

HealthCorps, Inc.

Financial Report
June 30, 2018

Contents

Independent auditor's report	1-2
<hr/>	
Financial statements	
Statement of financial position	3
Statement of activities	4
Statement of functional expenses	5
Statement of cash flows	6
Notes to financial statements	7-14



RSM US LLP

Independent Auditor's Report

To the Board of Directors
HealthCorps, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of HealthCorps, Inc. (the Organization), which comprise the statement of financial position as of June 30, 2018, the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of HealthCorps, Inc. as of June 30, 2018, 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 the Organization's 2017 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 29, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

RSM US LLP

New York, New York
September 18, 2018

HealthCorps, Inc.

Statement of Financial Position

June 30, 2018

(With Summarized Comparative Information as of June 30, 2017)

	2018	2017
Assets		
Cash and cash equivalents	\$ 1,890,155	\$ 1,939,046
Grants, contracts and contributions receivable	552,036	405,091
Prepaid expenses	23,713	9,874
Property and equipment, net	89,156	133,210
Security deposits and other assets	44,727	42,413
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Total assets	\$ 2,599,787	\$ 2,529,634
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Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 176,006	\$ 119,363
Deferred revenue	1,500	251,500
Deferred rent obligation	100,926	115,089
Capital lease obligations	23,526	37,662
Security deposits payable	2,200	49,675
Total liabilities	304,158	573,289
	<hr/>	<hr/>
Commitments and contingencies		
Net assets:		
Unrestricted	2,188,129	1,736,553
Temporarily restricted	107,500	219,792
Total net assets	2,295,629	1,956,345
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Total liabilities and net assets	\$ 2,599,787	\$ 2,529,634
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See notes to financial statements.

HealthCorps, Inc.

Statement of Activities

Year Ended June 30, 2018

(With Summarized Comparative Information for the Year Ended June 30, 2017)

	2018			2017
	Unrestricted	Temporarily Restricted	Total	Summarized Comparative Information
Support and revenue:				
Grants and contracts	\$ 391,142	\$ 995,300	\$ 1,386,442	\$ 1,407,789
Contributions	1,347,565	-	1,347,565	1,748,575
Special events	1,212,836	-	1,212,836	1,303,874
Program services	50,000	-	50,000	93,990
Rental income and other income	247,336	-	247,336	202,342
Net assets released from restrictions used for programs	1,107,592	(1,107,592)	-	-
Total support and revenue	4,356,471	(112,292)	4,244,179	4,756,570
Operating expenses:				
Program services	2,861,967	-	2,861,967	2,695,122
General and administrative	363,387	-	363,387	381,454
Fundraising	679,541	-	679,541	743,403
Total operating expenses	3,904,895	-	3,904,895	3,819,979
Change in net assets	451,576	(112,292)	339,284	936,591
Net assets:				
Beginning	1,736,553	219,792	1,956,345	1,019,754
Ending	\$ 2,188,129	\$ 107,500	\$ 2,295,629	\$ 1,956,345

See notes to financial statements.

HealthCorps, Inc.

Statement of Functional Expenses

Year Ended June 30, 2018

(With Summarized Comparative Information for the Year Ended June 30, 2017)

	2018			Total	2017
	Program Services	General and Administrative	Fundraising		Summarized Comparative Information
Payroll, payroll taxes and benefits	\$ 1,962,609	\$ 114,710	\$ 44,489	\$ 2,121,808	\$ 2,068,979
Curriculum and educational material	232,402	-	-	232,402	330,972
Outside service contracts	114,328	48,998	-	163,326	205,549
Travel and meetings	32,370	6,474	2,511	41,355	33,093
Payroll administrative fee	10,625	1,141	442	12,208	10,354
Professional fees	94,354	18,870	7,318	120,542	89,933
Marketing and promotion	19,968	8,320	4,992	33,280	6,920
Rent, parking and utilities	204,398	40,930	15,836	261,164	273,810
Office expense	16,319	93,123	699	110,141	175,591
Telecommunications	4,751	950	369	6,070	20,922
Technical support	3,743	749	290	4,782	15,647
Insurance	43,295	8,658	3,358	55,311	36,195
Postage	1,884	7,248	145	9,277	8,390
Depreciation and amortization	30,838	13,216	-	44,054	59,258
Interest expense	-	-	-	-	822
Subtotal	2,771,884	363,387	80,449	3,215,720	3,336,435
Direct cost of special events	90,083	-	599,092	689,175	483,544
Total expenses	\$ 2,861,967	\$ 363,387	\$ 679,541	\$ 3,904,895	\$ 3,819,979

See notes to financial statements.

HealthCorps, Inc.

Statement of Cash Flows

Year Ended June 30, 2018

(With Summarized Comparative Information for the Year Ended June 30, 2017)

	2018	2017
Cash flows from operating activities:		
Change in net assets	\$ 339,284	\$ 936,591
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation and amortization	44,054	59,258
Decrease in deferred rent obligation	(14,163)	(7,705)
Change in operating assets and liabilities:		
(Increase) decrease in grants, contracts and contributions receivable	(146,945)	870,217
(Increase) decrease in prepaid expenses	(13,839)	7,752
Increase in security deposits and other assets	(2,314)	(33,988)
Increase (decrease) in accounts payable and accrued expenses	56,643	(124,013)
(Decrease) increase in deferred revenue	(250,000)	251,500
(Decrease) increase in security deposits payable	(47,475)	47,675
Net cash (used in) provided by operating activities	(34,755)	2,007,287
Cash flows from investing activities:		
Purchase of property and equipment	-	(16,591)
Net cash used in investing activities	-	(16,591)
Cash flows from financing activities:		
Principal payments on line of credit	-	(200,000)
Principal payments on capital lease obligations	(14,136)	(16,093)
Net cash used in financing activities	(14,136)	(216,093)
Net change in cash and cash equivalents	(48,891)	1,774,603
Cash and cash equivalents:		
Beginning	1,939,046	164,443
Ending	\$ 1,890,155	\$ 1,939,046
Supplemental disclosure of cash flow information:		
Interest paid	\$ -	\$ 822

See notes to financial statements.

HealthCorps, Inc.

Notes to Financial Statements

Note 1. Organization

HealthCorps, Inc. (the Organization) is a corporation exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization was founded in 2003 by cardio-thoracic surgeon Dr. Mehmet Oz and is a national non-profit organization devoted to strengthening communities with the most innovative wellness approaches to make the next generation more resilient. The Organization shares life and cost saving skills with students, educators and other adults in resilience, nutrition and fitness to make people stronger both mentally and physically.

The Organization executes its mission through school and community programming and events, research and advocacy.

Living Labs: For over a decade, the Organization has placed full-time Coordinators in high-need high schools across the nation to deliver its skills-based curriculum in the classroom, after school clubs, guest speakers, lunchroom demonstrations and school-wide and community events such as health fairs and public CPR trainings. The schools, now lower through high school, serve as “Living Labs” through which the Organization explores the complex, underlying causes of the country’s resilience crisis to discover solutions that can be replicated nationwide.

In 2017, the Living Lab Coordinator model launched in a non-school site, specifically housing for homeless women.

Also in 2017, HealthCorps officially added a Regional Living Lab Coordinator model to its programming. The Regional Living Lab Coordinator delivers programming to both students and educators at more than one school.

The Organization curriculum is aligned with National Health Education Standards and vetted through a board of medical experts. The curriculum is revised every other year based upon feedback from the Living Labs. Through a partnership with CK-12, a California based non-profit, HealthCorps distributes free, interactive and customizable versions of the curriculum.

HealthCorps University: The Organization also conducts programming called HealthCorps University (HCU), an intense one-day professional development program that certifies participants to bring the Organization curriculum to their school, organization or community.

Since 2003, the Organization has operated programming in 20 states impacting approximately 2.5 million students.

Note 2. Operating Deficits

In fiscal year 2017, the Organization executed an aggressive plan to diversify its revenue streams, secure multi-year partnership relationships with many of its existing funders, and work collaboratively with the Board of Directors, key stakeholders and staff to identify and pursue new sources of funding to support its programs in order to realize its financial goals.

Notes to Financial Statements

Note 3. Summary of Significant Accounting Policies

Basis of accounting: The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Net asset classifications: Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets: Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets: Net assets subject to donor-imposed stipulations that will be met either by actions of the Organization or the passage of time.

Permanently restricted net assets: Net assets subject to donor-imposed stipulations that must be permanently maintained by the Organization. Generally, the donors permit the Organization to use or expend all or part of the income earned on those assets to support current operations or program purposes and, accordingly, income would be recorded as temporarily restricted until the purpose is satisfied. The Organization did not have any permanently restricted net assets as of June 30, 2018 and 2017.

Use of estimates: The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and the disclosure of contingencies at the date of the financial statements, and revenue and expenses recognized during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents: Cash and cash equivalents on the statement of financial position include highly liquid investments with initial maturities of three months or less.

Support and revenue: Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. All donor-restricted revenue is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported on the statement of activities as net assets released from restrictions.

Unconditional promises to give are recognized as revenue or gains in the period acknowledged. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give are carried at net present value less an estimate made for doubtful promises based on a review of all outstanding promises on a periodic basis. Management determines the allowance for doubtful accounts by using the historical experience applied to an aging of promises. Promises are written off when deemed uncollectible.

The Organization receives grants from governmental agencies and other sources for various purposes. Grant awards earned but not yet received are accrued to the extent unreimbursed expenses have been incurred for the purposes specified by the approved grants. The Organization defers grant revenue received under approved awards to the extent they exceed expenses incurred for the purposes specified under the grant purposes. These funds are reported as refundable advances; however, there were none as of June 30, 2018 and 2017.

Notes to Financial Statements

Note 3. Summary of Significant Accounting Policies (Continued)

Grants, contracts and contributions receivable: Grants, contracts and contributions receivable are comprised primarily of amounts due to the Organization from grantor agencies. Receivable balances due in more than one year are reported at their outstanding balances discounted to their net present value based on a risk adjusted rate that the Organization could secure when the support and revenue is initially received. Allowance for doubtful accounts is provided by management based on the Organization's experience with the funders and their ability to pay. As of June 30, 2018 and 2017, management determined that no allowance was required.

Property and equipment: Property and equipment are recorded at cost or, if donated, at fair value on the date of donation. The Organization's policy for capitalization of property and equipment is limited to purchases of \$1,500 and more with a useful life greater than one year. Property and equipment are depreciated on the straight-line method over the estimated useful lives of the assets, which range from two to seven years.

Expenses: Expenses are reported as decreases in unrestricted net assets. The cost of providing the various program and supporting services of the Organization have been summarized on a functional basis in the accompanying financial statements. Certain costs and expenses have been allocated between program services and supporting services on a reasonable basis as determined by management.

Advertising costs: Advertising costs are charged to operations when incurred. For the years ended June 30, 2018 and 2017, advertising costs were \$33,280 and \$5,900, respectively.

Income taxes: The Organization qualifies as a charitable organization as defined by Internal Revenue Code Section 501(c)(3) and, accordingly, is exempt from federal income taxes under Internal Revenue Code Section 501(a). The Organization is also exempt from New York State and New York City income taxes. The Organization is not classified as a private foundation. As a not-for-profit organization, the Organization is subject to unrelated business income tax (UBIT), if applicable. For the years ended June 30, 2018 and 2017, the Organization did not owe any UBIT.

Management has evaluated the Organization's tax positions and has concluded that the Organization had taken no uncertain income tax positions that require adjustments or disclosures to the financial statements. Generally, the Organization is no longer subject to income tax examinations by U.S. federal, state, or local tax authorities for tax years before 2014, which is the standard statute of limitations look-back period.

Comparative information: The financial statements include certain prior-year summarized comparative information in total but not by net asset or by functional expense classifications. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements as of and for the year ended June 30, 2017, from which the summarized information was derived.

Notes to Financial Statements

Note 3. Summary of Significant Accounting Policies (Continued)

Recently issued accounting pronouncements: In August 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-08, *Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The ASU 2018-08 clarifies and improves current guidance about whether a transfer of assets, or the reduction, settlement, or cancellation of liabilities, is a contribution or an exchange transaction. It provides criteria for determining whether the resource provider is receiving commensurate value in return for the resources transferred which, depending on the outcome, determines whether the organization follows contribution guidance or exchange transaction guidance in the revenue recognition and other applicable standards. The new standard is effective for fiscal years beginning after December 31, 2019. Management is currently evaluating the impact of this ASU on the Organization's financial statements.

In August 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The amendments in this ASU make improvements to the information provided in financial statements and accompanying notes of not-for-profit entities. The amendments set forth the FASB's improvements to net asset classification requirements and the information presented about a not-for-profit entity's liquidity, financial performance, and cash flows. ASU 2016-14 is effective for annual periods beginning after December 31, 2018, and therefore is expected to be adopted by the Organization for the year ending June 30, 2018. Early adoption is permitted. Management is currently evaluating the impact of this standard on the Organization's financial statements.

In August 2016, the FASB issued ASU 2016-15, *Statement of Cash Flows (Topic 230), Classification of Certain Cash Receipts and Cash Payments*. ASU 2016-15 provides guidance on how certain cash receipts and cash payments should be presented and classified in the statement of cash flows with the objective of reducing existing diversity in practice with respect to these items. ASU 2016-15 is effective for annual periods beginning after December 15, 2018, and therefore, is expected to be adopted by the Organization for the year ending June 30, 2018. Early adoption is permitted. Management is currently evaluating the impact of this standard on the Organization's financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expenses recognition in the statement of activities. The new standard is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. Management is currently evaluating the impact of this ASU on the Organization's financial statements.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. In August 2015, the FASB issued ASU 2015-14, which defers the effective date of ASU 2014-09 one year, making it effective for annual reporting periods beginning after December 15, 2018. The Organization has not yet selected a transition method and is currently evaluating the effect that the standard will have on the Organization's financial statements.

HealthCorps, Inc.

Notes to Financial Statements

Note 4. Grants, Contracts and Contributions Receivable

Grants, contracts and contributions receivable at June 30, 2018 and 2017, amounted to \$552,036 and \$405,091, respectively, which are expected to be collected in less than one year.

At June 30, 2018, grants, contracts and contributions receivable totaling \$163,449 were due from one governmental agency. As of June 30, 2017, grants, contracts and contributions receivable totaling \$251,966 were due from one governmental agency and one private donor.

In addition to the receivables noted above, as of June 30, 2018 and 2017, certain donors provided conditional contributions to the Organization of \$1,250,000 and \$2,250,000, respectively. These conditional contributions have not been recognized in the accompanying financial statements as they do not meet the criteria for recognition of contributions revenue under FASB Accounting Standards Codification 958-605 as of June 30, 2018 and 2017. Revenue on these contributions will be recognized in future periods when the conditions for payment have been substantively met by the Organization.

Note 5. Property and Equipment, Net

As of June 30, 2018 and 2017, property and equipment are comprised of the following:

	2018	2017	Estimated Useful Life
Leasehold improvements	\$ 126,050	\$ 126,050	Term of lease
Furniture and fixtures	34,282	36,365	5 to 7 years
Equipment	88,865	90,035	2 to 7 years
	<u>249,197</u>	<u>252,450</u>	
Less accumulated depreciation and amortization	(160,041)	(119,240)	
Total property and equipment	<u>\$ 89,156</u>	<u>\$ 133,210</u>	

For the years ended June 30, 2018 and 2017, depreciation and amortization expense amounted to \$44,054 and \$59,258, respectively.

Note 6. Line of Credit

The Organization renewed the line of credit on April 26, 2017, with borrowings capacity up to \$500,000. Interest is payable at a variable interest rate equal to the LIBOR plus 9.63%, which was 10.86% as of June 30, 2017. The line of credit expired on April 26, 2018. As of June 30, 2017, there was no outstanding balance on the line of credit.

The Organization renewed the line of credit on April 24, 2018, with borrowings capacity up to \$500,000. Interest is payable at a variable interest rate equal to the LIBOR plus 7.13%, which was 9.22% as of June 30, 2018. As of June 30, 2018, there was no outstanding balance on the line of credit.

Note 7. Professional Employer Organization

Effective January 1, 2016, the Organization entered into an agreement with a payroll service provider, whereas all employees of the Organization are employed by the Organization. For the years ended June 30, 2018 and 2017, the fees for services under these agreements were \$10,940 and \$10,354, respectively.

HealthCorps, Inc.

Notes to Financial Statements

Note 8. Commitments and Contingencies

Operating lease commitments: The Organization occupies office facilities in New York and California under operating leases that expire at various dates, with the latest in September 2021. The New York and California office leases are subject to rent escalations and both leases subjects the Organization to pro rata share of operating expenses.

For the years ended June 30, 2018 and 2017, rent expense amounted to \$249,193 and \$261,618, respectively.

As part of the Organization's New York office lease agreement, the Organization obtained an active letter of credit amounting to \$38,372 in lieu of a cash security deposit.

The Organization subleased the California offices at fixed rent without any escalation clause during fiscal year 2016. The sublease agreement expires in August 2018. The sublease agreement required a security deposit of \$2,000 from the subtenant, which is included in the statement of financial position as security deposits payable.

The Organization subleased the New York office and is subject to rent escalations. The sublease agreement expires in September 2021. The sublease agreement required a security deposit of \$47,575 from the subtenant, which is included in the statement of financial position as security deposits payable as of June 30, 2017. During fiscal year 2018, the Organization used the security deposit of \$47,575 for 2018 rent payments owed by the subtenant.

Rental income for the two sublease agreements amounted to \$206,669 and \$163,795 for the years ended June 30, 2018 and 2017, respectively, which is included as rental income and other income in the statement of activities.

As of June 30, 2018, future aggregate minimum lease payments under these leases, net of sublease rental income, are as follows:

	Rent Payments	Sublease Income	Net
Years ending June 30:			
2019	\$ 177,200	\$ (194,945)	\$ (17,745)
2020	181,630	(197,703)	(16,073)
2021	186,171	(203,634)	(17,463)
2022	39,627	(51,408)	(11,781)
	<u>\$ 584,628</u>	<u>\$ (647,690)</u>	<u>\$ (63,062)</u>

Deferred rent consists of the excess of the rental expenses on a straight-line basis over the payments required by the lease, and lease incentive received from landlord for a portion of the leasehold improvement cost incurred by the Organization in the New York office. As of June 30, 2018 and 2017, there was \$100,926 and \$115,089, respectively, of deferred rent obligation included on the statement of financial position.

Capital lease commitment: The Organization entered into noncancellable capital lease agreements for computer and office equipment. The assets and liabilities under the capital leases are recorded at the lower of present value of the minimum lease payments or the fair value of the assets.

The assets are amortized over the lower of the related lease term or their estimated productive lives. Amortization of assets under capital lease is included in depreciation and amortization expense in the statement of functional expenses at June 30, 2018 and 2017.

HealthCorps, Inc.

Notes to Financial Statements

Note 8. Commitments and Contingencies (Continued)

The following is a summary of computer and office equipment held under the capital lease at June 30, 2018:

Computer and office equipment	\$ 71,265
Less accumulated amortization	(50,200)
	<u>\$ 21,065</u>

Present value of minimum capital lease payments as of June 30, 2018, is as follows:

Years ending June 30:	
2019	\$ 14,136
2020	9,390
	<u>\$ 23,526</u>

The interest rate on the capital lease range from 0.00% to 8.37% and are imputed based on the lower of the Organization's incremental borrowing rate at the inception of the lease or the lessor's implicit rate of return. Interest expense on the capital lease amounted to \$0 and \$822 for the years ended June 30, 2018 and 2017, respectively

The Organization is subject to various audits from various funding organizations that support its programs. The grants are subject to adjustments for disallowed costs, if any, based upon the results of the audits.

The Organization operates programs funded by state grants that are renewed annually depending on the availability of funds and the Organization's compliance with requirements of the contracts and grants. Therefore, annual funding under these grants is not guaranteed.

Note 9. Temporarily Restricted Net Assets

Temporarily restricted net assets as of June 30, 2018 and 2017, amounted to \$107,500 and \$219,792, respectively, and are restricted for various school and educational programs.

The release of temporarily restricted net assets consists of \$1,107,592 for various school and educational programs during the year ended June 30, 2018.

Note 10. Concentrations of Credit Risk

The Organization maintained its cash balances in one financial institution in 2018 and 2017. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at the financial institution. At times, during the year, such cash balances may exceed the FDIC limit. As of June 30, 2017 and 2018, the Organization's cash balance exceeded the FDIC limit. The Organization has not experienced any losses in such accounts in the past.

HealthCorps, Inc.

Notes to Financial Statements

Note 11. Subsequent Events

The Organization evaluates events occurring after the date of the financial statements to consider whether or not the impact of such events needs to be reflected and/or disclosed in the financial statements. Such evaluation is performed through September 18, 2018, the date the financial statements were available for issuance.