

Good Health Foundation, Inc.

Financial Report
September 30, 2022

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RSM US LLP

Independent Auditor's Report

Board of Directors
Good Health Foundation, Inc.
West Palm Beach, Florida

Opinion

We have audited the financial statements of Good Health Foundation, Inc. (the Foundation), which comprise the statements of financial position as of September 30, 2022 and 2021, the related statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements collectively, the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of September 30, 2022 and 2021, and the results of its activities, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation'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.

RSM US LLP

West Palm Beach, Florida
March 13, 2023

Good Health Foundation, Inc.

**Statements of Financial Position
September 30, 2022 and 2021**

	2022	2021
Assets		
Cash	\$ 467,958	\$ 477,895
Total assets	\$ 467,958	\$ 477,895
Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ -	\$ 2,729
Net assets:		
Net assets without donor restrictions	43,215	42,742
Net assets with donor restrictions	424,743	432,424
Total net assets	467,958	475,166
Total liabilities and net assets	\$ 467,958	\$ 477,895

See notes to financial statements.

Good Health Foundation, Inc.

**Statement of Activities and Changes in Net Assets
Year Ended September 30, 2022**

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Contributions, revenues and other support:			
Contributions	\$ -	\$ 7,173	\$ 7,173
Net assets released from restrictions	14,854	(14,854)	-
Total contributions, revenues and other support	14,854	(7,681)	7,173
Expenses:			
Program services:			
Employee assistance	12,000	-	12,000
Supporting services:			
General and administrative	2,381	-	2,381
Total expenses	14,381	-	14,381
Change in net assets	473	(7,681)	(7,208)
Net assets, beginning of year	42,742	432,424	475,166
Net assets, end of year	\$ 43,215	\$ 424,743	\$ 467,958

See notes to financial statements.

Good Health Foundation, Inc.

Statement of Activities and Changes in Net Assets
Year Ended September 30, 2021

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Contributions, revenues and other support:			
Contributions	\$ -	\$ 37,808	\$ 37,808
Net assets released from restrictions	3,000	(3,000)	-
Total contributions, revenues and other support	3,000	34,808	37,808
Expenses:			
Program services:			
Employee assistance	5,431	-	5,431
Supporting services:			
General and administrative	5,334	-	5,334
Total expenses	10,765	-	10,765
Change in net assets	(7,765)	34,808	27,043
Net assets, beginning of year	50,507	397,616	448,123
Net assets, end of year	\$ 42,742	\$ 432,424	\$ 475,166

See notes to financial statements.

Good Health Foundation, Inc.

**Statements of Cash Flows
Years Ended September 30, 2022 and 2021**

	2022	2021
Cash flows from operating activities:		
Change in net assets	\$ (7,208)	\$ 27,043
Adjustments to reconcile the change in net assets to net cash (used in) provided by operating activities:		
Changes in assets:		
Contributions receivable	-	4,219
Changes in liabilities:		
Accounts payable	<u>(2,729)</u>	<u>2,729</u>
Net cash (used in) provided by operating activities and (decrease) increase in cash	(9,937)	33,991
Cash, beginning of year	<u>477,895</u>	<u>443,904</u>
Cash, end of year	<u><u>\$ 467,958</u></u>	<u><u>\$ 477,895</u></u>

See notes to financial statements.

Good Health Foundation, Inc.

Notes to Financial Statements

Note 1. Organization and Mission

Good Health Foundation, Inc. (the Foundation) is a nonprofit corporation organized and operated under the laws of the State of Florida to provide philanthropic resources for the Health Care District of Palm Beach County, Florida (the District). The Foundation's mission is to advance the health of residents and visitors in Palm Beach County through access to local quality health care.

The Foundation was originally incorporated in 1994 as the Trauma Foundation of the Palm Beaches, Inc. for the purpose of allowing patients treated in the District's trauma program and others to make tax-deductible charitable contributions to benefit the District's trauma program and the programs of other nonprofit organizations similarly engaged in trauma services, injury prevention and other educational activities related to trauma awareness. In 2015, the Foundation's name was changed to the Good Health Foundation, Inc. The Foundation is governed by an independent board of directors that consists of no fewer than 5 and no more than 15 directors with one representative appointed by the board of District Hospital Holdings, Inc., one representative appointed by the board of District Clinic Holdings, Inc., and one representative appointed by the Glades Rural Area Support Board. The remaining directors are elected by the existing board of directors.

Note 2. Summary of Significant Accounting Policies

Financial statement presentation: The financial statements are prepared using the accrual basis of accounting. In accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958, Financial Statements of Not-for-Profit Organizations, changes in net assets without donor restrictions and net assets with donor restrictions are separately presented in the accompanying statements of activities and changes in net assets and the statement of financial position to distinguish among these two classes of net assets. The Foundation defines net assets without donor restrictions as those that are not limited by donor-imposed stipulations. Net assets with donor restrictions represent donor-designated funds to be used for specific projects or time periods. Such restrictions either expire by time or are satisfied through expenditures for the designated purpose.

Use of estimates: Management uses estimates and assumptions in preparing financial statements in conformity with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities and changes therein and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Liquidity: The Foundation structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To achieve this, the Foundation forecasts its future cash flows and monitors its liquidity on a monthly basis. Financial assets consists of cash. The Foundation had \$467,958 and \$477,895 of financial assets available to meet general expenditures within one year as of September 30, 2022 and 2021, respectively.

Cash: The Foundation maintains cash in bank deposit accounts that, at times, may exceed federally insured limits. At September 30, 2022 and 2021, bank deposits exceeded federal deposit insurance limits by approximately \$218,000 and \$228,000, respectively.

Good Health Foundation, Inc.

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Contributions: Contributions, including unconditional promises to give, are recognized as revenue in the period received or pledged. Contributions are reported as net assets without donor restrictions or net assets with donor restrictions depending on the existence of donor stipulations that limit their use. The Foundation reports gifts of cash or other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. Donor-restricted contributions whose restrictions are met within the same year as received are reported as contributions without donor restrictions in the accompanying financial statements. When a donor's restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions.

Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions receivable is provided based upon management's judgment, including such factors as prior collection history, type of contribution and nature of fundraising activity, if necessary.

Investment income: Interest and dividend income is recognized when earned. Investment income is included in the change in net assets without donor restrictions, unless its use is restricted by donor stipulations or law. When a donor restriction is met the amount is reclassified and reported as net assets released from restriction.

In-kind donations: Donated services are recognized as contributions if the services: (a) create or enhance nonfinancial assets, or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation. All other noncash donations are recorded as contributions at their fair values at the date of donation. The Foundation did not recognize any in-kind donations for the fiscal years ended September 30, 2022 and 2021.

Functional allocation of expenses: Expenses that are associated with a specific program or activity are charged directly to that program or activity. Indirect expenses are allocated among the programs and supporting services benefited on a reasonable basis. Functional reporting is presented in the accompanying statement of activities and changes in net assets. As part of its program services, the Foundation provides grant funding to other entities to be used for providing healthcare related services. Additionally, the Foundation provides financial assistance to District employees who qualify for such assistance.

Income taxes: The IRS has determined that the Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

The Foundation evaluates its uncertain tax positions in accordance with ASC Topic 740, Income Taxes, which states that management's determination of the taxable status of an entity, including its status as a nonprofit entity, is a tax position subject to the standards required for accounting for uncertainty in income taxes. Management does not believe that the Foundation has any significant uncertain tax positions that would be material to the financial statements. The Foundation is no longer subject to examinations by U.S. tax authorities for tax years prior to 2018.

Subsequent events: The Foundation evaluated subsequent events through March 13, 2023, the date on which the accompanying financial statements were available to be issued.

Good Health Foundation, Inc.

Notes to Financial Statements

Note 3. Net Assets with Donor Restriction

Net assets with donor restrictions are those whose use has been limited to a specific time period or purpose as directed by the donors.

Net assets with donor restrictions are restricted for the following purposes as of September 30:

	2022	2021
Lakeside Medical Center primary care program	\$ 200,822	\$ 200,822
Lakeside Medical Center diabetes outreach initiative	80,000	80,000
Primary Care Clinics homeless program	74,848	74,848
Employee assistance program	67,835	72,662
Healey resident activity	813	813
Medical service – cancer treatment	265	3,119
Lakeside Medical Center resident activity	160	160
Total net assets with donor restrictions	<u>\$ 424,743</u>	<u>\$ 432,424</u>

Note 4. Related-Party Transactions

The Foundation's Board of Directors includes one member of the District's Governing Board and two members of the District's management. The District provides the Foundation with management and administrative services. Accordingly, the Foundation's management and administration functions, including its accounting function, are handled by the District. The Foundation was not charged for the management and administrative functions due to the insignificant amount of the expenses incurred during the fiscal years ended September 30, 2022 and 2021, related to providing such services.

Note 5. Functional Expenses

Following is a summary of functional expenses for the years ended September 30, 2022 and 2021:

	2022		
	Program Services	Supporting Services – Administration	Total Expenses
Employee assistance grants	\$ 12,000	\$ -	\$ 12,000
Professional fees	-	77	77
Bank fees	-	2,304	2,304
	<u>\$ 12,000</u>	<u>\$ 2,381</u>	<u>\$ 14,381</u>
	2021		
	Program Services	Supporting Services – Administration	Total Expenses
Employee assistance grants	\$ 5,431	\$ -	\$ 5,431
Professional fees	-	2,730	2,730
Bank fees	-	2,181	2,181
Office fees	-	423	423
	<u>\$ 5,431</u>	<u>\$ 5,334</u>	<u>\$ 10,765</u>