# HealthRight International, Inc.
# and Subsidiary and Affiliate

Consolidated Financial Report
December 31, 2023

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**Independent Auditor's Report**

To the Board of Directors of
HealthRight International, Inc. and Subsidiary and Affiliate
New York, New York

**Report on the Audit of the 2023 Financial Statements**

***Opinion on the 2023 Financial Statements***

We have audited the consolidated financial statements of HealthRight International, Inc. and Subsidiary and Affiliate (HealthRight) which comprise the Consolidated Statement of Financial Position as of December 31, 2023, and the related Consolidated Statements of Activities and Changes in Net Assets, Functional Expenses and Cash Flows for the year then ended, and the related Notes to the Consolidated Financial Statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of HealthRight as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion on the 2023 Financial Statements***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2023 Financial Statements section of our report. We are required to be independent of HealthRight 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 2023 Financial Statements***

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about HealthRight's ability to continue as a going concern for one year after the date that the consolidated financial statements are issued, or when applicable, one year after the date the financial statements are available to be issued.

***Auditor's Responsibilities for the Audit of the 2023 Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated 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 GAAS and Government 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 consolidated financial statements.

In performing an audit in accordance with GAAS and *Government 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 HealthRight'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about HealthRight'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.

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is not a required part of the consolidated financial statements. 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.

The Board of Directors of
HealthRight International, Inc. and Subsidiary and Affiliate

In our opinion, Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October xx, 2024, on our consideration of HealthRight's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of HealthRight's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering HealthRight's internal control over financial reporting and compliance.

***Other Matter***

The financial statements of HealthRight for the year ended December 31, 2022, were audited by Buchbinder Tunick & Company LLP, which entered into an asset purchase agreement with Weaver and Tidwell, L.L.P. effective January 1, 2024. Buchbinder Tunick & Company LLP expressed an unmodified opinion on those financial statements on September 27, 2023.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Jericho, New York
November 5, 2024

# HealthRight International Inc. and Subsidiary and Affiliate

Consolidated Statements of Financial Position

December 31, 2023 and 2022

| | 2023 | 2022 |
|---|---|---|
| **ASSETS** | | |
| Cash and cash equivalents | $ 1,813,541 | $ 2,296,552 |
| Grants receivable | 202,890 | 362,394 |
| Contributions receivable | 103,379 | - |
| Prepaid expenses | 33,485 | 6,267 |
| Right-of-use asset - operating leases | 62,015 | - |
| Property assets, net | 473,478 | 340,944 |
| **TOTAL ASSETS** | $ 2,688,788 | $ 3,006,157 |
| **LIABILITIES AND NET ASSETS** | | |
| **LIABILITIES** | | |
| Accounts payable and accrued expenses | $ 112,059 | $ 347,938 |
| Deferred grant revenue | 485,212 | 1,001,533 |
| EIDL loan | 150,000 | 150,000 |
| Operating lease liabilities | 62,015 | - |
| Total liabilities | 809,286 | 1,499,471 |
| **NET ASSETS, without donor restrictions** | 1,120,018 | 10,861 |
| **NET ASSETS, with donor restrictions** | 759,484 | 1,495,825 |
| Total net assets | 1,879,502 | 1,506,686 |
| **TOTAL LIABILITIES AND NET ASSETS** | $ 2,688,788 | $ 3,006,157 |

The Notes to Consolidated Financial Statements
are an integral part of these statements.

# HealthRight International Inc. and Subsidiary and Affiliate

## Consolidated Statements of Activities and Changes in Net Assets
## Years Ended December 31, 2023 and 2022

| | 2023 | | | 2022 | | |
|---|---|---|---|---|---|---|
| | Total | Without Donor Restrictions | With Donor Restrictions | Total | Without Donor Restrictions | With Donor Restrictions |
| **REVENUE** | | | | | | |
| Foreign government grants | $ 5,917,662 | $ - | $ 5,917,662 | $ 5,775,433 | $ - | $ 5,775,433 |
| United States government grants | 6,830,577 | - | 6,830,577 | 1,099,213 | - | 1,099,213 |
| Foundation contributions | 702,406 | 84,409 | 617,997 | 946,906 | 96,299 | 850,607 |
| Corporate contributions | 369,584 | 240,123 | 129,461 | 731,839 | 712,215 | 19,624 |
| Individual contributions | 210,181 | 210,181 | - | 359,428 | 359,428 | - |
| In-kind contributions | 637,700 | 637,700 | - | 525,752 | 525,752 | - |
| Paycheck Protection Program loan forgiveness | - | - | - | 107,537 | 107,537 | - |
| Special event | 419,789 | 419,789 | - | 293,970 | 293,970 | - |
| Less: direct benefit costs | (126,963) | (126,963) | - | (55,554) | (55,554) | - |
| Other income | 119,613 | 119,613 | - | 34,997 | 34,997 | - |
| Net assets released from purpose restrictions | | | | | | |
| Satisfaction of program restrictions | - | 14,232,038 | (14,232,038) | - | 7,837,114 | (7,837,114) |
| Total revenue | 15,080,549 | 15,816,890 | (736,341) | 9,819,521 | 9,911,758 | (92,237) |
| **EXPENSES** | | | | | | |
| Program services | | | | | | |
| Human Rights Programming | 12,906,796 | 12,906,796 | - | 8,240,740 | 8,240,740 | - |
| Supporting activities | | | | | | |
| Management and general | 1,686,105 | 1,686,105 | - | 1,320,990 | 1,320,990 | - |
| Fundraising | 242,526 | 242,526 | - | 213,769 | 213,769 | - |
| Total expenses | 14,835,427 | 14,835,427 | - | 9,775,499 | 9,775,499 | - |
| Change in net assets before net (losses) on foreign currency transactions | 245,122 | 981,463 | (736,341) | 44,022 | 136,259 | (92,237) |
| Net gains (losses) on foreign currency transactions | 127,694 | 127,694 | - | (56,905) | (56,905) | - |
| Change in net assets | 372,816 | 1,109,157 | (736,341) | (12,883) | 79,354 | (92,237) |
| **NET ASSETS, beginning of year** | 1,506,686 | 10,861 | 1,495,825 | 1,519,569 | (68,493) | 1,588,062 |
| **NET ASSETS, end of year** | $ 1,879,502 | $ 1,120,018 | $ 759,484 | $ 1,506,686 | $ 10,861 | $ 1,495,825 |

The Notes to Consolidated Financial Statements
are an integral part of these statements.

# HealthRight International Inc. and Subsidiary and Affiliate

## Consolidated Statements of Functional Expenses

## Years Ended December 31, 2023 and 2022

| | 2023 | | | | 2022 | | | |
|---|---|---|---|---|---|---|---|---|
| | | Program Services | Supporting Activities | | | Program Services | Supporting Activities | |
| | Total | Human Rights Programming | Management and General | Fundraising | Total | Human Rights Programming | Management and General | Fundraising |
| **EXPENSES** | | | | | | | | |
| Salaries | $ 3,867,314 | $ 3,229,202 | $ 483,340 | $ 154,772 | $ 3,281,053 | $ 2,708,063 | $ 435,593 | $ 137,397 |
| Payroll taxes and employee benefits | 456,588 | 369,915 | 86,673 | - | 501,571 | 442,456 | 59,115 | - |
| Program consultants | 4,678,750 | 4,289,463 | 303,192 | 86,095 | 2,139,011 | 1,927,988 | 141,626 | 69,397 |
| Professional fees | 674,681 | 136,833 | 537,848 | - | 609,985 | 80,892 | 529,093 | - |
| Training and workshops | 1,261,553 | 1,241,334 | 20,219 | - | 294,598 | 293,358 | 1,240 | - |
| Rent and utilities | 336,001 | 333,091 | 2,910 | - | 159,441 | 145,593 | 13,848 | - |
| Materials and supplies | 2,418,061 | 2,414,344 | 3,717 | - | 1,615,356 | 1,585,449 | 28,535 | 1,372 |
| Furniture and equipment | 63,456 | 63,456 | - | - | 62,334 | 92,626 | 13,722 | - |
| Program expenses - other | 134,082 | 134,082 | - | - | 283,766 | 283,766 | - | - |
| Marketing and promotion | 29,977 | 27,844 | 2,133 | - | 82,761 | 80,777 | 1,984 | - |
| Vehicle expenses | 53,042 | 53,042 | - | - | 21,451 | 21,451 | - | - |
| Travel and meals | 500,123 | 428,550 | 71,573 | - | 378,933 | 350,212 | 28,721 | - |
| Insurance | 90,492 | 396 | 90,096 | - | 22,152 | 3,000 | 19,152 | - |
| Telephone, postage and internet | 141,215 | 92,742 | 48,473 | - | 103,817 | 53,226 | 6,577 | - |
| Ukrainian community shelter repairs | - | - | - | - | 82,113 | 82,113 | - | - |
| Fees, charges and taxes | 26,283 | 14,173 | 12,110 | - | 32,016 | 16,756 | 15,260 | - |
| Miscellaneous | 55,802 | 30,322 | 23,821 | 1,659 | 74,834 | 42,707 | 26,524 | 5,603 |
| Depreciation | 48,007 | 48,007 | - | - | 30,307 | 30,307 | - | - |
| **TOTAL EXPENSES** | $ 14,835,427 | $ 12,906,796 | $ 1,686,105 | $ 242,526 | $ 9,775,499 | $ 8,240,740 | $ 1,320,990 | $ 213,769 |

The Notes to Consolidated Financial Statements
are an integral part of these statements.

# HealthRight International Inc. and Subsidiary and Affiliate

Consolidated Statements of Cash Flows
Years Ended December 31, 2023 and 2022

| | 2023 | 2022 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Change in net assets | $ 372,816 | $ (12,883) |
| Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities | | |
| Depreciation | 48,007 | 30,307 |
| Paycheck Protection Program loan forgiveness | - | (107,537) |
| Amortization of right-of-use asset | 54,353 | - |
| (Increase) decrease in operating assets | | |
| Grants receivable | 159,504 | 88,524 |
| Contributions receivable | (103,379) | - |
| Prepaid expenses | (27,218) | 16,676 |
| Increase (decrease) in operating liabilities | | |
| Accounts payable and accrued expenses | (235,879) | 260,055 |
| Change in lease liabilities | (54,353) | - |
| Deferred grant revenue | (516,321) | 1,001,533 |
| Net cash (used in) provided by operating activities | (302,470) | 1,276,675 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| (Purchase of) property assets | (180,541) | (215,209) |
| Net cash (used in) investing activities | (180,541) | (215,209) |
| Net (decrease) increase in cash and cash equivalents | (483,011) | 1,061,466 |
| **CASH AND CASH EQUIVALENTS, beginning of year** | 2,296,552 | 1,235,086 |
| **CASH AND CASH EQUIVALENTS, end of year** | $ 1,813,541 | $ 2,296,552 |
| **ADDITIONAL DISCLOSURES** | | |
| Right-of-use assets obtained in exchange for lease liabilities | $ 116,368 | $ - |

The Notes to Consolidated Financial Statements
are an integral part of these statements.

## Note 1. Nature Of Activities and Significant Accounting Policies

**Nature of Activities**

HealthRight International, Inc. ("HealthRight") is an international health and human rights not-for-profit charitable organization founded in 1990 by a group of volunteer physicians, including the late Dr. Jonathan Mann, a pioneer in the field of health and human rights. The Organization owns a 100% interest in the Ukrainian Foundation for Public Health ("Ukrainian Foundation"). On December 2, 2008, HealthRight amended its Certificate of Incorporation to change its name to HealthRight International, Inc. and Subsidiary.

Working with local partners, HealthRight's projects build long-term solutions focused on ending tuberculosis and HIV epidemics, caring for neglected and abandoned children, maternal and infant health, and providing assistance to torture survivors. In addition to the United States of America, HealthRight has operated programs in over 30 countries. The Organization primarily receives its support from grants and contributions from corporations and individuals. The Organization adheres to the New York Prudent Management of Institutional Funds Act and the New York State Non-Profit Revitalization Act of 2013.

The Ukrainian Foundation facilitates related efforts to improve health and support services for vulnerable populations for the purpose of resource mobilization for developing, supporting, and providing charitable care and support to vulnerable and at-risk population groups, including, but not limited to, women, children, youth, and families in difficult life situations through access to social, psychological, pedagogical and other types of services in order to enhance their medical, psycho-social, or material conditions; and to gain equal opportunities for development and participation in society. The Ukrainian Foundation is a charitable organization incorporated by HealthRight in Ukraine and is regulated by the Constitution of Ukraine and the Law of Ukraine on charity and charitable organizations.

**Basis of Consolidation**

The consolidated financial statements include the accounts of HealthRight and its wholly owned subsidiary, the Ukranian Foundation and its affiliate, HealthRight Kenya. All significant intercompany accounts and transactions have been eliminated in the consolidation.

**Basis of Accounting**

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting.

**Variable Interest Entities**

Accounting principles generally accepted in the United States of America ("US GAAP") require reporting entities to consolidated variable interest entities (VIEs) when they have variable interests that provide a controlling financial interest in VIEs. Entities that consolidate VIEs are referred to as primary beneficiaries.

HealthRight performs an analysis of its variable interests to determine if those type interests are held in other entities. The analysis is primarily based on a qualitative review, but also includes quantitative consideration in evaluating the variable interests. Qualitative analyses are performed based on an evaluation of the design by the entity, its organization structure, decision-making ability, and financial arrangements. HealthRight has determined that it has a variable interest in, and is the primary beneficiary of HealthRight Kenya, which is a nongovernmental organization under common control.

**Basis of Presentation**

The consolidated financial statements of HealthRight have been prepared in accordance with US GAAP, which require HealthRight to report information regarding its financial position and activities according to the following net asset classifications:

*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 HealthRight. These net assets may be used at the discretion of HealthRight's management and the board of directors.

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

**Use of Estimates**

The preparation of consolidated financial statements in accordance with US GAAP 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 consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

HealthRight considers all highly-liquid investments with an initial maturity of three months or less to be cash equivalents. HealthRight maintains accounts at various banks. Bank deposits are currently insured by the Federal Deposit Insurance Corporation (FDIC) for a maximum of $250,000. Cash at these institutions, at times, exceed federally insured limits.

**Grants Receivable**

Grants receivable represent government grant receivables billed and uncollected at December 31, 2023 and 2022. Government grant revenue is recognized as allowable costs are incurred.

**Contributions Receivable**

Contribution revenue is recognized as contributions are received or unconditionally pledged. Contributions receivable represent contributions that were unconditional and uncollected at December 31, 2023.

HealthRight recognizes an allowance for losses on accounts receivable in an amount equal to the current expected credit loss. The estimation of the allowance is based on an analysis of historical loss experience, current receivables aging, and management's assessment of current conditions and reasonable and supportable expectation of future conditions, as well as an assessment of specifically identifiable accounts considered at risk or uncollectible. HealthRight assesses collectability by pooling receivables where similar characteristics exist and evaluates receivables individually when specific balances no longer share those risk characteristics and are considered at risk or uncollectible. The expense associated with the allowance for expected credit losses is recognized in program expenses. No allowance for non-collectability was deemed necessary as of December 31, 2023 and 2022.

**Prepaid Expenses**

Prepaid expenses consists primarily of payments made in advance for expenses related to future periods.

**Property and Equipment**

Purchased property and equipment are recorded at cost and depreciated over the estimated useful lives using the straight-line method.

**Deferred Grant Revenue**

Deferred grant revenue consists of government grant amounts paid in advance and specified for future periods.

**Recognition of Donor Restrictions**

Donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

**Foreign Currency Transactions**

Transaction gains and losses of the Organization arise from foreign exchange rate fluctuations on certain contributions and financial activities denominated in currencies other than the U.S. dollar are included in the consolidated statements of activities.

**Special Event**

HealthRight holds its annual Peter C. Alderman Health and Human Rights Awards dinner ("HHRA dinner") to honor those who share HealthRight's commitment to making health a human right. Special event revenue is primarily derived from donations to the HHRA dinner. Special event revenue is recognized when pledged and/or received.

**Donated Services**

Donated professional services and medical evaluations are recorded as contributions and expense in the accompanying statements at their estimated values at the date of receipt. During the years ended December 31, 2023 and 2022, the value of donated professional services and medical evaluations totaled $637,700 and $525,752, respectively, and were recorded as in-kind contributions. No amounts have been reflected in the statements for volunteer services in as much as no objective basis is available to measure the value of such services; however, a substantial number of volunteers have donated significant amounts of their time to HealthRight and its programs.

**Lease Accounting**

HealthRight determines if an arrangement is a lease or contains a lease at inception of a contract. A contract is determined to be a lease or contain a lease if the contract conveys the right to control the use of the identified property, plant, or equipment (an identified asset) in exchange for consideration. HealthRight determines these assets are leased because HealthRight has the right to obtain substantially all of the economic benefit from and the right to direct the use of the identified asset. HealthRight's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

In evaluating its contracts, HealthRight separately identifies lease and nonlease components, such as common area and other maintenance costs, in calculating the right of use (ROU) assets and lease liabilities for its warehouse and showroom facilities and vehicles. HealthRight has elected the practical expedient to not separate lease and nonlease components and classifies the contract as a lease if consideration in the contract allocated to the lease is greater than the consideration allocated to the nonlease component.

Leases result in the recognition of ROU assets and lease liabilities on the balance sheet. ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. HealthRight determines lease classification as operating or finance at the lease commencement date.

At lease inception, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid or deferred rent and lease incentives. HealthRight has elected to use the risk-free rate as a practical expedient for its discount rate in order to determine present value.

The lease term may include options to extend or to terminate the lease that HealthRight is reasonably certain to exercise. Lease expense is generally recognized on a straight-line basis over the lease term.

HealthRight has elected not to record leases with an initial term of 12 months or less on the statement of financial position. Lease expense on such leases is recognized on a straight-line basis of the lease term.

**Adopted Accounting Pronouncements**

*Leases:* In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842), which requires the recognition of a "right-of-use" asset and a lease liability, initially measured at the present value of the lease payments, on HealthRight's lease obligation. This ASU is effective for fiscal years beginning after December 15, 2021. HealthRight elected to adopt the practical expedient that permits organizations to maintain the operating lease classification of expired and existing leases that were classified as such under Topic 840 if the lease commencement date is prior to the adoption of Topic 842. HealthRight has adopted this standard as of January 1, 2022.

*Measurement of Credit Losses on Financial Instruments:* In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-13, *Financial Instruments – Credit Losses* (Topic 326): *Measurement of Credit Losses on Financial Instruments* ("ASU 2016-13"), which replaced the current incurred loss impairment methodology for measurement of credit losses on financial instruments, including RRCC's accounts receivable, with a methodology (the "current expected credit losses model" or "CECL model") that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. Under the CECL model, the allowance for losses on financial assets, measured at amortized cost, reflects management's estimate of credit losses over the remaining expected life of such assets.

HealthRight adopted ASU 2016-13 as of January 1, 2023 using the modified retrospective method, and the adoption did not have a material impact on its financial statements.

**Functional Allocation of Expenses**

The cost of providing the various programs and services have been summarized on a functional basis in the consolidated statements of activities. Accordingly, certain costs are allocated between program expenses and general and administrative expenses based on evaluation of the related activities. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of HealthRight.

The expenses that are allocated include the following:

| Expense | Method of Allocation |
|---|---|
| Salaries, payroll taxes and employee benefits | Time and effort |
| Program consultants and professional fees | Purpose of services provided |
| Training and workshops | Purpose of services provided |
| Rent and utilities | Asset usage |
| Materials and supplies | Asset usage |
| Furniture and equipment | Asset usage |
| Marketing and promotion | Time and effort |
| Travel and meals | Time and effort |
| Insurance | Asset usage |
| Telephone, postage and internet | Asset usage |
| Fees, charges and taxes | Asset usage |
| Miscellaneous | Asset usage |

### Income Taxes

HealthRight is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is not considered a private foundation within the meaning of Section 509(a) of the Code. HealthRight follows the guidance of the Income Taxes Topic of the FASB Accounting Standards Codification related to uncertain tax positions. Management evaluated its tax positions and concluded that HealthRight had not taken any uncertain tax positions that require adjustment to the consolidated financial statements at December 31, 2023 and 2022.

### Reclassifications

Certain reclassifications have been made to the 2022 financial statements to conform to the 2023 financial statement presentation. Such reclassifications had no effect on net assets or change in net assets.

### Subsequent Events

HealthRight reviewed all events occurring after December 31, 2023 but prior to November 5, 2024, the date these consolidated financial statements were available to be issued.

## Note 2. Liquidity And Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated statement of financial position date comprise the following:

| | 2023 | 2022 |
|---|---|---|
| Financial assets | | |
| Cash and cash equivalents | $ 1,813,541 | $ 2,296,552 |
| Grants receivable | 202,890 | 362,394 |
| Contributions receivable | 103,379 | - |
| Total financial assets available to meet general expenditure within one year | $ 2,119,810 | $ 2,658,946 |

HealthRight's goal is to generally maintain financial assets to meet obligations as they become due. As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts.

## Note 3. Property and Equipment

Property and equipment are summarized as follows at December 31, 2023 and 2022:

| | 2023 | 2022 |
|---|---|---|
| Halfway houses | $ 192,812 | $ 192,812 |
| Computers and equipment | 312,528 | 234,500 |
| Vehicles | 90,134 | - |
| Furniture and fixtures | 67,186 | 54,807 |
| Subtotal | 662,660 | 482,119 |
| Less accumulated depreciation | (189,182) | (141,175) |
| Property and equipment, net | $ 473,478 | $ 340,944 |

Depreciation expense was $48,007 and $30,307 for the year ended December 31, 2023 and 2022, respectively.

In January 2013, HealthRight purchased halfway houses at a cost of $192,812, in accordance with the Charitable Donation Agreement between the Charitable Foundation for Development of Ukraine ("CFDU") and the Ukrainian Foundation for Public Health ("UFPH"). The halfway houses will be used by HealthRight's benefactors as long as the program services are provided. Ownership of the halfway houses will be turned over to the Ukrainian government when the program services are no longer provided. As of December 31, 2023, program services are continuing to be provided and are expected to continue through at least December 31, 2024.

## Note 4. Commitments and Contingencies

HealthRight's performance under certain grants with federal agencies is subject to audit by those entities. If it is determined that HealthRight's performance under any of these grants and contracts was not in accordance with respective agreements, the awarding agencies may require refund of a portion or all such amounts. As of December 31, 2023 and 2022, HealthRight's management was not aware of any such determination.

HealthRight leases office equipment under long-term, non-cancelable lease agreements. HealthRight determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, current liabilities, and long-term liabilities on the statement of financial position. Finance leases are included in finance lease right-of-use (ROU) assets, current liabilities, and long-term liabilities on the statement of financial position. ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities, and financing leases ROU assets liabilities, are recognized at commencement date based on the present value of lease payments over the lease term. As most of the leases do not provide an implicit rate, HealthRight uses the risk-free rate based on the information available at commencement date in determining the present value of lease payments. The ROU assets also include any lease pre-payments made and exclude lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

In evaluating contracts to determine if they qualify as a lease, HealthRight considers factors such as if it has obtained substantially all of the rights to the underlying asset through exclusivity, if it can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

None of HealthRight's lease agreements contain contingent rental payments, material residual value guarantees or material restrictive covenants. The depreciable life of related leasehold improvements is based on the shorter of the useful life or the lease term. HealthRight has no sublease agreements. HealthRight performs interim reviews of its long-lived assets for impairment when evidence exists that the carrying value of an asset group, including a lease asset, may not be recoverable, and HealthRight did not recognize an impairment expense associated with operating lease assets during 2023 and 2022.

During the year ended December 31, 2022, HealthRight has elected the package of practical expedients permitted in ASC Topic 842. Accordingly, HealthRight accounted for its existing operating leases as operating leases under the new guidance, without reassessing (a) whether the contract contains a lease under ASC Topic 842, (b) whether classification of the operating lease would be different in accordance with ASC Topic 842, or (c) whether the unamortized initial direct costs before transition would have met the definition of initial direct costs in ASC Topic 842 at lease commencement. The present value of HealthRight's lease payments may include: (1) rental payments adjusted for inflation or market rates, and (2) lease terms with options to renew the lease when it is reasonably certain HealthRight will exercise such an option. The exercise of lease renewal options is generally at HealthRight's discretion. Payments based on a change in an index or market rate are not considered in the determination of lease payments for purposes of measuring the related lease liability. HealthRight has elected to apply the short-term lease exemption whereby leases that are less than twelve months in duration are not included as ROU assets and lease liabilities.

HealthRight has lease agreements with lease and non-lease components, which are generally accounted for separately. These variable lease payments, which are primarily comprised of common area maintenance, utilities, and real estate taxes that are passed on from the lessor, are recognized in operating expenses in the period in which the obligation for those payments was incurred.

HealthRight's leases contain various terms and expire at various dates. For leases containing renewal options, HealthRight has evaluated whether it is reasonably certain to renew.

The consolidated statement of financial position information related to the operating leases is as follows as of December 31, 2023:

| | | |
|---|---|---|
| Right-of-use asset – operating leases | $ | 116,368 |
| Lease liability – operating leases | $ | 116,368 |

The components of lease cost were as follows for the year ended December 31, 2023:

| | | |
|---|---|---|
| Lease expense | | |
| Operating lease cost | $ | 54,353 |

Information associated with the measurement of HealthRight's operating lease obligations as of December 31, 2023, is as follows:

Weighted-average remaining lease terms in years 0.85 years

Future minimum lease payments and reconciliation to the consolidated statement of financial position at December 31, 2023, are as follows:

| Year Ending December 31, | Operating Leases |
|---|---|
| 2024 | $ 62,015 |
| Total future undisclosed lease payments | 62,015 |
| Less present value discount | - |
| Lease liabilities | $ 62,015 |

Supplemental cash flow information related to the operating leases were as follows for the year ended December 31, 2023:

| | |
|---|---|
| Cash paid for amounts included in the measurement of lease liabilities | |
| Operating cash flows - operating leases | $ 54,353 |

Rent expense under the operating leases for the years ended December 31, 2023 and 2022 was $309,483 and $114,160, respectively.

## Note 5. Net Assets with Donor Restrictions

Net assets with donor restrictions related to purpose or time restrictions at December 31, 2023 and 2022 relate to contributions specified for future program services:

| | 2023 | 2022 |
|---|---|---|
| Primary Health Care Reform for Adolescents - Ukraine | $ - | $ 97,904 |
| Ukraine - other | 10,270 | 107,331 |
| Community Based Mental Health and Psychosocial Support - Uganda | 48,510 | - |
| Alcohol Disorders and Associated Adversities Among Conflict-Affected Populations - Uganda | 349,235 | 457,644 |
| Integrated Physical and Psychological Rehabilitation Assistance for Victims - Uganda | - | 94,502 |
| Uganda - other | - | 64,512 |
| Mental Health and Well-being of HIV-affected and At-risk Women – Ukraine | - | 84,838 |
| Protecting Child Victims of Violence – Ukraine | 136,750 | - |
| Addressing the Immediate Multi-sectoral Humanitarian Needs of Conflict-affected Populations – Ukraine | 68,951 | 53,695 |
| Assisting Child Trafficking and Exploitation Victims in Vietnam | - | 111,563 |
| HIV and Mental Health Screening for Men in Kenya and Uganda | 82,808 | - |
| Mental Health Solutions to Address COVID Impact - Kenya | 23,151 | 163,540 |
| Improving Mental Health of Perinatal Women - Kenya | 39,809 | 50,143 |
| Delivering Sustainable and Equitable Increases in Family Planning - Kenya | - | 210,153 |
| Total net assets with donor restrictions | $ 759,484 | $ 1,495,825 |

## Note 6. Affiliation Agreement

HealthRight entered into an Affiliation Agreement (the "Agreement") with New York University ("NYU"), an unrelated not-for-profit education corporation in February 2014.

The Agreement creates an affiliation between HealthRight and NYU (the "Affiliation") to work together to facilitate NYU faculty and student opportunities for applied research, an expanded curriculum, and enhanced in-service learning in the field of global public health. HealthRight will benefit from the Affiliation by securing its U.S. operations, and gaining the involvement of specialists and researchers in its programs, with HealthRight's belief that the presence of an operating global non-governmental, non-profit organization on a university campus is an innovative, exciting and cost-effective approach which offers both parties to this agreement expanded opportunities to accomplish their independent but complementary missions. The leaders of both parties have concluded that the Affiliation is mutually beneficial.

## Note 7. Payroll Protection Program Loan

In January 2021, HealthRight entered into a second Paycheck Protection Program Term Note (the "second PPP Note") with JPMorgan Chase Bank in the amount of $107,537. The second PPP Note was issued to HealthRight pursuant to the Coronavirus, Aid, Relief, and Economic Security Act's (the "CARES Act") (P.L. 116-136) Paycheck Protection Program (the "Program"). Under the Program, all or a portion of the second PPP Note may be forgiven in accordance with the Program requirements. The second PPP Note carries a maturity date of January 2026, at a 1% interest rate. The amount of the forgiveness shall be calculated (and may be reduced) in accordance with the requirements of the Program, including the provisions of the CARES Act. No more than 25% of the amount forgiven can be attributable to non-payroll costs, as defined in the Program. The loan was forgiven in full in January 2022.

## Note 8. EIDL Loan

On June 4, 2020, HealthRight entered into an Economic Injury Disaster Loan ("EIDL") with the United States Small Business Administration (the "Loan") in the amount of $150,000. The Loan was issued to HealthRight pursuant to Section 7(b) of the Small Business Act, as amended. The Loan carries a maturity date of June 4, 2050, at a 2.75% interest rate. Installment payments will begin in August 2025.

Future principal repayments are as tabulated:

| Years Ending December 31, | Amount |
|---|---|
| 2024 | $ - |
| 2025 | 1,490 |
| 2026 | 3,647 |
| 2027 | 3,749 |
| 2028 | 3,853 |
| Thereafter | 137,261 |
| Total | $ 150,000 |

## Note 9. Top Ratings by Charity Rating Sites

Key charity rating sites, including Charity Watch, GuideStar (Candid), and Charity Navigator, have awarded HealthRight their top ratings for trust, quality, and impact. These ratings are important for individual and institutional donors who want to be ensured that their charitable contributions will be well managed and further HealthRight's mission to improve health outcomes among marginalized communities. This recognition reflects a multi-year, organization-wide effort to ensure that HealthRight's governance practices, financial management, and programmatic impact are on par with the very best global-health nonprofits.

# Supplementary Information

# HealthRight International, Inc. and Subsidiary and Affiliate

## Schedule of Expenditures of Federal Awards

| Federal Grantor/ Passed Through Grantor/ Program Title | Federal Assistance Listing Number | Contract Number | Federal Expenditures |
|---|---|---|---|
| **UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID)** | | | |
| Passed-through fhi360 | | | |
| Ukranian Humanitarian Assistance Response Program (UHARP) (2022-2023) | 98.001 | 720BHA22GR00361 | $ 3,525,815 |
| Ukranian Humanitarian Assistance Response Program (UHARP II) (2023-2024) | 98.001 | 720BHA22GR00263 | 942,491 |
| Passed-through World Vision, Inc. | | | |
| Addressing the Immediate Multi-Sectoral Humanitarian Needs of IDP's and Conflict Affected Populations Inside Ukraine (2022-2023) | 98.001 | 720BHA22GR00315 | 1,831,981 |
| Ukraine Response Consortium: Providing Multi-Sectoral Humanitarian Assistance to Conflict-Affected Populations in Ukraine (2023-2024) | 98.001 | 720BHA22GR00267 | 257,506 |
| Passed-through Palladium International, LLC | | | |
| Quality Maternal Health and Family Planning with Integration of Gender and Environment in Narok County, Kenya | 98.001 | AID-7200AA19CA0001 | 146,093 |
| Total Federal Assistance Listing Number 98.001 | | | 6,703,886 |
| **TOTAL EXPENDITURES OF FEDERAL AWARDS** | | | $ 6,703,886 |

# HealthRight International, Inc. and Subsidiary and Affiliate

Notes to the Schedule of Expenditures of Federal Awards

## Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of HealthRight International, Inc. and Subsidiary (HealthRight), under programs funded by the federal government for the year ended December 31, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards(Uniform Guidance). Because the Schedule presents only a selected portion of the operations of HealthRight, it is not intended to and does not present the financial position, changes in net assets or cash flows of HealthRight.

## Note 2. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

## Note 3. Indirect Cost Rates

HealthRight elects not to use the 10% de-minimis indirect cost rate allowed by USAID for grant reporting.

**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

To the Board of Directors of
HealthRight, International, Inc. and Subsidiary and Affiliate

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of HealthRight, International, Inc. and Subsidiary and Affiliate (HealthRight), which comprise the Statement of Financial Position as of December 31, 2023, and the related Statements of Activities and Changes in Net Assets, Functional Expenses, and Cash Flows for the year then ended, and the related Notes to the Financial Statements, and have issued our report thereon dated November 5, 2024.

***Report on Internal Control over Financial Reporting***

In planning and performing our audit of the consolidated financial statements, we considered HealthRight's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of HealthRight's internal control. Accordingly, we do not express an opinion on the effectiveness of HealthRight's s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purposes described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether HealthRight's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

The Board of Directors of
HealthRight, International, Inc. and Subsidiary and Affiliate

***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Jericho, New York
November 5, 2024

**Independent Auditor's Report on Compliance for**
**Each Major Federal Program and on Internal Control over**
**Compliance Required by the Uniform Guidance**

To the Board of Directors of
HealthRight, International, Inc. and Subsidiary and Affiliate

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited HealthRight, International, Inc. and Subsidiary and Affiliate (HealthRight) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of HealthRight's major federal programs for the year ended December 31, 2023. HealthRight's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, HealthRight complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of HealthRight and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of HealthRight's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to HealthRight's federal programs.

The Board of Directors of
HealthRight, International, Inc. and Subsidiary and Affiliate

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on HealthRight's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about HealthRight's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 HealthRight's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of HealthRight's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of HealthRight's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

***Report on Internal Control Over Compliance***

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The Board of Directors of
HealthRight, International, Inc. and Subsidiary and Affiliate

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Jericho, New York
November 5, 2024

# HealthRight International, Inc. and Subsidiary and Affiliate

Schedule of Findings and Questioned Costs

## Section I. Summary of Auditors' Results

### Financial Statements

An unmodified opinion was issued on the financial statements.

| | | |
|---|---|---|
| Internal control over financial reporting: | | |
| Material weakness(es) identified? | ___Yes | _X_No |
| Significant deficiency(is) identified? | ___Yes | _X_None reported |
| Noncompliance material to financial statements noted? | ___Yes | _X_No |

### Federal Awards

| | | |
|---|---|---|
| Internal control over major programs: | | |
| Material weakness(es) identified? | ___Yes | _X_No |
| Significant deficiency(ies) identified? | ___Yes | _X_None reported |

An unmodified opinion was issued on compliance for major federal programs.

| | | |
|---|---|---|
| Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | ___Yes | _X_No |

Identification of major programs:

| *Assistance Listing Number* | *Name of Federal Grant or Program* |
|---|---|
| 98.001 | USAID Foreign Assistance for Programs Overseas |

| | | |
|---|---|---|
| Dollar threshold used to distinguish between Type A and Type B programs | $750,000 | |
| Auditee qualified as low-risk auditee? | ___Yes | _X_No |

## Section II. Financial Statement Findings

None reported.

## Section III. Federal Award Findings and Questioned Costs

None reported.

## Section IV. Summary Schedule of Prior Audit Findings

None reported.