

**COMMUNITY VOLUNTEERS IN MEDICINE**  
**FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

# COMMUNITY VOLUNTEERS IN MEDICINE

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
**Community Volunteers in Medicine**  
West Chester, Pennsylvania

### *Opinion*

We have audited the financial statements of Community Volunteers in Medicine (a nonprofit organization) (“CVIM”), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of CVIM as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinion*

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

### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of 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.

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 CVIM's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

In performing an audit in accordance with GAAS, we:

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

*Marcum LLP*

Philadelphia, PA  
September 30, 2024

# COMMUNITY VOLUNTEERS IN MEDICINE

## STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2024 AND 2023

|   | 2024                 | 2023                 |
|---|----------------------|----------------------|
| <b>Assets</b>                           |                      |                      |
| <b>Current Assets</b>                   |                      |                      |
| Cash and cash equivalents               | \$ 3,336,277         | \$ 2,142,313         |
| Unconditional promises to give, current | 1,715,028            | 2,277,683            |
| Other current assets                    | <u>65,756</u>        | <u>67,200</u>        |
| <b>Total Current Assets</b>             | <u>5,117,061</u>     | <u>4,487,196</u>     |
| <b>Investments</b>                      | <u>15,770,519</u>    | <u>11,862,198</u>    |
| <b>Property and Equipment, Net</b>      | <u>3,400,697</u>     | <u>3,600,966</u>     |
| <b>Other Assets</b>                     |                      |                      |
| Unconditional promises to give, net     | <u>907,336</u>       | <u>924,003</u>       |
| <b>Total Assets</b>                     | <u>\$ 25,195,613</u> | <u>\$ 20,874,363</u> |
| <b>Liabilities and Net Assets</b>       |                      |                      |
| <b>Current Liabilities</b>              |                      |                      |
| Accounts payable and accrued expenses   | \$ 215,958           | \$ 180,694           |
| <b>Long-Term liabilities</b>            |                      |                      |
| Tenant security deposits                | <u>16,902</u>        | <u>16,902</u>        |
| <b>Total Liabilities</b>                | <u>232,860</u>       | <u>197,596</u>       |
| <b>Net Assets</b>                       |                      |                      |
| Without donor restrictions              | 18,026,422           | 16,178,033           |
| With donor restrictions                 | <u>6,936,331</u>     | <u>4,498,734</u>     |
| <b>Total Net Assets</b>                 | <u>24,962,753</u>    | <u>20,676,767</u>    |
| <b>Total Liabilities and Net Assets</b> | <u>\$ 25,195,613</u> | <u>\$ 20,874,363</u> |

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

# COMMUNITY VOLUNTEERS IN MEDICINE

## STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

**FOR THE YEAR ENDED JUNE 30, 2024**  
**(With Comparative Totals for the Year Ended June 30, 2023)**

|   | Without Donor<br>Restrictions | With Donor<br>Restrictions | 2024<br>Total        | 2023<br>Total        |
|---|-------------------------------|----------------------------|----------------------|----------------------|
| <b>Support and Revenue</b>                  |                               |                            |                      |                      |
| Contributions and grants                    | \$ 4,680,538                  | \$ 4,053,796               | \$ 8,734,334         | \$ 7,532,906         |
| Donated services                            | 3,945,282                     | --                         | 3,945,282            | 3,811,656            |
| Donated materials                           | 5,117,794                     | --                         | 5,117,794            | 4,865,393            |
| Patient contributions                       | 86,453                        | --                         | 86,453               | 78,374               |
| Fundraising events                          | 390,086                       | --                         | 390,086              | 448,573              |
| Investment income, net                      | 528,381                       | 40,465                     | 568,846              | 1,036,092            |
| Miscellaneous income                        | 650                           | --                         | 650                  | 1,403                |
| Net assets released from restrictions       | <u>1,841,266</u>              | <u>(1,841,266)</u>         | <u>--</u>            | <u>--</u>            |
| <b>Total Support and Revenue</b>            | <u>16,590,450</u>             | <u>2,252,995</u>           | <u>18,843,445</u>    | <u>17,774,397</u>    |
| <b>Expenses</b>                             |                               |                            |                      |                      |
| Program services                            | <u>14,039,036</u>             | <u>--</u>                  | <u>14,039,036</u>    | <u>12,934,785</u>    |
| Supporting services                         |                               |                            |                      |                      |
| Management and general                      | 492,300                       | --                         | 492,300              | 500,315              |
| Fundraising                                 |                               |                            |                      |                      |
| Direct donor benefit                        | 84,031                        | --                         | 84,031               | 99,670               |
| Fundraising, other                          | <u>726,048</u>                | <u>--</u>                  | <u>726,048</u>       | <u>680,480</u>       |
| <b>Total Supporting Services</b>            | <u>1,302,379</u>              | <u>--</u>                  | <u>1,302,379</u>     | <u>1,280,465</u>     |
| <b>Total Expenses</b>                       | <u>15,341,415</u>             | <u>--</u>                  | <u>15,341,415</u>    | <u>14,215,250</u>    |
| <b>Change in Net Assets From Operations</b> | <u>1,249,035</u>              | <u>2,252,995</u>           | <u>3,502,030</u>     | <u>3,559,147</u>     |
| <b>Nonoperating</b>                         |                               |                            |                      |                      |
| Unrealized gains on investments             | 488,898                       | 184,602                    | 673,500              | 2,757                |
| Building rental income                      | 315,451                       | --                         | 315,451              | 300,131              |
| Building expenses                           | <u>(204,995)</u>              | <u>--</u>                  | <u>(204,995)</u>     | <u>(199,299)</u>     |
|   | <u>599,354</u>                | <u>184,602</u>             | <u>783,956</u>       | <u>103,589</u>       |
| <b>Changes in Net Assets</b>                | 1,848,389                     | 2,437,597                  | 4,285,986            | 3,662,736            |
| <b>Net Assets, Beginning of Year</b>        | <u>16,178,033</u>             | <u>4,498,734</u>           | <u>20,676,767</u>    | <u>17,014,031</u>    |
| <b>Net Assets, End of Year</b>              | <u>\$ 18,026,422</u>          | <u>\$ 6,936,331</u>        | <u>\$ 24,962,753</u> | <u>\$ 20,676,767</u> |

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

# COMMUNITY VOLUNTEERS IN MEDICINE

## STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

**FOR THE YEAR ENDED JUNE 30, 2023**

|   | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total                |
|---|-------------------------------|----------------------------|----------------------|
| <b>Support and Revenue</b>                  |                               |                            |                      |
| Contributions and grants                    | \$ 4,032,454                  | \$ 3,500,452               | \$ 7,532,906         |
| Donated services                            | 3,811,656                     | --                         | 3,811,656            |
| Donated materials                           | 4,865,393                     | --                         | 4,865,393            |
| Patient contributions                       | 78,374                        | --                         | 78,374               |
| Fundraising events                          | 448,573                       | --                         | 448,573              |
| Investment income, net                      | 953,991                       | 82,101                     | 1,036,092            |
| Miscellaneous income                        | 1,403                         | --                         | 1,403                |
| Net assets released from restrictions       | <u>575,104</u>                | <u>(575,104)</u>           | <u>--</u>            |
| <b>Total Support and Revenue</b>            | <u>14,766,948</u>             | <u>3,007,449</u>           | <u>17,774,397</u>    |
| <b>Expenses</b>                             |                               |                            |                      |
| Program services                            | <u>12,934,785</u>             | <u>--</u>                  | <u>12,934,785</u>    |
| Supporting services                         |                               |                            |                      |
| Management and general                      | 500,315                       | --                         | 500,315              |
| Fundraising                                 |                               |                            |                      |
| Direct donor benefit                        | 99,670                        | --                         | 99,670               |
| Fundraising, other                          | <u>680,480</u>                | <u>--</u>                  | <u>680,480</u>       |
| <b>Total Supporting Services</b>            | <u>1,280,465</u>              | <u>--</u>                  | <u>1,280,465</u>     |
| <b>Total Expenses</b>                       | <u>14,215,250</u>             | <u>--</u>                  | <u>14,215,250</u>    |
| <b>Change in Net Assets From Operations</b> | <u>551,698</u>                | <u>3,007,449</u>           | <u>3,559,147</u>     |
| <b>Nonoperating</b>                         |                               |                            |                      |
| Unrealized gains (losses) on investments    | (2,569)                       | 5,326                      | 2,757                |
| Building rental income                      | 300,131                       | --                         | 300,131              |
| Building expenses                           | <u>(199,299)</u>              | <u>--</u>                  | <u>(199,299)</u>     |
|   | <u>98,263</u>                 | <u>5,326</u>               | <u>103,589</u>       |
| <b>Changes in Net Assets</b>                | 649,961                       | 3,012,775                  | 3,662,736            |
| <b>Net Assets, Beginning of Year</b>        | <u>15,528,072</u>             | <u>1,485,959</u>           | <u>17,014,031</u>    |
| <b>Net Assets, End of Year</b>              | <u>\$ 16,178,033</u>          | <u>\$ 4,498,734</u>        | <u>\$ 20,676,767</u> |

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

# COMMUNITY VOLUNTEERS IN MEDICINE

## STATEMENT OF FUNCTIONAL EXPENSES

**FOR THE YEAR ENDED JUNE 30, 2024**

|                                       | Supporting Services         |                           |  |                          |                                 | Total                       |
|---------------------------------------|-----------------------------|---------------------------|--|--------------------------|---------------------------------|-----------------------------|
|                                       | Program<br>Services         | Management<br>and General | Fundraising<br>Direct Donor<br>Benefit | Fundraising,<br>Other    | Total<br>Supporting<br>Services |                             |
| Salaries, payroll taxes and benefits  | \$ 4,167,053                | \$ 264,409                | \$ --                                  | \$ 501,645               | \$ 766,054                      | \$ 4,933,107                |
| Depreciation                          | 217,206                     | --                        | --                                     | --                       | --                              | 217,206                     |
| Fundraising event                     | --                          | --                        | 84,031                                 | 39,387                   | 123,418                         | 123,418                     |
| Insurance                             | 26,971                      | 20,526                    | --                                     | --                       | 20,526                          | 47,497                      |
| Medical drugs, materials and supplies | 246,731                     | --                        | --                                     | --                       | --                              | 246,731                     |
| Operating expenses                    | 139,129                     | 85,964                    | --                                     | 94,210                   | 180,174                         | 319,303                     |
| Professional services                 | 188,557                     | 62,908                    | --                                     | 18,906                   | 81,814                          | 270,371                     |
| Rent and occupancy                    | 74,328                      | 46,378                    | --                                     | --                       | 46,378                          | 120,706                     |
| Donated services                      |                             |                           |  |                          |                                 |                             |
| Medical and dental services           | 205,035                     | --                        | --                                     | --                       | --                              | 205,035                     |
| Medical consults                      | 131,844                     | --                        | --                                     | --                       | --                              | 131,844                     |
| Professional volunteer hours          | 1,276,846                   | --                        | --                                     | --                       | --                              | 1,276,846                   |
| Labs and radiology                    | 2,218,242                   | --                        | --                                     | --                       | --                              | 2,218,242                   |
| Professional services                 | 37,500                      | 12,115                    | --                                     | 63,700                   | 75,815                          | 113,315                     |
| Donated materials                     |                             |                           |  |                          |                                 |                             |
| Prescription drugs                    | 4,898,963                   | --                        | --                                     | --                       | --                              | 4,898,963                   |
| Other                                 | 210,631                     | --                        | --                                     | 8,200                    | 8,200                           | 218,831                     |
| <b>Total Expenses</b>                 | <b><u>\$ 14,039,036</u></b> | <b><u>\$ 492,300</u></b>  | <b><u>\$ 84,031</u></b>                | <b><u>\$ 726,048</u></b> | <b><u>\$ 1,302,379</u></b>      | <b><u>\$ 15,341,415</u></b> |

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

# COMMUNITY VOLUNTEERS IN MEDICINE

## STATEMENT OF FUNCTIONAL EXPENSES

**FOR THE YEAR ENDED JUNE 30, 2023**

|                                       | Supporting Services  |                           |  |                       |                                 | Total                |
|---------------------------------------|----------------------|---------------------------|--|-----------------------|---------------------------------|----------------------|
|                                       | Program<br>Services  | Management<br>and General | Fundraising<br>Direct Donor<br>Benefit | Fundraising,<br>Other | Total<br>Supporting<br>Services |                      |
| Salaries, payroll taxes and benefits  | \$ 3,587,219         | \$ 254,724                | \$ --                                  | \$ 518,929            | \$ 773,653                      | \$ 4,360,872         |
| Depreciation                          | 214,149              | --                        | --                                     | --                    | --                              | 214,149              |
| Fundraising event                     | --                   | --                        | 91,470                                 | 583                   | 92,053                          | 92,053               |
| Insurance                             | 25,313               | 19,957                    | --                                     | --                    | 19,957                          | 45,270               |
| Medical drugs, materials and supplies | 200,410              | --                        | --                                     | --                    | --                              | 200,410              |
| Operating expenses                    | 125,324              | 65,835                    | --                                     | 93,011                | 158,846                         | 284,170              |
| Professional services                 | 120,172              | 31,284                    | --                                     | 13,515                | 44,799                          | 164,971              |
| Occupancy                             | 65,791               | 30,515                    | --                                     | --                    | 30,515                          | 96,306               |
| Bad debt expense                      | --                   | 80,000                    | --                                     | --                    | 80,000                          | 80,000               |
| Donated services                      |                      |                           |  |                       |                                 |                      |
| Medical and dental services           | 146,086              | --                        | --                                     | --                    | --                              | 146,086              |
| Medical consults                      | 118,694              | --                        | --                                     | --                    | --                              | 118,694              |
| Professional volunteer hours          | 1,345,399            | --                        | --                                     | --                    | --                              | 1,345,399            |
| Labs and radiology                    | 2,105,110            | --                        | --                                     | --                    | --                              | 2,105,110            |
| Professional services                 | 23,925               | 18,000                    | --                                     | 54,442                | 72,442                          | 96,367               |
| Donated materials                     |                      |                           |  |                       |                                 |                      |
| Prescription drugs                    | 4,623,214            | --                        | --                                     | --                    | --                              | 4,623,214            |
| Other                                 | 233,979              | --                        | 8,200                                  | --                    | 8,200                           | 242,179              |
| <b>Total Expenses</b>                 | <b>\$ 12,934,785</b> | <b>\$ 500,315</b>         | <b>\$ 99,670</b>                       | <b>\$ 680,480</b>     | <b>\$ 1,280,465</b>             | <b>\$ 14,215,250</b> |

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

# COMMUNITY VOLUNTEERS IN MEDICINE

## STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

|   | 2024                | 2023                |
|---|---------------------|---------------------|
| <b>Cash Flows From Operating Activities</b>   |                     |                     |
| Changes in net assets   | \$ 4,285,986        | \$ 3,662,736        |
| Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities |                     |                     |
| Depreciation  | 301,369             | 298,610             |
| Bad debt expense  | --                  | 80,000              |
| Net unrealized gains on investments   | (673,500)           | (2,757)             |
| Realized gains on investments   | (215,309)           | (805,930)           |
| Contributions restricted for endowment  | (2,571,011)         | (820,970)           |
| Donated securities  | (625,296)           | (239,033)           |
| Changes in operating assets and liabilities   |                     |                     |
| Unconditional promises to give  | 579,322             | (2,839,832)         |
| Other current assets  | 1,444               | 6,042               |
| Accounts payable and accrued expenses   | 35,264              | (57,511)            |
| <b>Net Cash Provided by (Used in) Operating Activities</b>  | <u>1,118,269</u>    | <u>(718,645)</u>    |
| <b>Cash Flows From Investing Activities</b>   |                     |                     |
| Purchase of property and equipment  | (101,100)           | (315,250)           |
| Purchase of investments   | (7,452,675)         | (2,362,495)         |
| Proceeds from the sale of investments   | 5,058,459           | 2,820,792           |
| <b>Net Cash (Used in) Provided by Investing Activities</b>  | <u>(2,495,316)</u>  | <u>143,047</u>      |
| <b>Cash Flows From Financing Activities</b>   |                     |                     |
| Contributions restricted for endowment  | 2,571,011           | 820,970             |
| <b>Net Increase in Cash and Cash Equivalents</b>  | 1,193,964           | 245,372             |
| <b>Cash and Cash Equivalents, Beginning of Year</b>   | <u>2,142,313</u>    | <u>1,896,941</u>    |
| <b>Cash and Cash Equivalents, End of Year</b>   | <u>\$ 3,336,277</u> | <u>\$ 2,142,313</u> |

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

# COMMUNITY VOLUNTEERS IN MEDICINE

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

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### NOTE 1 - NATURE OF ORGANIZATION

Community Volunteers in Medicine (“CVIM”) is a non-profit community-based organization which provides compassionate medical and dental care and health education to people who live or work in Chester County who lack access to insurance in order to support their goals to lead productive, healthy and hopeful lives.

### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *BASIS OF PRESENTATION*

The accompanying financial statements reflect the accounts of CVIM and 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”).

#### *SUPPORT AND REVENUE RECOGNITION*

##### *Contributions and Grants and Patient Contributions*

Unconditional promises to give cash and other assets to CVIM are reported as contributions and recorded at fair value on the date the promise is received. All contributions are considered to be available for use without restriction unless specifically restricted by the donor. Support that is restricted by the donor is reported as an increase in without donor restriction net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in donor restricted net assets. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), donor restricted net assets are reclassified as without donor restriction net assets and reported in the statements of activities as net assets released from restrictions. Contributions and grants and patient contributions amounted to \$8,820,787 and \$7,611,280 for the years ended June 30, 2024 and 2023, respectively.

Original principal endowment contributions and investments are restricted by the donor in perpetuity. Investment earnings of donor restricted endowment funds are reported as changes in net assets with donor restrictions as the income is not available to be used until appropriated by CVIM.

# COMMUNITY VOLUNTEERS IN MEDICINE

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

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### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *SUPPORT AND REVENUE RECOGNITION (CONTINUED)*

##### *Fundraising Event Revenue*

CVIM hosts annual special events and receives contributions in advance of the events. The portion of the special events payment that is conditioned upon the events taking place is recognized as revenue when the donor receives the benefit of the services, which is typically at the point in time when the events are held. The portion of a special events payment that is not conditioned on the events taking place is recognized when received. Payment for these contracts are received upon registration for the events. For the years ended June 30, 2024 and 2023, the special events revenue totaled \$390,086 and \$448,573, respectively.

##### *IN-KIND CONTRIBUTIONS AND EXPENSES*

CVIM receives contributions of nonfinancial assets and services. CVIM's policy related to these donated goods and services is to utilize the assets given to carry out the mission of CVIM. If an asset is provided that does not allow CVIM to utilize it in its normal course of business, the asset will be sold at its fair market value. These contributions of donated noncash assets are recorded at their fair values in the period received. Donated drugs, laboratory testing, and supplies are recorded at their fair values in the period received as donated services and materials contributions with offsetting expenses. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received as contributions with offsetting expenses.

CVIM receives services of unpaid officers, board members, and volunteers. The value of these services is not reflected in the accompanying financial statements as these services do not meet the criteria for recognition as contributed services.

Non-cash contributions reflected in the accompanying statements of activities and changes in net assets exclude contributions of donated publicly traded stock. These contributions are recorded in the same manner as cash contributions, as typically CVIM sells all donated publicly traded stock upon receipt.

# COMMUNITY VOLUNTEERS IN MEDICINE

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

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### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *NET ASSETS*

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

#### *Net Assets Without Donor Restrictions*

Net assets available for use in general operations and not subject to donor restrictions. From time to time the Board of Directors may designate a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion.

#### *Net Assets With Donor Restrictions*

Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events or purposes specified by the donor. Other donor-imposed restrictions are permanent in nature, where the donor stipulates that such resources be maintained in perpetuity. Generally, the donors of these assets permit CVIM to use all or part of the income earned on related investments for general or specific purposes.

#### *USE OF ESTIMATES*

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, gains, other support, and expenses during the reporting period. Actual results could differ from those estimates.

#### *CASH AND CASH EQUIVALENTS*

CVIM considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

#### *UNCONDITIONAL PROMISES TO GIVE*

Unconditional promises to give are recorded as received at the present value of their net realizable value, using interest rates applicable to the years in which the promises are received to discount these amounts. Amortization of discounts is included in contribution revenue.

# COMMUNITY VOLUNTEERS IN MEDICINE

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

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### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *UNCONDITIONAL PROMISES TO GIVE (CONTINUED)*

CVIM uses an allowance method to determine uncollectible promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

#### *INVESTMENTS*

Investments in marketable securities, debt securities and pooled investments held by outside Foundations are reported at their fair values in the statements of financial position. CVIM's investment policy authorizes a spending policy of up to 4.0 percent for both years ended June 30, 2024 and 2023, based on the three-year average (12 quarters) fair value of the general investments as of December 31st of the prior year.

#### *PROPERTY AND EQUIPMENT AND DEPRECIATION*

Property and equipment are recorded at cost or, if donated, at the fair market value on the date of donation. Property and equipment are depreciated using a straight-line method over the estimated useful lives of the related assets, as follows:

|                                    |              |
|------------------------------------|--------------|
| Building and building improvements | 5 - 30 years |
| Computer equipment and software    | 5 years      |
| Furniture and fixtures             | 5 years      |
| Medical and dental equipment       | 5 - 10 years |

Expenditures for major renewals and betterments that extend the useful life of property and equipment are capitalized. Capitalization policy states any asset over \$1,500 will be capitalized. Repairs and maintenance are charged to expense as incurred.

#### *LEASES*

According to Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 842, *Leases* ("ASC 842"), rental revenue is recognized in accordance with the tenants' lease terms on the accrual method of accounting. Rental payments received in advance are deferred until earned.

#### *IMPAIRMENT OF LONG-LIVED ASSETS*

CVIM reviews long-lived assets for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable.

# COMMUNITY VOLUNTEERS IN MEDICINE

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

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### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *IMPAIRMENT OF LONG-LIVED ASSETS (CONTINUED)*

An impairment loss would be recognized when estimated undiscounted future cash flows expected to result from the use of assets and its eventual disposition is less than the carrying amount. Impairment, if any, is assessed using discounted cash flows. At June 30, 2024 and 2023, management did not consider the value of the long-lived assets to be impaired.

#### *FUNCTIONAL ALLOCATION OF EXPENSES*

The costs of providing program and supporting services have been summarized on a functional basis in the accompanying statements of functional expenses. CVIM incurs expenses that directly relate to, and can be assigned to, a specific program or supporting activity. CVIM also conducts a number of activities which benefit both its program objectives as well as supporting services (i.e. fundraising and management and general activities). The financial statements report certain categories of expenses that are attributed to more than one program or supporting function, therefore expenses require allocation on a reasonable basis that is consistently applied. Salaries, employee benefits, and payroll taxes are allocated based on estimates of time and effort incurred by personnel. Occupancy, insurance, office expenses, professional services, information technology/website, and personnel expenses are allocated based upon time and effort incurred by personnel or square footage, as applicable. Other expenses are based on actual costs directly related to the program services and supporting service categories.

#### *BUILDING EXPENSES*

CVIM leases a portion of its building to unrelated tenants. Building expenses related to CVIM's operations are classified in program services and supporting services. Building expenses related to rental income are classified as non-operating activities.

#### *INCOME TAXES*

CVIM is exempt from the payment of income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC") and is classified as other than a private foundation. CVIM is required to report unrelated business income to the Internal Revenue Service and Pennsylvania. CVIM did not have any significant unrelated business income tax liability for the years ended June 30, 2024 and 2023.

# COMMUNITY VOLUNTEERS IN MEDICINE

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

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### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *INCOME TAXES (CONTINUED)*

CVIM adopted the authoritative guidance relating to accounting for uncertainty in income taxes included in FASB ASC Topic 740, *Income Taxes*. These provisions provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribe a threshold of "more likely than not" for recognition and derecognition of tax positions taken or expected to be taken in a tax return.

CVIM performed an evaluation of uncertainty in income taxes for the years ended June 30, 2024 and 2023, and determined that there were no matters that would require recognition in the accompanying financial statements or that may have any effect on its tax-exempt status. As of June 30, 2024, there were years with tax returns that remained open with the U.S. federal and Pennsylvania jurisdiction in which CVIM files tax returns; however, no examinations are currently pending or in progress. As of June 30, 2024 and 2023, CVIM has no accruals for interest and/or penalties.

#### *UNDERWATER ENDOWMENT FUNDS*

CVIM considers a fund to be underwater if the fair value of the funds is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. CVIM has no underwater endowment funds as of June 30, 2024 and 2023.

#### *RESTATEMENT*

A restatement of amounts previously reported as contributions and grants with donor restriction and without donor restriction was made for the year ended June 30, 2023. The restatement caused a reduction of contributions and grants with donor restrictions of \$574,750 and an increase contributions and grants without donor restrictions of \$574,750. This restatement did not have an impact on previously reported total change in net assets for the year ended June 30, 2023, or total net assets as of June 30, 2023.

#### *SUBSEQUENT EVENTS*

CVIM has evaluated events and transactions for potential recognition or disclosure in the financial statements through September 30, 2024 the date on which the financial statements were available to be issued.

# COMMUNITY VOLUNTEERS IN MEDICINE

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

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#### NOTE 3 - LIQUIDITY AND AVAILABILITY OF RESOURCES

CVIM's financial assets available within one year of the statement of financial position date for general expenditure are as follows:

|   | June 30,            |                     |
|---|---------------------|---------------------|
|   | 2024                | 2023                |
| Cash and cash equivalents   | \$ 3,336,277        | \$ 2,142,313        |
| Unconditional promises to give, current   | <u>1,715,028</u>    | <u>2,277,683</u>    |
| <b>Total Financial Assets Available Within One Year</b>   | 5,051,305           | 4,419,996           |
| Less: Amounts unavailable for general expenditures within one year, due to restricted by donor with time and purpose restrictions | 1,716,163           | 2,325,717           |
| Less: Amounts unavailable for general expenditures within one year, due to endowment restrictions                                 | 166,750             | 141,250             |
| Add: Fiscal year spending rate allocation   | <u>518,136</u>      | <u>475,442</u>      |
| <b>Total Financial Assets Available to Management for General Expenditure Within One Year</b>                                     | <u>\$ 3,686,528</u> | <u>\$ 2,428,471</u> |

CVIM's financial assets available to meet cash needs for general expenditures within one year represents funding for ongoing operational requirements and program expenditures in fiscal year 2025.

CVIM has certain donor-restricted assets limited as to use which are available for general expenditure within one year in the normal course of operations. Accordingly, these assets have been included in the above qualitative information for financial assets to meet general expenditures within one year. CVIM has time restricted contributions that will also be available for general expenditures in the next year which are included as liquid assets available in the next year.

In addition, CVIM's spending policy allows for annual spending based on 4% of the trailing 3-year average of the market value of the investment account. A measure of this investment return is included in assets available to meet general expenditures over the next 12 months.

# COMMUNITY VOLUNTEERS IN MEDICINE

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

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### NOTE 3 - LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)

#### *LIQUIDITY MANAGEMENT*

CVIM has an investment policy authorized by the Board of Directors that provides guidance and oversight for the management of cash and cash equivalents, and investments. The policy provides that CVIM maintain an adequate level of cash to meet on-going operational requirements. In addition, the policy sets forth the structure for investment of excess cash based on the financial needs of CVIM, the time horizon of those needs and the Board of Directors' investment philosophy.

### NOTE 4 - UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give are as follows:

|   | June 30,                   |                            |
|---|----------------------------|----------------------------|
|   | 2024                       | 2023                       |
| Gross unrestricted promises to give         | \$ 2,727,095               | \$ 3,336,407               |
| Less: Unamortized discount                  | (53,306)                   | (64,838)                   |
| Less: Allowances for uncollectible promises | <u>(51,425)</u>            | <u>(69,883)</u>            |
| <b>Net Unconditional Promises to Give</b>   | <b><u>\$ 2,622,364</u></b> | <b><u>\$ 3,201,686</u></b> |
| Amounts due in                              |                            |                            |
| Less than one year                          | \$ 1,715,028               | \$ 2,277,683               |
| One to five years                           | <u>1,012,067</u>           | <u>1,058,724</u>           |
| <b>Gross Unconditional Promises to Give</b> | <b><u>\$ 2,727,095</u></b> | <b><u>\$ 3,336,407</u></b> |

Pledges to be received in future years are recorded at present value using a discount rate of 2% at the time of the pledge for the years ended June 30, 2024 and 2023.

# COMMUNITY VOLUNTEERS IN MEDICINE

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

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### NOTE 5 - INVESTMENTS

Investments consist of the following:

|   | June 30,                    |                             |
|---|-----------------------------|-----------------------------|
|   | 2024                        | 2023                        |
| Common stocks                             | \$ 5,220,248                | \$ 5,472,734                |
| Community Foundation - pooled investments | 113,143                     | 108,413                     |
| Mutual funds and ETFs                     | 7,886,520                   | 4,269,679                   |
| Bonds                                     | <u>2,550,608</u>            | <u>2,011,372</u>            |
| <b>Total Investments</b>                  | <b><u>\$ 15,770,519</u></b> | <b><u>\$ 11,862,198</u></b> |

The following schedule summarizes the investment return in the statements of activities and changes in net assets:

|                                     | June 30,                 |                            |
|-------------------------------------|--------------------------|----------------------------|
|                                     | 2024                     | 2023                       |
| Interest and dividends              | \$ 433,935               | \$ 303,627                 |
| Net realized gains                  | 215,309                  | 805,930                    |
| Investment fees                     | <u>(80,398)</u>          | <u>(73,465)</u>            |
| <b>Total Investment Income, Net</b> | <b><u>\$ 568,846</u></b> | <b><u>\$ 1,036,092</u></b> |

### NOTE 6 - PROPERTY AND EQUIPMENT, NET

Property and equipment, net consists of the following:

|  | June 30,                   |                            |
|--|----------------------------|----------------------------|
|  | 2024                       | 2023                       |
| Land, building & building improvements | \$ 3,711,074               | \$ 3,711,074               |
| Computer equipment and software        | 526,619                    | 526,619                    |
| Furniture and fixtures                 | 363,778                    | 328,513                    |
| Medical and dental equipment           | <u>1,033,150</u>           | <u>967,315</u>             |
|  | 5,634,621                  | 5,533,521                  |
| Less: Accumulated depreciation         | <u>(2,233,924)</u>         | <u>(1,932,555)</u>         |
|  | <b><u>\$ 3,400,697</u></b> | <b><u>\$ 3,600,966</u></b> |

# COMMUNITY VOLUNTEERS IN MEDICINE

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

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#### NOTE 6 - PROPERTY AND EQUIPMENT, NET (CONTINUED)

Total depreciation expense for the years ended June 30, 2024 and 2023 was \$301,369 and \$298,610, respectively.

#### NOTE 7 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods.

|  | June 30,            |                     |
|--|---------------------|---------------------|
|  | 2024                | 2023                |
| Specified purposes   |                     |                     |
| Education and program support  | \$ 72,065           | \$ 47,284           |
| Pain, vision and dental services                                     | 44,000              | 57,000              |
| Purchase of supplies   | 33,750              | 77,500              |
| Vaccine clinics  | --                  | 7,500               |
| Capital upgrades and equipment                                       | <u>12,694</u>       | <u>--</u>           |
| <b>Total Subject to Expenditure for Specified Purposes</b>           | 162,509             | 189,284             |
| Subject to the passage of time                                       | 2,282,482           | 2,591,903           |
| Not subject to appropriation or expenditure                          |                     |                     |
| Unconditional promises to give – permanently restricted to endowment | 333,000             | 574,750             |
| Endowment investment funds – principal held in perpetuity            | 3,890,908           | 1,078,147           |
| Endowment investment funds – investment earnings                     | <u>267,432</u>      | <u>64,650</u>       |
|  | <u>\$ 6,936,331</u> | <u>\$ 4,498,734</u> |

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes, by the expiration of a time restriction or by the occurrence of other events specified by donors.

# COMMUNITY VOLUNTEERS IN MEDICINE

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

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### NOTE 7 - NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

|                                   | June 30,            |                   |
|-----------------------------------|---------------------|-------------------|
|                                   | 2024                | 2023              |
| Purpose restrictions accomplished |                     |                   |
| Education and program support     | \$ 37,870           | \$ 181,361        |
| Pain, vision and dental services  | 63,000              | 63,151            |
| Purchase of supplies              | 146,250             | 152,500           |
| Vaccine clinics                   | 7,500               | 15,000            |
| Capital upgrades and equipment    | 38,128              | 95,316            |
| Time restrictions expired         | <u>1,548,518</u>    | <u>67,776</u>     |
|                                   | <u>\$ 1,841,266</u> | <u>\$ 575,104</u> |

### NOTE 8 - ENDOWMENT NET ASSETS

#### ***EDGAR R. LAWRENCE DENTAL ENDOWMENT FUND***

CVIM's Lawrence dental endowment consists of funds established to support the operating, program and capital needs of their dental program. Contributions to the endowment are subject to donor restrictions that stipulate the original principal to be held and invested indefinitely.

#### ***GORDON B. HATTERSLEY, JR. ENDOWMENT FUND***

CVIM's Hattersley endowment consists of funds established to support the general operating, program and capital needs of CVIM. Contributions to the endowment are subject to donor restrictions that stipulate the original principal to be held and invested indefinitely.

#### ***DR. MARY WIRSHUP ENDOWMENT FUND***

CVIM's Wirshup endowment consists of funds established to support the medical director position and the medical service program of CVIM. Contributions to the endowment are subject to donor restrictions that stipulate the original principal to be held and invested indefinitely.

#### ***BREAST HEALTH ENDOWMENT FUND***

CVIM's Breast Health endowment consists of funds established to support medical services surrounding breast health. Contributions to the endowment are subject to donor restrictions that stipulate the original principal to be held and invested indefinitely.

# COMMUNITY VOLUNTEERS IN MEDICINE

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

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### NOTE 8 - ENDOWMENT NET ASSETS (CONTINUED)

CVIM requires the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds. As a result, CVIM classifies as net assets with donor restriction (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulated earnings with donor restrictions to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. CVIM considers various factors in making a determination to appropriate or accumulate donor-restricted endowment funds.

CVIM has adopted investment and spending policies for endowment assets that attempt to subject the fund to low investment risk and provide current income. CVIM's objective is to provide capital for their medical programs, preserve endowment assets without subjecting them to substantial risk, and provide additional growth through new gifts.

The Commonwealth of Pennsylvania has not adopted the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). The Commonwealth of Pennsylvania has enacted Act 141 (the Act). The Act allows CVIM to elect a "total return" investment policy with regard to its endowments. Income is defined by the Act to mean a fixed percentage of the "value of the assets" held by CVIM, not less than 2 percent or more than 7 percent. The "value of the assets" for purposes of the Act, is the average fair value of the assets over a three-year period (or the average value of the assets over any shorter period in the cases of assets held less than three (3) years). This spending policy determines the funds available for organizational operating purposes. CVIM has chosen not to take a spending rate allocation from the Dr. Wirshup Endowment Fund until the fund reaches its predetermined funding goal.

Investment earnings on these endowment funds are considered without donor restriction and are utilized during the fiscal year. The percentage of the value of the endowment accounts that may be withdrawn each year shall be between 2% and 7% of the endowment account's fair market value at the end of each calendar year, based on the trailing three-year average of the account.

Endowment net assets as of June 30, 2024 and 2023 are comprised of the following:

|  | <u>June 30,</u>     |                     |
|--|---------------------|---------------------|
|  | <u>2024</u>         | <u>2023</u>         |
| Donor-Restricted Endowment Funds   |                     |                     |
| Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor | \$ 4,223,908        | \$ 1,652,897        |
| Accumulated investment gains   | <u>267,432</u>      | <u>64,650</u>       |
|  | <u>\$ 4,491,340</u> | <u>\$ 1,717,547</u> |

# COMMUNITY VOLUNTEERS IN MEDICINE

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

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#### NOTE 8 - ENDOWMENT NET ASSETS (CONTINUED)

CVIM had the following endowment-related activities:

|   | June 30,            |                     |
|---|---------------------|---------------------|
|   | 2024                | 2023                |
| Endowment net assets, beginning of year   | \$ 1,717,547        | \$ 831,927          |
| Investment returns:                       |                     |                     |
| Investment income                         | 40,465              | 82,101              |
| Net appreciation                          | <u>184,602</u>      | <u>5,326</u>        |
| <b>Total Investment Returns</b>           | <u>225,067</u>      | <u>87,427</u>       |
| Contributions received (includes pledges) | 2,571,011           | 820,970             |
| Spending rate allocation                  | <u>(22,285)</u>     | <u>(22,777)</u>     |
|   | <u>2,548,726</u>    | <u>798,193</u>      |
| <b>Endowment Net Assets, End of Year</b>  | <u>\$ 4,491,340</u> | <u>\$ 1,717,547</u> |

#### NOTE 9 - FAIR VALUE MEASUREMENTS

U.S. GAAP defines fair value, provides guidance for measuring fair value and requires certain disclosures. U.S. GAAP discusses valuation techniques, such as the market approach (comparable market prices), the income approach (present value of future income or cash flow) and the cost approach (cost to replace the service capacity of an asset or replacement cost).

U.S. GAAP provides for a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The following is a brief description of those three levels:

Level 1: Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in markets that are not active.

Level 3: Unobservable inputs that reflect management's own assumptions.

# COMMUNITY VOLUNTEERS IN MEDICINE

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

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### NOTE 9 - FAIR VALUE MEASUREMENTS (CONTINUED)

The following is a description of the valuation methodologies used for the assets measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy, as applicable:

#### *COMMON STOCKS*

Valued at the closing price reported on the active market on which the individual securities are traded.

#### *MUTUAL FUNDS*

Valued at the daily closing price as reported by the fund. Mutual funds held by CVIM are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by CVIM are deemed to be actively traded.

#### *POOLED ACCOUNTS*

The pooled accounts held in Community Foundation are valued using the net asset value as a practical expedient to estimate fair value. This practical expedient would be used if it is determined to be probable that the pooled accounts would sell investments for an amount different from the reported net asset value. The underlying securities in the pooled accounts are listed on the national securities exchanges and valued on the basis of year-end closing prices. CVIM has concluded that the net asset value as adjusted (for mutual fund dividends, mutual fund splits and administrative maintenance charges and other items) and reported by Community Foundation approximates fair value of the investments.

#### *CORPORATE AND GOVERNMENT BONDS*

Valued using pricing models maximizing the use of observable inputs for similar securities. This included basing value on yields available on comparable securities of issuers with similar credit ratings.

# COMMUNITY VOLUNTEERS IN MEDICINE

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

#### NOTE 9 - FAIR VALUE MEASUREMENTS (CONTINUED)

The following table summarizes investment assets measured at fair value:

|   | June 30, 2024             |              |              |                      |
|---|---------------------------|--------------|--------------|----------------------|
|   | Investments at Fair Value |              |              |                      |
|   | Level 1                   | Level 2      | Level 3      | Total                |
| Common stock                                    | \$ 5,220,248              | \$ --        | \$ --        | \$ 5,220,248         |
| Mutual funds and ETFs                           | 7,886,520                 | --           | --           | 7,886,520            |
| Bonds   | <u>2,550,608</u>          | <u>--</u>    | <u>--</u>    | <u>2,550,608</u>     |
| <b>Total Assets in the Fair Value Hierarchy</b> | <u>\$ 15,657,376</u>      | <u>\$ --</u> | <u>\$ --</u> | 15,657,376           |
| Community Foundation Pooled accounts (a)        |                           |              |              | <u>113,143</u>       |
| <b>Investments at Fair Value</b>                |                           |              |              | <u>\$ 15,770,519</u> |
|   | June 30, 2023             |              |              |                      |
|   | Investments at Fair Value |              |              |                      |
|   | Level 1                   | Level 2      | Level 3      | Total                |
| Common stock                                    | \$ 5,472,734              | \$ --        | \$ --        | \$ 5,472,734         |
| Mutual funds and ETFs                           | 4,269,679                 | --           | --           | 4,269,679            |
| Bonds   | <u>2,011,372</u>          | <u>--</u>    | <u>--</u>    | <u>2,011,372</u>     |
| <b>Total Assets in the Fair Value Hierarchy</b> | <u>\$ 11,753,785</u>      | <u>\$ --</u> | <u>\$ --</u> | 11,753,785           |
| Community Foundation Pooled accounts (a)        |                           |              |              | <u>108,413</u>       |
| <b>Investments at Fair Value</b>                |                           |              |              | <u>\$ 11,862,198</u> |

# COMMUNITY VOLUNTEERS IN MEDICINE

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

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### NOTE 9 - FAIR VALUE MEASUREMENTS (CONTINUED)

- (a) Certain investments that are measured at fair value using the net asset value per share expedient have not been classified in the fair value hierarchy. The net asset value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of financial position.

#### *INVESTMENTS MEASURED USING THE NET ASSET VALUE PER SHARE PRACTICAL EXPEDIENT*

The following table summarizes investments for which fair value is measured using the NAV per share practical expedient at June 30, 2024 and 2023:

| Collective<br>Investment Trust | Fair Value | Unfunded<br>Commitments | Redemption<br>Frequency | Redemption<br>Notice Period |
|--------------------------------|------------|-------------------------|-------------------------|-----------------------------|
| June 30, 2024                  | \$ 113,143 | N/A                     | Daily                   | None                        |
| June 30, 2023                  | \$ 108,413 | N/A                     | Daily                   | None                        |

### NOTE 10 - FINANCIAL RISK AND CONCENTRATION OF CREDIT RISK

CVIM's investments are exposed to various risks such as interest rate, market and credit. Due to the level of these risks, it is possible that changes in risk in the near term could materially affect investment balances and the amounts reported in the financial statements.

CVIM maintains cash at various financial institutions. At times, cash in these accounts may exceed the Federal Deposit Insurance Corporation limit and the National Credit Union Administration limit of \$250,000. Per CVIM's investment policy, a cash reserve of four to seven months' operating expenses is required to be maintained. At various times during the year, CVIM's cash balances may exceed the insurance limits, however, CVIM has not experienced any losses in such account.

# COMMUNITY VOLUNTEERS IN MEDICINE

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

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### NOTE 11 - LEASING ARRANGEMENTS

CVIM leases space to 4 unrelated tenants under non-cancelable operating leases, which generate rental income from tenants and operating cash flows for CVIM. Tenant leases generally have lease terms of 5 years or less, with one or more renewal options available upon expiration of the initial lease term. These leases have escalation clauses which are recognized ratably over the lease term, with the deferred rental income recorded within other current assets within the statements of financial position. As part of the lease, the tenants remitted security deposits which are to be returned at the conclusion of the lease if all lease obligations are met.

Fixed lease revenue totaled \$315,451 and \$300,131 for the years ended June 30, 2024 and 2023. There was no variable lease revenue in 2024 and 2023.

CVIM's operating leases are disclosed in the aggregate due to their consistent nature as real estate leases. As of June 30, 2024, the undiscounted cash flows to be received from lease payments of our operating leases on an annual basis are as follows:

| Year Ending<br>June 30, | Amount            |
|-------------------------|-------------------|
| 2025                    | \$ 199,272        |
| 2026                    | <u>78,293</u>     |
|                         | <u>\$ 277,565</u> |

Building expenses allocated to building rental income consist of the following:

|                         | <u>Year Ended June 30,</u> |                   |
|-------------------------|----------------------------|-------------------|
|                         | 2024                       | 2023              |
| Common area maintenance | \$ 58,033                  | \$ 48,197         |
| Depreciation            | 84,163                     | 84,461            |
| Insurance               | 21,250                     | 21,346            |
| Real estate taxes       | 40,045                     | 39,339            |
| Other                   | <u>1,504</u>               | <u>5,956</u>      |
|                         | <u>\$ 204,995</u>          | <u>\$ 199,299</u> |

# COMMUNITY VOLUNTEERS IN MEDICINE

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

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### NOTE 12 - RETIREMENT PLAN

CVIM sponsors a 401(k) profit-sharing plan for all current employees meeting certain eligibility requirements. The plan allows for employee salary deferrals and discretionary employer matching and profit-sharing contributions. CVIM's plan contributions were \$135,309 and \$101,530 for the years ended June 30, 2024 and 2023, respectively.

### NOTE 13 - DONATED SERVICES AND MATERIALS

CVIM receives significant contributions of medical and professional services, prescription drugs, laboratory testing and supplies. Due to various factors, the amount of donated services and materials may vary from year to year.

Non-cash contributions and offsetting expenses have been recognized in the accompanying financial statements:

|  | Year Ended June 30,        |                            |
|--|----------------------------|----------------------------|
|  | 2024                       | 2023                       |
| Donated services                                   |                            |                            |
| Medical and dental professional services           | \$ 1,481,881               | \$ 1,491,485               |
| Medical consultant fees, labs and radiology        | 2,350,086                  | 2,223,804                  |
| Professional services                              | 113,315                    | 96,367                     |
| Donated materials                                  |                            |                            |
| Prescription drugs and medical and dental supplies | 4,898,963                  | 4,623,214                  |
| Other materials and supplies                       | <u>218,831</u>             | <u>242,179</u>             |
| <b>Total Donated Services and Materials</b>        | <b><u>\$ 9,063,076</u></b> | <b><u>\$ 8,677,049</u></b> |

During the years ended June 30, 2024 and 2023, CVIM received and subsequently sold donated securities in the amount of \$625,296 and \$239,033, respectively.

Donated services are recognized at fair value based on current rates for similar services.

Donated materials are valued using average wholesale prices (principal market) of identical or similar products using pricing data under a "like-kind" methodology considering the materials condition and utility for use at the time of the donation.

# COMMUNITY VOLUNTEERS IN MEDICINE

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

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#### NOTE 14 - RELATED PARTY TRANSACTIONS

Officers of Main Line Health System, Penn Medicine Chester County Hospital, Renee Martin, Esquire, Saul Ewing LLP, SEI, Brian Communications and JamLoop are on the board of directors of CVIM.

The following is a schedule of donated services and materials received from related parties:

|                                       | Year Ended June 30, |                     |
|---------------------------------------|---------------------|---------------------|
|                                       | 2024                | 2023                |
| Main Line Health Systems              | \$ 1,392,221        | \$ 1,424,185        |
| Penn Medicine Chester County Hospital | 932,391             | 758,114             |
| Renee Martin, Esquire                 | --                  | 18,000              |
| Brian Communications                  | <u>63,700</u>       | <u>54,442</u>       |
|                                       | <u>\$ 2,388,312</u> | <u>\$ 2,254,741</u> |

These amounts are included in the donated services and materials amounts disclosed in Note 13 or were capitalized and included with property and equipment, net on the statements of financial position, depending upon the substance of the donation.