

**POSITIVE IMPACT HEALTH CENTERS, INC.**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**POSITIVE IMPACT HEALTH CENTERS, INC.**  
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**DECEMBER 31, 2019**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Positive Impact Health Centers, Inc.

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Positive Impact Health Centers, Inc. which comprise the statement of financial position as of December 31, 2019, 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.

### **Auditors' 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Positive Impact Health Centers, Inc. as of December 31, 2019, 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.

**Report on Summarized Comparative Information**

We have previously audited Positive Impact Health Centers, Inc.'s 2018 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated August 29, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

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

In accordance with *Government Auditing Standards*, we have also issued our reports dated August 31, 2020, on our consideration of Positive Impact Health Centers, Inc.'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 those reports is 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 internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Positive Impact Health Centers, Inc.'s internal control over financial reporting and compliance.

*Warren Averett, LLC*

Atlanta, Georgia  
August 31, 2020

**POSITIVE IMPACT HEALTH CENTERS, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2019 AND 2018**

<b>ASSETS</b>		
	<b>2019</b>	<b>2018</b>
Cash	\$ 2,757,176	\$ 148,516
Investments	822,597	687,093
Program receivables	2,489,199	695,723
Grants and contribution receivables	3,593,708	2,561,036
Inventory	297,347	230,355
Prepaid expenses	173,715	120,435
Property and equipment, net of accumulated depreciation	2,103,786	2,206,167
Deposits	19,308	19,308
<b>TOTAL ASSETS</b>	<b>\$ 12,256,836</b>	<b>\$ 6,668,633</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 1,241,434	\$ 1,065,669
Deferred rent	2,392,908	2,764,810
Line of credit	-	400,000
<b>TOTAL LIABILITIES</b>	<b>3,634,342</b>	<b>4,230,479</b>
<b>NET ASSETS</b>		
Without donor restrictions	8,466,520	2,140,372
With donor restrictions		
Restricted by purpose	155,974	297,782
<b>TOTAL NET ASSETS</b>	<b>8,622,494</b>	<b>2,438,154</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 12,256,836</b>	<b>\$ 6,668,633</b>

See notes to the financial statements.

**POSITIVE IMPACT HEALTH CENTERS, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**  
*(with comparative totals for 2018)*

	<b>2019</b>			<b>2018</b>
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>	<b>Total</b>
<b>PUBLIC SUPPORT AND REVENUE</b>				
Federal grants	\$ 9,897,744	\$ -	\$ 9,897,744	\$ 8,268,488
Contributions	208,934	561,969	770,903	737,868
Special events, net of direct expenses of \$115,833 and \$21,099, respectively	100,226	-	100,226	75,255
Program income	19,547,623	-	19,547,623	8,289,846
Pharmacy retail income	3,176,520	-	3,176,520	-
Other income	32,839	-	32,839	31,299
In-kind contributions	103,397	-	103,397	38,700
Net investment income (loss)	143,595	-	143,595	(48,927)
Total public support and revenue	33,210,878	561,969	33,772,847	17,392,529
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	<u>703,777</u>	<u>(703,777)</u>	<u>-</u>	<u>-</u>
Net public support and revenue	<u>33,914,655</u>	<u>(141,808)</u>	<u>33,772,847</u>	<u>17,392,529</u>
<b>EXPENSES</b>				
Program services				
Client services and housing	3,641,603	-	3,641,603	1,963,821
Medical services	18,948,449	-	18,948,449	10,694,486
HIV prevention education	2,191,204	-	2,191,204	1,763,698
Supporting services				
Management and general	2,421,258	-	2,421,258	1,649,935
Fundraising	385,993	-	385,993	217,100
Total expenses	<u>27,588,507</u>	<u>-</u>	<u>27,588,507</u>	<u>16,289,040</u>
<b>CHANGES IN NET ASSETS</b>	6,326,148	(141,808)	6,184,340	1,103,489
<b>NET ASSETS AT:</b>				
<b>BEGINNING OF YEAR</b>	<u>2,140,372</u>	<u>297,782</u>	<u>2,438,154</u>	<u>1,334,665</u>
<b>END OF YEAR</b>	<u>\$ 8,466,520</u>	<u>\$ 155,974</u>	<u>\$ 8,622,494</u>	<u>\$ 2,438,154</u>

See notes to the financial statements.

**POSITIVE IMPACT HEALTH CENTERS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**  
*(with comparative totals for 2018)*

	2019					2018
	Program Services			Supporting Services		Total Expenses
	Client Services and Housing	Medical Services	HIV Prevention Education	Management and General	Fund Raising	
Salaries	\$ 1,302,741	\$ 2,991,171	\$ 1,233,364	\$ 1,146,432	\$ 101,392	\$ 6,775,100
Payroll taxes	97,593	224,079	92,396	85,883	7,596	507,547
Employee benefits	223,523	572,081	246,080	180,700	20,701	1,243,085
Total salaries and related expenses	1,623,857	3,787,331	1,571,840	1,413,015	129,689	8,525,732
Contract services	66,517	3,108,273	150,122	95,725	102,353	3,522,990
Pharmacy	-	10,636,250	-	-	-	10,636,250
Supplies	55,093	-	271,990	60,246	98,184	485,513
Medical supplies	-	567,375	-	-	-	567,375
Housing assistance	1,715,648	-	-	-	-	1,715,648
Office expense	42,919	355,259	61,925	99,333	44,040	603,476
Rent and utilities	35,539	227,349	32,578	29,616	2,961	328,043
Transportation expense	50,131	128,096	60,378	50,688	6,904	296,197
Other	4,117	21,725	22,906	213,389	93	262,230
Insurance	7,620	41,911	6,985	6,350	635	63,501
Telephone expense	8,212	45,169	7,528	6,844	684	68,437
Professional fees	5,402	29,711	4,952	14,639	450	55,154
Nutrition	26,548	-	-	-	-	26,548
Interest expense	-	-	-	16,751	-	16,751
Total expense before depreciation	3,641,603	18,948,449	2,191,204	2,006,596	385,993	27,173,845
Depreciation	-	-	-	414,662	-	414,662
<b>TOTAL EXPENSES</b>	<b>\$ 3,641,603</b>	<b>\$ 18,948,449</b>	<b>\$ 2,191,204</b>	<b>\$ 2,421,258</b>	<b>\$ 385,993</b>	<b>\$ 27,588,507</b>
<b>Percentage of total expenses</b>	13%	69%	8%	9%	1%	100%

See notes to the financial statements.

**POSITIVE IMPACT HEALTH CENTERS, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

	<b>2019</b>	<b>2018</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in net assets	\$ 6,184,340	\$ 1,103,489
Adjustments to reconcile changes in net assets to cash provided by operating activities		
Depreciation	414,662	410,767
Unrealized (gain) loss on investments	(125,320)	59,119
Realized gain on sale of investments	(10,175)	(3,482)
Loss on sale of property and equipment	9,560	21,151
Increase in:		
Clinic receivables	(1,793,476)	(321,662)
Grants receivable	(1,032,672)	(1,294,519)
Inventory	(66,992)	(230,355)
Prepaid expenses	(53,280)	(28,316)
Increase (decrease) in:		
Accounts payable and accrued liabilities	175,765	626,939
Deferred rent	(371,902)	412,761
Net cash provided by operating activities	<u>3,330,510</u>	<u>755,892</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(321,841)	(1,254,972)
Investments	(9)	(742,730)
Net cash required by investing activities	<u>(321,850)</u>	<u>(1,997,702)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net repayments on line of credit	(400,000)	(200,000)
Net cash required by financing activities	<u>(400,000)</u>	<u>(200,000)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	2,608,660	(1,441,810)
<b>CASH AT BEGINNING OF YEAR</b>	<u>148,516</u>	<u>1,590,326</u>
<b>CASH AT END OF YEAR</b>	<u>\$ 2,757,176</u>	<u>\$ 148,516</u>
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:</b>		
Cash paid during the year for:		
Interest	<u>\$ 16,751</u>	<u>\$ 28,379</u>

See notes to the financial statements.



**POSITIVE IMPACT HEALTH CENTERS, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

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## **1. ORGANIZATION**

Effective March 1, 2015, AID Gwinnett, Inc. and Positive Impact, Inc. completed a merger of their operations. As a result of the merger, the combined organization was renamed Positive Impact Health Centers, Inc. AID Gwinnett, Inc.'s tax ID was the surviving ID. Positive Impact Health Centers, Inc. (PIHC) is a not-for-profit organization incorporated on September 26, 1991 under the laws of the State of Georgia. PIHC is a community-based agency organized to respond with compassion and sensitivity to the HIV/AIDS epidemic through support, advocacy, education and collaboration with other agencies. Client support services include medical care, professional mental health counseling and outpatient substance abuse treatment, long term housing, emergency housing assistance, emergency shelter, medical case management, education, counseling, transportation and nutrition. Public awareness and education include adult and youth education programs, newsletters and community advocacy. PIHC provides services to individuals in 20 Metro Atlanta Counties. It is supported primarily by contributions and grants.

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

### **Basis of Presentation**

The financial statements of PIHC have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities at year-end. Net assets, revenues, expenses, gains, and losses are recorded based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of PIHC and changes therein are classified and reported as follows:

*Without Donor Restrictions* – Net assets that are not subject to donor-imposed restrictions.

*With Donor Restrictions* – Net assets subject to donor-imposed stipulations that may or will be met either by actions of PIHC and/or passage of time.

### **Adoption of New Accounting Standards**

On January 1, 2019 PIHC adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, the new revenue recognition accounting standard issued by the FASB and codified in Accounting Standards Codification (ASC) 606, *Revenue from Contracts with Customers*. The revenue recognition standard in ASC 606 outlines a single comprehensive model for recognizing revenue as performance obligations, defined in a contract with a customer as goods or services transferred to the customer in exchange for consideration, as satisfied. The standard also requires expanded disclosures regarding PIHC's revenue recognition policies and significant judgment employed in the determination of revenue. The adoption of ASC 606 did not have a material impact on the financial statements and PIHC does not expect it to have a material impact on the results of operations on a prospective basis.

Additionally, on January 1, 2019 PIHC adopted FASB ASU 2018-08 *Not-for-Profit Entities (Topic 958-605)* clarifying the accounting guidance for contributions received and contributions made to assist entities in distinguishing between contributions (non-reciprocal) and exchange (reciprocal) transactions and to determine whether a contribution is conditional. The adoption of this ASU did not have a material impact on the financial statements and PIHC does not expect it to have a material impact on the results of operations on a prospective basis.

**POSITIVE IMPACT HEALTH CENTERS, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Cash Equivalents**

For purposes of the statements of cash flows, PIHC considers all highly liquid investments with an original maturity of three months or less to be cash and cash equivalents.

**Concentrations of Credit and Market Risk**

Financial instruments, principally receivables and accounts payable, are reported at values which PIHC believes are not significantly different from fair values. PIHC believes no significant credit risk exists with respect to any of its financial instruments. PIHC maintains cash balances with financial institutions. Deposit accounts at the institutions are insured up to \$250,000 by the Federal Deposit Insurance Corporation. At December 31, 2019 and 2018, PIHC's uninsured cash balance was \$2,875,276 and \$116,392, respectively.

As of December 31, 2019 and 2018, 70% and 51% of receivables related to four and two funders, respectively.

**Investments**

Investments in marketable securities with readily determinable fair values are reported at fair value based on quoted market prices. The investments are initially recorded at cost if they were purchased and at fair value on the date of the gift if received as a donation. Unrealized gains and losses resulting in fluctuations in market prices are included in the statement of activities (See Note 3).

PIHC adheres to the provisions of FASB ASC 820, *Fair Value Measurements*. This standard provides a consistent definition of fair value which focuses on an exit price between market participants in an orderly transaction as prescribed by accounting principles generally accepted in the United States of America (GAAP). The standard also prioritizes, within the measurement of fair value, the use of market-based information over entity-specific information and establishes a three-level hierarchy for fair value measurements based on the transparency of information used in the valuation of an asset or liability as of the measurement date. The standard describes three levels of inputs that may be used to measure fair value:

- Level 1 – Quoted prices in active markets for identical assets or liabilities
- Level 2 – Inputs that are derived principally from or corroborated by observable market data
- Level 3 – Inputs that are unobservable and significant to the overall fair value measurement

All of PIHC's investments are Level 1 investments.

**POSITIVE IMPACT HEALTH CENTERS, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Program Income**

*Patient and Clinic Income*

Clinic fees are recognized as revenue when services are delivered. Net patient income is recognized in the period services are provided at the estimated net realizable amount from Medicare, Medicaid, commercial insurers, other third-party payors and patients. Established rates are maintained for patient services provided. Generally, patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount.

*Section 340B Program of the Public Health Service Act*

PIHC offers reduced price medications to low income uninsured patients through arrangements with contracted pharmacies as well as through the in-house pharmacy. Revenue is earned as prescriptions are filled and provided to patients. Related program expenses incurred of \$9,259,014 and \$3,601,660 are recognized in the accompanying financial statements for the years ended December 31, 2019 and 2018, respectively. \$74,138 and \$375,075 are recorded in program receivables as of December 31, 2019 and 2018, respectively.

*Other Program Income*

PIHC offers testing, counseling and therapy services. Revenue is recognized when services are delivered.

Program income is composed of the following for the years ended December 31, 2019 and 2018:

	<b>2019</b>	<b>2018</b>
Patient and clinic income	\$ 284,066	\$ 178,521
Section 340B program	19,018,598	8,025,175
Other program income	244,959	86,150
	<b>\$ 19,547,623</b>	<b>\$ 8,289,846</b>

**Pharmacy Retail Income**

Revenue is earned as prescriptions are filled and provided to patients.

**Accounting for Contributions**

PIHC records contributions at the date of the gift. Donated investments are recorded at their fair value on the date donated. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions received that are designated by the donor for specific purposes or for use in a future period are reported as an increase to net assets with donor restrictions.

Restrictions on contributions expire when a purpose or time restriction is accomplished. Upon satisfaction, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the accompanying statements of activities as net assets released from restrictions.

**POSITIVE IMPACT HEALTH CENTERS, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

Restricted contributions received in the same year in which the restrictions are met are recorded as an increase in restricted support at the time of receipt and as net assets released from restrictions upon satisfaction of the donor restriction.

**Program Receivables**

Program receivables represent amounts due from patients and third-party payors (including health insurers and government payors). PIHC uses the allowance method to account for uncollectible receivables. The allowance is based on prior years' experience and management's analysis of possible bad debts. Receivables are considered past due after 90 days. It is PIHC's policy to charge off uncollectible clinic receivables when management determines the receivable will not be collected. Management did not believe an allowance was necessary at December 31, 2019 or 2018. Approximately \$96,000 of doubtful accounts were written off during 2018. No doubtful accounts were written off during 2019.

**Grant Receivables**

Grants receivable relate to reimbursement basis grants and are recorded when related expenditures are made (See Note 8). PIHC uses the allowance method to account for uncollectible receivables. The allowance is based on prior years' experience and management's analysis of specific promises made. Management did not believe that an allowance was necessary at December 31, 2019 or 2018.

**Inventory**

Inventory consists of pharmaceutical items that are held at the on-site pharmacies. These items are valued at cost.

**Property and Equipment**

PIHC capitalizes all expenditures for property, furniture, fixtures and equipment in excess of \$500. Property and equipment are recorded at cost or fair value, if donated, and are depreciated using straight-line methods over their estimated useful lives (See Note 4).

**Contributed Services**

Contributed services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Contributed services of \$43,700 and \$38,200 were recognized for the years ended December 31, 2019 and 2018, respectively, for physician services.

Many individuals volunteer their time and perform a variety of tasks that assist PIHC's clients and fund raising activities. PIHC received approximately 15,400 and 12,400 volunteer hours during the years ended December 31, 2019 and 2018, respectively, that are not valued in the financial statements.

**Tax Status**

PIHC is exempt from income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code (IRC) and is classified as an organization which is not a private foundation under Section 509(a) of the IRC. PIHC qualifies for the charitable contribution deduction.

**POSITIVE IMPACT HEALTH CENTERS, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities and functional expenses. Accordingly, personnel costs have been allocated among the programs and supporting services benefited based on estimates of time and effort, and occupancy costs have been allocated on the basis of the function of the personnel using the space involved.

**Comparative Statements**

The amounts shown for the year ended December 31, 2018 in the accompanying financial statements are included to provide a basis for comparison with 2019 and present summarized totals only. Accordingly, the 2018 totals are not intended to present all information necessary for a fair presentation in conformity with GAAP. Such information should be read in conjunction with the financial statements for the year ended December 31, 2018, from which the summarized information was derived.

**Reclassifications**

Certain 2018 amounts have been reclassified to conform to the 2019 presentation. These reclassifications had no effect on net assets as previously reported.

**Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Recently Issued Accounting Standards**

In February 2016, the FASB issued ASU No. 2016-02: *Leases (Topic 842)*. It requires the lease rights and obligations arising from lease contracts, including existing and new arrangements, to be recognized as assets and liabilities on the statements of financial position. ASU No. 2016-02 is effective for PIHC in fiscal year 2022 and must be adopted using a modified retrospective approach. PIHC is currently evaluating the impact the adoption of ASU No. 2016-02 will have on its financial statements.

**Events Occurring After Report Date**

Management has evaluated events and transactions that occurred between December 31, 2019 and August 31, 2020, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements (Reference Note 13).

**POSITIVE IMPACT HEALTH CENTERS, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

**3. INVESTMENTS**

PIHC's investments are managed by an independent investment company and are valued at quoted market prices in an active market. PIHC's investments at December 31, 2019 and 2018 are comprised of the following:

	<u>2019</u>		<u>2018</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Equities	\$ 559,769	\$ 497,131	\$ 438,501	\$ 490,224
Fixed income	262,828	249,209	248,592	245,932
Total investments measured at fair value	<u>\$ 822,597</u>	<u>\$ 746,340</u>	<u>\$ 687,093</u>	<u>\$ 736,156</u>

Net investment income (loss) for the years ended December 31, 2019 and 2018 are composed of:

	<u>2019</u>	<u>2018</u>
Interest and dividend income	\$ 18,187	\$ 15,748
Net realized gain on investments	10,175	3,482
Unrealized gain (loss) on investments	125,320	(59,119)
Brokerage fees	<u>(10,087)</u>	<u>(9,038)</u>
	<u>\$ 143,595</u>	<u>\$ (48,927)</u>

**4. PROPERTY AND EQUIPMENT**

Property and equipment are stated at cost and depreciation is computed using the straight-line method over the estimated useful lives of the assets (primarily five years). Property and equipment consist of the following at December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Vehicle	\$ 35,070	\$ 35,070
Computer equipment and software	656,526	452,821
Furniture and fixtures	103,976	192,671
Leasehold improvements	<u>2,277,897</u>	<u>2,226,783</u>
	3,073,469	2,907,345
Less accumulated depreciation	<u>(969,683)</u>	<u>(701,178)</u>
	<u>\$ 2,103,786</u>	<u>\$ 2,206,167</u>

Depreciation expense of \$414,662 and \$410,767 was recorded for the years ended December 31, 2019 and 2018, respectively.

**POSITIVE IMPACT HEALTH CENTERS, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

**5. LINE OF CREDIT**

PIHC has a line of credit with a bank for \$1,000,000. The line accrues interest monthly at prime rate plus 0.5% (3.75% at December 31, 2019), matures in October 2020 and is guaranteed by PIHC's receivables. At December 31, 2018, the outstanding balance was \$400,000. The line did not have a balance at December 31, 2019.

**6. RESTRICTIONS ON NET ASSETS**

Net assets with donor restrictions were available for the following purposes at December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Subject to expenditures for specific purpose:		
Client service	\$ -	\$ 85,605
Prevention	60,845	117,155
Medical services	95,129	95,022
	<u>\$ 155,974</u>	<u>\$ 297,782</u>

Net assets with donor restrictions released from restrictions during the years ended December 31, 2019 and 2018, were as follows:

	<u>2019</u>	<u>2018</u>
Client service	\$ 85,605	\$ 64,395
Prevention	557,311	301,613
Medical services	60,861	40,149
Other	-	1,800
	<u>\$ 703,777</u>	<u>\$ 407,957</u>

**7. OPERATING LEASES**

PIHC leases office and clinic space and certain office equipment under non-cancellable operating leases through November 2024. Rent expense for the years ended December 31, 2019 and 2018 was \$1,041,000 and \$795,000, respectively. Operating lease expense is accounted for on a straight-line basis. During 2017, PIHC relocated one of its offices. In connection with and as an enticement for the relocation, the landlord paid \$2,400,000 in cash and leasehold improvement incentives. During 2018, PIHC relocated another location and received an additional \$748,640 in leasehold improvement incentives. These incentives are included in deferred rent on the statement of financial position and are being amortized over the life of the lease.



**POSITIVE IMPACT HEALTH CENTERS, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**7. OPERATING LEASES – CONTINUED**

Future minimum rental payments required under the leases are as follows:

2020	\$ 727,408
2021	694,167
2022	702,164
2023	723,233
2024	626,779
Thereafter	978,192

**8. GRANTS FROM GOVERNMENT AGENCIES**

PIHC is the recipient of federal financial assistance from several government agencies. The balances of these grants and awards as of December 31, 2019 are as follows:

	<b>Cumulative Awards</b>	<b>Cumulative Expenditures Incurred</b>	<b>Available Funds On Grants</b>
Department of Housing and Urban Development – federal grants	\$ 5,538,734	\$ 3,403,827	\$ 2,134,907
Department of Health and Human Services – federal grants	<u>16,094,554</u>	<u>12,340,259</u>	<u>3,754,295</u>
	<u>\$ 21,633,288</u>	<u>15,744,086</u>	<u>\$ 5,889,202</u>
Less expenditures related to prior year		<u>5,846,342</u>	
Federal revenue for the year ended December 31, 2019		<u>\$ 9,897,744</u>	

**9. EMPLOYEE BENEFIT PLAN**

Effective April 2008 PIHC adopted a 401(k) plan (the Plan) for those employees who meet the eligibility requirements set forth in the Plan. All Plan participants are allowed to contribute any amount up to the legal maximum allowed. PIHC contributes 5% of a participant's compensation deferred to the Plan. Senior staff receive an additional 1% and the CEO receives an additional 2%. Employer contributions amounted to approximately \$339,000 and \$280,000 for years ended December 31, 2019 and 2018, respectively.



**POSITIVE IMPACT HEALTH CENTERS, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

**10. PAID TIME OFF**

Employees earn paid time off (PTO) depending on years of service. Accrued PTO is paid upon an employee's termination. A liability for accumulated PTO of \$260,403 and \$192,349 was accrued in the financial statements at December 31, 2019 and 2018, respectively.

**11. LIQUIDITY AND FUNDS AVAILABLE**

The following table reflects PIHC's financial assets as of December 31, 2019 and 2018, reduced by amounts not available for expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year.

	<u>2019</u>	<u>2018</u>
Financial assets:		
Cash and cash equivalents	\$ 2,757,176	\$ 148,516
Clinic receivables	2,489,199	695,723
Grants receivable	3,593,708	2,561,036
Investments	<u>822,597</u>	<u>687,093</u>
Financial assets, at year-end	9,662,680	4,092,368
Less: Assets unavailable for general expenditures within one year:		
Net assets with donor restrictions unavailable due to donor-imposed purpose restrictions	<u>(155,974)</u>	<u>(297,782)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 9,506,706</u>	<u>\$ 3,794,586</u>

PIHC is substantially supported by federal grants and contributions. Because a donor's restrictions require resources to be used in a particular manner or in a future period, PIHC must maintain sufficient resources to meet those responsibilities to donors. Therefore, certain financial assets may not be available for general expenditures within one year. As part of PIHC's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

**POSITIVE IMPACT HEALTH CENTERS, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

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**12. CONTINGENCIES**

The healthcare industry is subject to numerous laws and regulations of federal, state and local governments. Compliance with these laws and regulations is subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time. Government activity continues to increase with respect to investigations and allegations concerning possible violations by healthcare providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Management is not aware of any material incidents of noncompliance.

During the normal course of business, PIHC may become involved in various legal issues. In the opinion of management, any such matters will not have a material effect upon the financial position of PIHC, and significant losses, if any, would be adequately covered by insurance.

**13. SUBSEQUENT EVENT**

In early 2020, an outbreak of a novel strain of coronavirus (COVID-19) emerged globally. As a result, there have been mandates from federal, state, and local authorities resulting in an overall decline in economic activity. The ultimate impact of COVID-19 on the financial performance of PIHC is not reasonably estimable at this time. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

**SINGLE AUDIT SECTION**

**INDEPENDENT AUDITORS' REPORT ON  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

To the Board of Directors  
Positive Impact Health Centers, Inc.

We have audited the financial statements of Positive Impact Health Centers, Inc. as of and for the year ended December 31, 2019, and have issued our report thereon dated August 31, 2020, which contained an unmodified opinion on those financial statements and appears on pages 1 and 2. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis, and is not a required part of the basic 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Warren Averett, LLC*

Atlanta, Georgia  
August 31, 2020

**POSITIVE IMPACT HEALTH CENTERS, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

<u>Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Award Amount</u>	<u>Expenditures</u>
U.S. Department of Housing and Urban Development passed through City of Atlanta/Housing Opportunities for People with AIDS	14.241	250132511	\$ 4,609,000	<u>\$ 2,173,581</u>
	Subtotal 14.241			<u>2,173,581</u>
U.S. Department of Health and Human Services/Ryan White Part A	93.914		3,416,780	728,606
U.S. Department of Health and Human Services/Ryan White Part A	93.914		3,740,839	2,612,589
U.S. Department of Health and Human Services/Ryan White Part A	93.914		674,633	389,870
U.S. Department of Health and Human Services passed through National Association of County and City Health Officials	93.914	2018-091305	200,000	153,741
U.S. Department of Health and Human Services passed through Health Resources and Services Administration - AIDS United	93.914		185,167	97,211
U.S. Department of Health and Human Services passed through Health Resources and Services Administration - AIDS United	93.914		153,000	<u>64,269</u>
	Subtotal 93.914			<u>4,046,286</u>

See accompanying notes.

**POSITIVE IMPACT HEALTH CENTERS, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS – CONTINUED**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

<u>Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Award Amount</u>	<u>Expenditures</u>
U.S. Department of Health and Human Services/Ryan White Part B	93.917		\$ 744,296	\$ 228,300
U.S. Department of Health and Human Services/Ryan White Part B	93.917		799,696	549,738
U.S. Department of Health and Human Services/Ryan White Part B	93.917		589,753	<u>309,900</u>
	Subtotal 93.917			<u>1,087,938</u>
U.S. Department of Health and Human Services/Ryan White Part C	93.918		499,740	139,350
U.S. Department of Health and Human Services/Ryan White Part C	93.918		499,740	<u>322,915</u>
	Subtotal 93.918			<u>462,265</u>
U.S. Department of Health and Human Services passed through Health Resources and Services Administration - Special Projects of National Significance	93.928	1 H97HA31433-01-00	\$ 300,000	\$ 43,879
U.S. Department of Health and Human Services passed through Health Resources and Services Administration - Special Projects of National Significance	93.928	5 H97HA31433-02-00	300,000	300,000
U.S. Department of Health and Human Services passed through Health Resources and Services Administration - Special Projects of National Significance	93.928	5 H97HA31433-03-00	300,000	<u>51,368</u>
	Subtotal 93.928			<u>395,247</u>

See accompanying notes.

**POSITIVE IMPACT HEALTH CENTERS, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS – CONTINUED**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	Federal CFDA Number	Pass-Through Entity Identifying Number	Award Amount	Expenditures
U.S. Department of Health and Human Services/Substance Abuse and Mental Health Services - Facilitating United Service Efforts	93.243		\$ 485,000	\$ 348,617
U.S. Department of Health and Human Services/Substance Abuse and Mental Health Services - Facilitating United Service Efforts	93.243		485,000	121,007
U.S. Department of Health and Human Services/Substance Abuse and Mental Health Services - Realistic Alternatives Prevention Project	93.243		308,875	250,062
U.S. Department of Health and Human Services/Substance Abuse and Mental Health Services - Realistic Alternatives Prevention Project	93.243		308,875	<u>60,262</u>
Subtotal 93.243				<u>779,948</u>
U.S. Department of Health and Human Services passed through Georgia Department of Human Resources/ HIV Prevention Activities – Health Department Based	93.940	40500-044-19192849	272,832	<u>207,508</u>
Subtotal 93.940				<u>207,508</u>
U.S. Department of Health and Human Services passed through Center for Disease Control	93.939	PS151502COMHIGPHIV15	697,681	450,041
U.S. Department of Health and Human Services passed through Center for Disease Control	93.939	PS151502COMHIGPHIV15	697,681	<u>294,930</u>
Subtotal 93.939				<u>744,971</u>
<b>TOTAL FEDERAL AWARDS</b>				<u><u>\$ 9,897,744</u></u>

See accompanying notes.

**POSITIVE IMPACT HEALTH CENTERS, INC.  
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**1. BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Positive Impact Health Centers, Inc. under programs of the federal government for the year ended December 31, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the Schedule presents only a selected portion of the operations of Positive Impact Health Centers, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Positive Impact Health Centers, Inc.

**2. INDIRECT COST RATE**

PIHC has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.



**INDEPENDENT AUDITORS' 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  
Positive Impact Health Centers, Inc.

We have audited, in accordance with the 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 financial statements of Positive Impact Health Centers, Inc. (PIHC) (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, 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 August 31, 2020.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered PIHC's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of PIHC's internal control. Accordingly, we do not express an opinion on the effectiveness of PIHC'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 purpose 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 may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether PIHC's 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 determination of financial statement amounts. 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*.

**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 PIHC's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering PIHC's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Warren Averett, LLC*

Atlanta, Georgia  
August 31, 2020

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors  
Positive Impact Health Centers, Inc.

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

We have audited Positive Impact Health Centers, Inc.'s (PIHC) (a nonprofit organization) compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019. PIHC's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of PIHC's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about PIHC's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of PIHC's compliance.

**Opinion on Each Major Federal Program**

In our opinion, PIHC complied, in all material respects, with the types of 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, 2019.

## **Report on Internal Control over Compliance**

Management of PIHC is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered PIHC's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of PIHC's 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 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, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

*Warren Averett, LLC*

Atlanta, Georgia  
August 31, 2020

**POSITIVE IMPACT HEALTH CENTERS, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**Section 1 – Summary of Auditors’ Results**

**Financial Statements**

1. The auditors’ report expresses an unmodified opinion on whether the financial statements of Positive Impact Health Centers, Inc. were prepared in accordance with GAAP.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported.
3. No instances of noncompliance material to the financial statements of Positive Impact Health Centers, Inc., which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

**Federal Awards**

4. No significant deficiencies or material weaknesses in internal control over major federal award programs are reported.
5. The auditors’ report on compliance for the major federal awards programs for Positive Impact Health Centers, Inc. expresses an unmodified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with 2 CFR section 200.516a are reported in this Schedule.
7. The programs tested as major programs were:
  - 93.914 U.S Department of Health and Human Services/Ryan White Part A
  - U.S Department of Health and Human Services passed through National Association of County and City Health Officials
  - U.S Department of Health and Human Services passed through Health Resources and Services Administration – AIDS United
8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. Positive Impact Health Centers, Inc. was determined to be a high risk auditee.

**Section 2 – Financial Statement Findings Reported in Accordance with *Government Auditing Standards***

None

**Section 3 – Federal Award Findings and Questioned Costs (All Programs)**

None

**POSITIVE IMPACT HEALTH CENTERS, INC.  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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2018–01 Controls over Amounts Recorded in the Financial Statements

*Condition:* PIHC's internal controls did not prevent or detect an instance of overstating grant revenue. Adjustments were necessary to correctly state financial statement balances at year end.

*Recommendation:* Procedures should be put in place for proper oversight and review.

*Current Status:* The recommendation was adopted in August 2019. No similar findings were noted in the 2019 audit.

2018–02 Schedule of Expenditures of Federal Awards (SEFA)

*Condition:* PIHC does not have proper oversight for the preparation of the SEFA. The SEFA as originally provided was incomplete.

*Recommendation:* Procedures should be put in place for proper oversight and approval of the preparation of the SEFA.

*Current Status:* The recommendation was adopted in August 2019. No similar findings were noted in the 2019 audit.

## **SUPPLEMENTARY INFORMATION**

**INDEPENDENT AUDITORS' REPORT ON  
SUPPLEMENTARY INFORMATION**

To the Board of Directors  
Positive Impact Health Centers, Inc.

We have audited the financial statements of Positive Impact Health Centers, Inc. as of and for the year ended December 31, 2019, and have issued our report thereon dated August 31, 2020, which contained an unmodified opinion on those financial statements and appears on pages 1 and 2. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary material on pages 29 and 30 is presented for the purpose of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Warren Averett, LLC*

Atlanta, Georgia  
August 31, 2020



**POSITIVE IMPACT HEALTH CENTERS, INC.  
 SCHEDULE OF STATE CONTRACTUAL ASSISTANCE  
 FOR THE YEAR ENDED DECEMBER 31, 2019**

		Total Budgets	Cash Receipts	Expenditures Incurred	Balance Due from State
<b>Georgia Department of Human Resources/ HIV Prevention Activities</b>					
Contract # 40500-044-19192849	Contract year – 10/01/18-12/31/19	\$ 272,832	\$ 168,219	\$ 207,508	\$ 39,289
<b>TOTAL</b>		<u>\$ 272,832</u>	<u>\$ 168,219</u>	<u>\$ 207,508</u>	<u>\$ 39,289</u>

**POSITIVE IMPACT HEALTH CENTERS, INC.  
PROGRAM INCOME DISTRIBUTION  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<b>Ryan White Part A</b>	<b>Ryan White Part B</b>	<b>Ryan White Part C</b>	<b>CDC</b>	<b>SAMHSA</b>	<b>GA Prevention</b>	<b>Total Program Income</b>
Patient and clinic income							
Clinic insurance	\$ 72,908	\$ 16,328	\$ 10,202	\$ -	\$ -	\$ -	\$ 99,438
Patient income	93,583	20,958	13,095	-	-	-	127,636
Clinic Medicare	19,544	4,377	2,735	-	-	-	26,656
Clinic Medicaid	20,642	4,623	2,888	-	-	-	28,153
Clinic medical records	1,601	358	224	-	-	-	2,183
HIV & STD testing income	109,566	24,537	15,332	-	-	-	149,436
340b Program							
Ryan White	7,267,377	1,627,528	1,016,957	-	-	-	9,911,862
Prep	-	-	-	-	-	9,106,736	9,106,736
Other program income							
STI services	-	-	-	34,300	-	-	34,300
Therapy service	-	-	-	-	26,231	-	26,231
Marietta grants pass through	25,656	5,746	3,590	-	-	-	34,992
	<b>\$ 7,610,877</b>	<b>\$ 1,704,454</b>	<b>\$ 1,065,025</b>	<b>\$ 34,300</b>	<b>\$ 26,231</b>	<b>\$ 9,106,736</b>	<b>\$ 19,547,623</b>