

SOCIETY FOR PUBLIC HEALTH EDUCATION



**FINANCIAL STATEMENTS
AND
REPORTS UNDER THE UNIFORM GUIDANCE**

Year Ended December 31, 2023

TABLE OF CONTENTS

Description	Pages
Independent Auditors' Report	1 – 3
Statement of Financial Position	4
Statement of Activities	5
Statement of Functional Expenses	6
Statement of Cash Flows	7
Notes to Financial Statements	8 – 20
Supplemental Schedule of Indirect Cost Rate	21
Supplemental Schedule of Total Costs	22
Schedule of Expenditures of Federal Awards	23
Notes to Schedule of Expenditures of Federal Awards	24
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 <i>Government Auditing Standards</i>	25 – 26
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	27 – 29
Schedule of Findings and Questioned Costs	30 – 31
Summary Schedule of Prior Audit Findings	32



INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Society for Public Health Education

Opinion

We have audited the accompanying financial statements of Society for Public Health Education (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

Basis for Opinion

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. 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 Society for Public Health Education and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 Society for Public Health Education's ability to continue as a going concern within one year after the date that the financial statements are 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 generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Society for Public Health Education'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 Society for Public Health Education'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.

Report on Summarized Comparative Information

We have previously audited Society for Public Health Education's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 19, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Supplementary Information

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 Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the supplemental schedules of indirect cost rate and total costs are presented for purposes 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 schedule of expenditures of federal awards and the supplemental schedules of indirect cost rate and total costs are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated September 17, 2024, on our consideration of Society for Public Health Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Society for Public Health Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Society for Public Health Education's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Rubins & Company". The signature is written in a cursive, flowing style.

Bethesda, Maryland
September 17, 2024

SOCIETY FOR PUBLIC HEALTH EDUCATION
STATEMENT OF FINANCIAL POSITION
December 31, 2023
(With Comparative Totals for 2022)

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash and cash equivalents	\$ 28,507	\$ 153,197
Accounts and grants receivable	117,187	127,863
Investments	2,047,418	1,854,850
Prepaid expenses	58,584	66,102
Deposits	7,206	7,206
Property and equipment, net	119,432	163,792
Operating lease right-of-use asset, net	<u>295,884</u>	<u>666,930</u>
 Total assets	 <u><u>\$ 2,674,218</u></u>	 <u><u>\$ 3,039,940</u></u>
LIABILITIES AND NET ASSETS		
Line of credit	\$ 177,200	\$ -
Accounts payable and accrued expenses	185,101	135,732
Accrued salaries and benefits	48,596	117,894
Deferred revenue	146,988	126,560
Operating lease liability	<u>170,027</u>	<u>902,089</u>
 Total liabilities	 <u>727,912</u>	 <u>1,282,275</u>
Net assets		
Without donor restrictions	1,583,196	1,430,917
With donor restrictions	<u>363,110</u>	<u>326,748</u>
 Total net assets	 <u>1,946,306</u>	 <u>1,757,665</u>
 Total liabilities and net assets	 <u><u>\$ 2,674,218</u></u>	 <u><u>\$ 3,039,940</u></u>

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

SOCIETY FOR PUBLIC HEALTH EDUCATION
STATEMENT OF ACTIVITIES
Year Ended December 31, 2023
(With Comparative Totals for 2022)

	Without Donor Restrictions	With Donor Restrictions	2023 Total	2022 Total
Support and revenue				
Contributions and support	\$ 282,980	\$ -	\$ 282,980	\$ 240,616
Federal grants	852,063	-	852,063	1,206,477
Membership dues	167,633	-	167,633	182,436
Exhibits and meeting registration	320,909	-	320,909	257,280
Publications	75,387	-	75,387	85,013
Royalty income	364,367	-	364,367	361,607
Net assets released from restrictions	9,118	(9,118)	-	-
Total support and revenue	<u>2,072,457</u>	<u>(9,118)</u>	<u>2,063,339</u>	<u>2,333,429</u>
Expenses				
Program				
Health promotion	584,958	-	584,958	770,477
Health education	82,850	-	82,850	94,561
Journal publications	128,755	-	128,755	126,983
Meetings	477,175	-	477,175	409,630
Total program	<u>1,273,738</u>	<u>-</u>	<u>1,273,738</u>	<u>1,401,651</u>
Supporting services				
Management and general	888,503	-	888,503	1,033,208
Fundraising and membership development	199,409	-	199,409	194,715
Total supporting services	<u>1,087,912</u>	<u>-</u>	<u>1,087,912</u>	<u>1,227,923</u>
Total expenses	<u>2,361,650</u>	<u>-</u>	<u>2,361,650</u>	<u>2,629,574</u>
Change in operating net assets	(289,193)	(9,118)	(298,311)	(296,145)
Other income	246,381	-	246,381	42,722
Investment income (loss)	195,091	45,480	240,571	(393,220)
	<u>441,472</u>	<u>45,480</u>	<u>486,952</u>	<u>(350,498)</u>
Change in net assets	152,279	36,362	188,641	(646,643)
Net assets, beginning of year	<u>1,430,917</u>	<u>326,748</u>	<u>1,757,665</u>	<u>2,404,308</u>
Net assets, end of year	<u>\$ 1,583,196</u>	<u>\$ 363,110</u>	<u>\$ 1,946,306</u>	<u>\$ 1,757,665</u>

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

SOCIETY FOR PUBLIC HEALTH EDUCATION
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2023
(With Comparative Totals for 2022)

	Program Services					Supporting Services				
	Health Promotion	Health Education	Journal Publications	Meetings	Total Program Services	Management and General	Fundraising and Membership Development	Total Supporting Services	2023 Total	2022 Total
Salaries and benefits	\$ 154,491	\$ 28,148	\$ 27,348	\$ 149,587	\$ 359,574	\$ 362,434	\$ 153,170	\$ 515,604	\$ 875,178	\$ 1,533,759
Professional fees	292,804	10,750	63,642	172,171	539,367	314,468	1,075	315,543	854,910	645,040
Office supplies and expenses	10,189	20,280	-	1,105	31,574	44,680	190	44,870	76,444	80,773
Space and equipment rental	31,899	5,317	5,317	30,127	72,660	72,660	31,899	104,559	177,219	158,520
Printing	25,560	-	22,119	473	48,152	2,784	536	3,320	51,472	47,551
Postage and delivery	144	125	-	1,475	1,744	750	705	1,455	3,199	4,349
Telecommunications	3,330	555	555	3,145	7,585	7,585	3,330	10,915	18,500	20,185
Depreciation/Amortization	7,985	1,331	1,331	7,541	18,188	18,188	7,985	26,173	44,361	37,792
Interest expense	-	-	-	-	-	2,200	-	2,200	2,200	-
Travel	29,811	3,236	4,125	9,549	46,721	24,625	269	24,894	71,615	12,486
Scholarships, Fellowships	26,600	10,350	3,000	-	39,950	27,450	-	27,450	67,400	57,770
Production costs	2,145	2,758	1,318	102,002	108,223	10,469	250	10,719	118,942	29,628
Miscellaneous	-	-	-	-	-	210	-	210	210	1,721
Total expenses	<u>\$ 584,958</u>	<u>\$ 82,850</u>	<u>\$ 128,755</u>	<u>\$ 477,175</u>	<u>\$ 1,273,738</u>	<u>\$ 888,503</u>	<u>\$ 199,409</u>	<u>\$ 1,087,912</u>	<u>\$ 2,361,650</u>	<u>\$ 2,629,574</u>

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

SOCIETY FOR PUBLIC HEALTH EDUCATION
STATEMENT OF CASH FLOWS
Year Ended December 31, 2023
(With Comparative Totals for 2022)

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities		
Change in net assets	\$ 188,641	\$ (646,643)
Reconciling adjustments		
Depreciation and amortization	44,360	37,791
Unrealized and realized investment gain	(159,757)	456,454
Amortization of operating lease right-of-use asset	371,046	122,492
Changes in operating assets and liabilities:		
Accounts receivable	10,676	23,790
Deposits and other	7,518	36,551
Accounts payable and accrued expenses	49,369	15,375
Accrued salaries and benefits	(69,298)	17,701
Deferred revenue	20,428	(8,439)
Operating lease liability	<u>(732,062)</u>	<u>(156,252)</u>
Net cash used in operating activities	<u>(269,079)</u>	<u>(101,180)</u>
Cash flows from investing activities		
Purchases of property and equipment	-	(11,729)
Proceeds from sale of investments	101,331	44,000
Purchases of investments	<u>(134,142)</u>	<u>(107,200)</u>
Net cash used in investing activities	<u>(32,811)</u>	<u>(74,929)</u>
Cash flows from financing activities		
Proceeds from line of credit	<u>177,200</u>	<u>-</u>
Net cash provided by financing activities	<u>177,200</u>	<u>-</u>
Net decrease in cash and cash equivalents	(124,690)	(176,109)
Cash and cash equivalents, beginning of year	<u>153,197</u>	<u>329,306</u>
Cash and cash equivalents, end of year	<u><u>\$ 28,507</u></u>	<u><u>\$ 153,197</u></u>

Supplemental disclosure:

Cash paid for lease early termination and included in lease liability re-measurement for the year ended December 31, 2023 was \$137,299.

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

SOCIETY FOR PUBLIC HEALTH EDUCATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023
(With Comparative Totals for 2022)

1. Organization

The Society for Public Health Education (the Society) is a 501(c)(3) educational, charitable membership organization founded in 1950 to support leaders in health education and promotion to advance healthy and equitable communities across the globe.

2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Society have been prepared in accordance with U.S. generally accepted accounting principles, which require the Society to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Society. These net assets may be used at the discretion of the Society's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Society or by the passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Measure of Operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Society's ongoing services. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

SOCIETY FOR PUBLIC HEALTH EDUCATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023
(With Comparative Totals for 2022)

2. Summary of Significant Accounting Policies (continued)

Use of Estimates

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

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Society considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Concentrations of Risk

Cash deposits regularly exceed federally insured limits. Management, however, does not consider this a significant concentration of credit risk. The Society has not experienced any losses in such accounts.

The Society was partially funded by grants from the U.S. Government; a reduction in funding from the U.S. Government would have an impact on the operations of the Society. Revenue from U.S. Government grants for the year ended December 31, 2023 was approximated 41% of total revenue.

Income Taxes

The Society is recognized as exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, except for taxes on unrelated business income, if any. However, tax years ended December 31, 2020 through 2022, remain open to examination by the taxing jurisdictions to which the Society is subject, and they have not been extended beyond the applicable statute of limitations.

Uncertainty in Income Taxes

The Society has a process in place to ensure the maintenance of its exempt-status; to identify and report unrelated business income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Society has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

SOCIETY FOR PUBLIC HEALTH EDUCATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023
(With Comparative Totals for 2022)

2. Summary of Significant Accounting Policies (continued)

Investments

Investments are recorded at estimated fair value based on quoted market prices provided by the investment custodians. Purchases and sales of securities are recorded on a trade-date basis. Investment income, including unrealized gains or losses, is reported in the statement of activities as increases or decreases in unrestricted net assets, unless otherwise restricted by the donor or by law.

Property and Equipment

The Society capitalizes all property and equipment purchased with non-Federal funds with a cost of \$1,500 or more. Property and equipment are carried at original cost or estimated fair value at date of donation, if donated. Property and equipment purchased under federal government contracts and grants, subject to reversion to the federal government, are expensed as contract costs. Maintenance and repairs are expensed as incurred. Significant renewals and betterments are capitalized.

Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets or lease term, as follows:

Equipment and furniture	3-5 years
Website	3-5 years
Leasehold improvements	10 years

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services directly benefited, or based upon management's estimates of the proportion of these costs applicable to each function.

Revenue Recognition

A portion of the Society's revenue is derived from cost-reimbursable federal grants, which are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Society has incurred expenditures in compliance with specific contract or grant provisions. Receivables related to grants awards are recorded to the extent unreimbursed expenses have been incurred for the purposes specified by an approved grant. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position.

SOCIETY FOR PUBLIC HEALTH EDUCATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023
(With Comparative Totals for 2022)

2. Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Contributions received and unconditional promises to give are measured at their fair values and are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. The Society reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor 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 statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

Membership dues are used to cover the costs of member services and recognized ratably over the membership period, which is generally one year. Unearned membership dues are recorded as deferred revenue. Meeting registration fees received in advance are deferred and recognized when the related meeting is held. Royalties are recognized as earned in accordance with the terms of the Society's contracts with its publisher.

Comparative Information

The statement of activities includes certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Society's financial statements for the year ended December 31, 2022, from which the summarized information was derived.

SOCIETY FOR PUBLIC HEALTH EDUCATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023
(With Comparative Totals for 2022)

2. Summary of Significant Accounting Policies (continued)

Endowment Funds

Endowment gifts are recognized as support when received. The principal amount of the gift is maintained intact. Investment income on endowments is recognized as an increase in net assets without restrictions, unless the income is restricted by donor or law and such restrictions have not been met in the same fiscal year. The Society follows the enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) reporting. The required expanded disclosures are included in Note 10.

Leases

At lease inception, the Society determines whether an arrangement is or contains a lease. Operating leases are included in operating lease right-of-use (“ROU”) assets and operating lease liabilities in the financial statements. ROU assets represent the Society’s right to use leased assets over the term of the lease. Lease liabilities represent the Society’s contractual obligation to make lease payments over the lease term.

For operating leases, ROU assets and lease liabilities are recognized at the commencement date. The lease liability is measured as the present value of the lease payments owed over the life of the lease. The Society uses the rate implicit in the lease if it is determinable. When the implicit rate is not determinable, the Society uses the incremental borrowing rate on the commencement date of the lease to determine the present value of the lease payments. Operating ROU assets are calculated as the present value of the lease payments plus initial direct costs, plus any prepayments less any lease incentives received. Lease terms may include renewal or extension options to the extent that they are reasonably certain to be exercised. The assessment of whether renewal or extension options are reasonably certain to be exercised is made at lease commencement. Factors considered in determining whether an option is reasonably certain of exercise include, but are not limited to, the value of any leasehold improvements, the value of renewal rates compared to market rates, and the presence of factors that would cause significant economic penalty to the Society if the option were not exercised. Lease expense is recognized on a straight-line basis over the lease term. The Society has elected not to recognize an ROU asset and obligation for leases with an initial term of 12 months or less.

Subsequent Events

Management has evaluated subsequent events through September 17, 2023, the date which the financial statements were available to be issued.

SOCIETY FOR PUBLIC HEALTH EDUCATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023
(With Comparative Totals for 2022)

3. Availability and Liquidity

The following reflects the Society's financial assets at December 31, 2023 and 2022, reduced by amounts not available for general use within one year of the statement of financial position date because of donor imposed restrictions or internal designations. Amount not available include amounts set aside for long-term investing in operating and capital reserves that could be drawn upon if the governing board approves that action.

	<u>2023</u>	<u>2022</u>
Financial assets at year end		
Cash and cash equivalents	\$ 28,507	\$ 153,197
Accounts and grants receivable	117,187	127,863
Investments	<u>2,047,418</u>	<u>1,854,850</u>
Total financial assets	2,193,112	2,135,910
Less amounts not available to be used within one year:		
Net assets with donor restrictions	363,110	326,748
Board designated	<u>1,077,347</u>	<u>979,313</u>
	<u>1,440,457</u>	<u>1,306,061</u>
Financial assets available to meet cash needs for		
general expenditures within one year	<u>\$ 752,655</u>	<u>\$ 829,849</u>

The Society's goal is generally to maintain financial assets to meet four months of operating expenses. As part of the Society's liquidity plan, excess cash is invested in short-term investments. The Society has a liquidity access line of credit available to meet cash flow needs (Note 8).

4. Accounts and Grants Receivable

Accounts receivable at December 31, 2023 and 2022, consist of the following:

	<u>2023</u>	<u>2022</u>
Publication royalties receivable	\$ 96,287	\$ 54,542
Grants receivable	-	57,992
Other receivables	<u>20,900</u>	<u>15,329</u>
Total receivables	<u>\$ 117,187</u>	<u>\$ 127,863</u>

SOCIETY FOR PUBLIC HEALTH EDUCATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023
(With Comparative Totals for 2022)

4. Accounts and Grants Receivable (continued)

All account receivables are expected to be received within one year. Management periodically evaluates accounts receivable for collectability. Allowances for credit losses are recorded as needed based on these evaluations. There was no allowance recorded as of December 31, 2023 and 2022.

5. Deferred Revenue

The following table provides information about significant changes in deferred revenue for the year ended December 31, 2023 and 2022:

	Membership	Meetings	Publication Supplements	Other	Total
Deferred revenue, December 31, 2021	\$ 108,289	\$ 26,710	\$ -	\$ -	\$ 134,999
Revenue recognized included in deferred revenue at the beginning of year	(178,736)	(26,710)	-	-	(205,446)
Increase in deferred revenue from cash received during the period	<u>159,492</u>	<u>16,515</u>	<u>21,000</u>	<u>-</u>	<u>197,007</u>
Deferred revenue, December 31, 2022	89,045	16,515	21,000	-	126,560
Revenue recognized included in deferred revenue at the beginning of year	(160,133)	(16,515)	(21,000)	-	(197,648)
Increase in deferred revenue from cash received during the period	<u>150,780</u>	<u>5,940</u>	<u>45,000</u>	<u>16,356</u>	<u>218,076</u>
Deferred revenue, December 31, 2023	<u>\$ 79,692</u>	<u>\$ 5,940</u>	<u>\$ 45,000</u>	<u>\$ 16,356</u>	<u>\$ 146,988</u>

SOCIETY FOR PUBLIC HEALTH EDUCATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023
(With Comparative Totals for 2022)

6. Fair Value Measurements and Disclosures

The Society records its investments based on fair value on a recurring basis. Financial accounting and reporting standards define fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e., the exit price) in an orderly transaction between market participants at the measurement date. The standards emphasize that fair value is a market-based measurement, not an entity specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability.

As a basis for considering market participant assumptions in fair value measurements, the standards establish a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent from the reporting entity (observable inputs that are classified within Level 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

The fair value levels are as follows:

- *Level 1:* Inputs that utilize unadjusted quoted prices in active markets for identical assets or liabilities that the Society has the ability to access at the measurement date.
- *Level 2:* Inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly or indirectly. Level 2 inputs may include quoted prices for similar assets or liabilities in active markets, as well as inputs that are observable for the assets or liabilities (other than quoted prices), such as interest rates, foreign exchange rates and yield curves that are observable at commonly quoted intervals.
- *Level 3:* Inputs that are unobservable for the assets or liabilities, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

The determination of the fair value level within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Society's assessment of the significance of the particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the assets or liabilities.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported as of the end of the reporting period. For the years ended December 31, 2023 and 2022, there were no significant transfers in or out of levels 1, 2, or 3.

SOCIETY FOR PUBLIC HEALTH EDUCATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023
(With Comparative Totals for 2022)

6. Fair Value Measurements and Disclosures (continued)

The following table presents assets measured at fair value on a recurring basis, except those measured at cost per share as a practical expedient as identified in the following, at December 31, 2023 and 2022:

<u>December 31, 2023</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mutual funds - bonds	\$ 1,000,719	\$ 1,000,719		
Mutual funds - equity	1,034,503	1,034,503		
Exchange trade funds	<u>12,110</u>	<u>12,110</u>		
Investments carried at fair value	2,047,332	<u>\$ 2,047,332</u>	<u>\$ -</u>	<u>\$ -</u>
Money market funds - at cost	<u>86</u>			
Total	<u>\$ 2,047,418</u>			

<u>December 31, 2022</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mutual funds - bonds	\$ 939,408	\$ 939,408		
Mutual funds - equity	898,305	898,305		
Exchange trade funds	<u>9,751</u>	<u>9,751</u>		
Investments carried at fair value	1,847,464	<u>\$ 1,847,464</u>	<u>\$ -</u>	<u>\$ -</u>
Money market funds - at cost	<u>7,386</u>			
Total	<u>\$ 1,854,850</u>			

The following is a description of the valuation methodologies used for investments measured at fair value:

- *Mutual funds*: Valued at net asset value of shares held by the Society at year-end.
- *Exchange traded funds*: Valued using quoted prices on active markets.

The Society's investments are exposed to various risks, such as interest rate and market fluctuations. Due to the level of risk associated with investment securities, changes in the values of investment securities will occur in the near term, and such changes could materially affect the Society's financial position.

SOCIETY FOR PUBLIC HEALTH EDUCATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023
(With Comparative Totals for 2022)

7. Property and Equipment

Property and equipment as of December 31, 2023 and 2022, are comprised of the following:

	<u>2023</u>	<u>2022</u>
Furniture and equipment	\$ 42,770	\$ 42,770
Website	107,300	107,300
Leasehold improvements	<u>297,705</u>	<u>297,705</u>
	447,775	447,775
Accumulated depreciation and amortization	<u>(328,343)</u>	<u>(283,983)</u>
Property and equipment, net	<u><u>\$ 119,432</u></u>	<u><u>\$ 163,792</u></u>

Depreciation and amortization expense for the year ended December 31, 2023, was \$44,360.

Due to the early termination of the lease agreement for the property located at 10 G Street, N.E., Washington, D.C., which will conclude in November 2024, the leasehold improvements initially scheduled to be amortized through November 2027 will now be fully amortized by November 2024. This change resulted in an increase in amortization expense of approximately \$7,400 for the fiscal year ended December 31, 2023.

8. Line of Credit

In May 2016, the Society opened a liquidity access line of credit, which allows borrowings of up certain percentage of the Society's available investment balance up to a maximum of \$900,000. Borrowings on the line bear interest at a variable rate index, as determined by Morgan Stanley Bank, plus an applicable interest spread. The line of credit is collateralized by the Society's investments with Morgan Stanley Bank. As of December 31, 2023, there was an outstanding balance of \$177,200; as of December 31, 2022, there was no outstanding balance.

9. Endowment Funds

As of December 31, 2023 and 2022, the Society's endowment consists of funds established to be maintained in perpetuity. As such, the corpus of the endowment and investment income earned on the endowment are classified as net assets with donor restrictions.

SOCIETY FOR PUBLIC HEALTH EDUCATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023
(With Comparative Totals for 2022)

9. Endowment Funds (continued)

The Board of the Society has interpreted the State Prudent Management of Institutional Funds Act (the Act) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Society classifies the original value of gifts donated as net assets with donor restriction and retain as a fund of perpetual duration. The remaining portion of the donor-restricted endowment classified net assets with donor restriction until those amounts are appropriated for expenditure by the Society in a manner consistent with the standard of prudence described by the Act.

Interpretation of Relevant Law

In accordance with the Act, the Society considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund;
- (2) The purposes of the Society's and the donor-restricted endowment fund;
- (3) General economic conditions;
- (4) The possible effect of inflation and deflation;
- (5) The expected total return from income and the appreciation of the investments;
- (6) Other resources of the Society; and
- (7) The investment policies of the Society.

Spending Policy

The Society currently appropriates funds for the distribution of program support activities based upon the demand for these activities and on the availability of funds during the given year. The Society appropriated \$7,618 of the fund during 2023.

Risk Parameter

The endowment is administered by an outside professional investment firm and invested in a well-diversified asset mix to maximize return. The Society's treasurer meets at least annually with representatives of that investment firm to discuss performance, current allocations, and suggestions for future allocations, always with the objective of selecting investment vehicles that are at an appropriate level of risk for a non-profit institution.

The following table represents the changes in endowment net assets with donor restrictions for the year ended December 31, 2023:

Endowment assets, December 31, 2022	\$ 303,546
Investment gain	42,335
Appropriated expenditure	<u>(7,618)</u>
Endowment assets, December 31, 2023	<u>\$ 338,263</u>

SOCIETY FOR PUBLIC HEALTH EDUCATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023
(With Comparative Totals for 2022)

10. Net Assets

Net Assets with donor restrictions at December 31, 2023 and 2022, are comprised of the following:

	<u>2023</u>	<u>2022</u>
Endowment:		
Program restricted	\$ 238,263	\$ 203,546
Restricted in perpetuity	100,000	100,000
Other:		
Program restricted	<u>24,847</u>	<u>23,202</u>
Total	<u>\$ 363,110</u>	<u>\$ 326,748</u>

Net assets with donor restrictions released from restrictions due to the satisfaction of purpose and time stipulations totaled \$9,118 during 2023.

Endowment assets at December 31, 2023 and 2022, included an endowment fund established in 1999 to support scholarships for graduate or undergraduate study in the field of public health education. The fund was established with a contribution of \$100,000 received from the estate of Vivian Drenckhahn.

Net assets without donor restrictions at December 31, 2023 and 2022, are comprised of the following:

	<u>2023</u>	<u>2022</u>
Board designated	\$ 1,077,347	\$ 979,313
Undesignated	<u>505,849</u>	<u>451,604</u>
Total	<u>\$ 1,583,196</u>	<u>\$ 1,430,917</u>

11. Pension Plan

The Society sponsors a 401(k) plan (the Plan) for all employees who meet the eligibility requirements. Under the provisions of the Plan, full-time employees are eligible to participate at the date of hire, subject to age limitations. The Plan provides for employee voluntary contributions and employer matching contributions. The employer match is currently 100% of employee contributions up to 3% of compensation, plus 50% of elective deferrals that exceeds 3% of compensation but does not exceed 4% of compensation for the Plan year. Pension expense for the year ended December 31, 2023, was \$27,657.

SOCIETY FOR PUBLIC HEALTH EDUCATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023
(With Comparative Totals for 2022)

12. Related Parties

The Society has no economic interest and control nor has controlling financial interest on its chapters. Therefore, the chapters' activities are not consolidated with the Society's financial statements.

13. Commitments and Contingencies

Government Audits

The Society receives funding through contracts and grants with departments and agencies of the Federal government that are subject to compliance audits by the grantors or their representatives. The disallowance of costs could adversely affect the Society's financial condition. Management believes that adjustments, if any, by government auditors for prior years will not be material to the financial statements.

Operating Leases

The Society leased office space under a lease agreement that was originally set to terminate on November 30, 2027. However, the lease agreement included an option for early termination, which was exercised in November 2023, resulting in the lease now terminating on November 30, 2024. Future minimum lease commitments as of December 31, 2023, are as follows:

Year ending December 31, 2024	\$	177,346
Less: imputed interest		<u>(7,319)</u>
	\$	<u><u>170,027</u></u>

The remaining lease term related to the operating lease was eleven months and the discount rate to the Society's operating lease was 8.51% as of December 31, 2023.

There were no material restrictions or covenants imposed and the Society has no related party leases at December 31, 2023.

SOCIETY FOR PUBLIC HEALTH EDUCATION
SUPPLEMENTAL SCHEDULE OF INDIRECT COST RATE
Year Ended December 31, 2023

	<u>Direct Costs</u>	<u>Adjustment</u>	<u>Adjusted Balance</u>
Direct Costs:			
Health promotion	\$ 584,958	\$ (26,600) (A)	\$ 558,358
Health education	82,850	(10,350) (A)	72,500
Journal publications	128,755	(3,000) (A)	125,755
Meetings	477,175	-	477,175
Fundraising and membership development	<u>199,409</u>	<u>-</u>	<u>199,409</u>
 Total direct costs	 <u>\$ 1,473,147</u>	 <u>\$ (39,950)</u>	 <u>\$ 1,433,197</u>
 Rate:			
Total indirect costs		\$ 888,503	
Adjustment		<u>(27,450) (A)</u>	
 Indirect costs, Adjusted		 <u>\$ 861,053</u>	
 Total direct costs, adjusted		 <u>\$ 1,433,197</u>	
 Rate		 60.1%	

(A) Removal of scholarships/ awards/ fellowships costs

SOCIETY FOR PUBLIC HEALTH EDUCATION
SUPPLEMENTAL SCHEDULE OF TOTAL COSTS
Year Ended December 31, 2023

	Program Services					Supporting Services				
	Health Promotion	Health Education	Journal Publications	Meetings	Total Program Services	Management and General	Fundraising and Membership Development	Total Supporting Services	Adjustments	Total
Salaries and benefits	\$ 154,491	\$ 28,148	\$ 27,348	\$ 149,587	\$ 359,574	\$ 362,434	\$ 153,170	\$ 515,604	\$ -	\$ 875,178
Professional fees	292,804	10,750	63,642	172,171	539,367	314,468	1,075	315,543	-	854,910
Office supplies and expenses	10,189	20,280	-	1,105	31,574	44,680	190	44,870	-	76,444
Space and equipment rental	31,899	5,317	5,317	30,127	72,660	72,660	31,899	104,559	-	177,219
Printing	25,560	-	22,119	473	48,152	2,784	536	3,320	-	51,472
Postage and delivery	144	125	-	1,475	1,744	750	705	1,455	-	3,199
Telecommunications	3,330	555	555	3,145	7,585	7,585	3,330	10,915	-	18,500
Depreciation/Amortization	7,985	1,331	1,331	7,541	18,188	18,188	7,985	26,173	-	44,361
Interest expense	-	-	-	-	-	2,200	-	2,200	-	2,200
Travel	29,811	3,236	4,125	9,549	46,721	24,625	269	24,894	-	71,615
Scholarships, Fellowships	26,600	10,350	3,000	-	39,950	27,450	-	27,450	(67,400)	-
Production costs	2,145	2,758	1,318	102,002	108,223	10,469	250	10,719	-	118,942
Miscellaneous	-	-	-	-	-	210	-	210	-	210
Total expenses	<u>\$ 584,958</u>	<u>\$ 82,850</u>	<u>\$ 128,755</u>	<u>\$ 477,175</u>	<u>\$ 1,273,738</u>	<u>\$ 888,503</u>	<u>\$ 199,409</u>	<u>\$ 1,087,912</u>	<u>\$ (67,400)</u>	<u>\$ 2,294,250</u>

SOCIETY FOR PUBLIC HEALTH EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2023

Federal Agency/Pass-Through Agency/Contract Name	Federal Assistance Listing <u>Number</u>	Grant Identification <u>Number</u>	Federal <u>Expenditures</u>	Amount provided <u>to Subrecipients</u>
U.S. Department of Health and Human Services				
<i>Direct Program:</i>				
Centers of Disease Control and Prevention Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421	NU38OT000315	\$ 822,063	\$ 15,000
<i>Pass-through Program From:</i>				
Safe States Alliance Injury Prevention and Control Research and State and Community Based Programs	93.136	NU17CE924917-05	<u>30,000</u>	<u>-</u>
Total U.S. Department of Health and Human Services			<u>852,063</u>	<u>15,000</u>
Total Expenditures of Federal Awards			<u>\$ 852,063</u>	<u>\$ 15,000</u>

SOCIETY FOR PUBLIC HEALTH EDUCATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2023

A. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of Society for Public Health Education (the Society) under programs of the federal government for the year ended December 31, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The principal estimates and assumptions used in the preparation of the accompanying schedule relate to cost allowability and allocability (Note B). Actual results could differ from those estimates.

B. Federal Audits

The allowability of certain costs under government grants is subject to audit by the contracting agency. Certain indirect costs charged to grants are subject to revisions based on government audits of those costs. Management believes that contract costs are consistent with applicable government cost principles, and that costs subsequently disallowed, if any, upon audit by the government would not be material.

C. Summary of Significant Accounting Policies

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

D. Indirect Cost Rate

The Society has not elected to use the 10-percent 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
Society for Public Health Education

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 Society for Public Health Education (the Society), which comprise the statement of financial position as of December 31, 2023, 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 September 17, 2024.

Report on Internal Control over Financial Reporting

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Society'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

A handwritten signature in black ink that reads "Rubins & Company". The signature is written in a cursive, flowing style.

Bethesda, Maryland
September 17, 2024



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
Society for Public Health Education

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

In our opinion, Society for Public Health Education 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, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Society for Public Health Education's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Society for Public Health Education's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Society for Public Health Education's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

A handwritten signature in black ink that reads "Rubins & Company". The signature is written in a cursive, flowing style.

Bethesda, Maryland
September 17, 2024

**SOCIETY FOR PUBLIC HEALTH EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2023**

SECTION A – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____Yes ___X___No
- Significant deficiencies identified that are not considered to be material weaknesses? _____Yes ___X___None reported

Noncompliance material to financial statements noted? _____Yes ___X___No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____Yes ___X___No
- Significant deficiencies identified that are not considered to be material weakness(es)? _____Yes ___X___None reported

Type of auditors’ report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____Yes ___X___No

Identification of major programs:

<u>Description</u>	<u>Federal Assistance Listing No.</u>	<u>Expenditures</u>
U.S. Department of Health and Human Services Centers of Disease Control and Prevention Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation’s Health	93.421	\$ 822,063

Dollar threshold used to distinguish between Type A and type B programs \$750,000

Auditee qualified as low-risk auditee? ___X___Yes _____No

**SOCIETY FOR PUBLIC HEALTH EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2023**

SECTION B – FINANCIAL STATEMENT FINDINGS

None reported

SECTION C – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported

**SOCIETY FOR PUBLIC HEALTH EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended December 31, 2023**

This schedule is not applicable as there were no audit findings in the prior year.