal fee. Annually, management estimates the value of these services based upon actual data provided by the respective providers, as well as historical data and projections which have ranged from \$34.8 to \$38.0 million at managed-care rates over the past three years.

**8. LIQUIDITY**

DuPage Health Coalition has \$2,868,168 of financial assets available for operations within one year of the balance sheet date to meet cash needs for operations, consisting of cash of \$2,551,056 and grant receivables of \$317,112. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the balance sheet date. The receivables are subject to implied time restrictions but are expected to be collected within one year. DuPage Health Coalition has a goal to maintain liquid financial assets, which consist of cash and cash equivalents, on hand to meet normal operating expenses for a reasonable period of time.

**9. RISKS AND UNCERTAINTIES**

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic which continues to spread throughout the United States. The Local's operations may be affected by this pandemic, however, the impact cannot be reasonably estimated at this time.

**10. SUBSEQUENT EVENTS**

Subsequent events have been evaluated through November 2, 2020, which was the date that these financial statements were available for issuance. Management is not aware of any subsequent events that would require recognition or disclosure in the financial statements.