



Commission on Accreditation
of Healthcare Management Education

FINANCIAL STATEMENTS

JUNE 30, 2024 and 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Commission on Accreditation of Healthcare Management Education
Spring House, Pennsylvania

Opinion

We have audited the accompanying financial statements of Commission on Accreditation of Healthcare Management Education (CAHME), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CAHME as of June 30, 2024, 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. 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 CAHME 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.

Prior Period Financial Statements

The financial statements of CAHME as of June 30, 2023 were audited by other auditors whose report dated October 10, 2023 expressed an unmodified opinion on those statements.

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 CAHME'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 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, including omissions, 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, 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 CAHME'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 CAHME'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.



Whalen CPAs
Worthington, Ohio
September 18, 2024

COMMISSION ON THE ACCREDITATION OF HEALTHCARE MANAGEMENT EDUCATION
STATEMENTS OF FINANCIAL POSITION
As of June 30, 2024 and 2023

ASSETS

	2024	2023
CURRENT ASSETS		
Cash and cash equivalents	\$ 274,481	\$ 230,164
Investments	2,038,057	1,762,772
Contribution receivable	13,750	68,750
Accounts receivable	14,605	21,136
Prepaid expenses	27,119	31,130
TOTAL CURRENT ASSETS	<u>2,368,012</u>	<u>2,113,952</u>
LONG-TERM ASSETS:		
Property and equipment, net	-	296
TOTAL LONG-TERM ASSETS	<u>-</u>	<u>296</u>
TOTAL ASSETS	<u><u>\$ 2,368,012</u></u>	<u><u>\$ 2,114,248</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 15,023	\$ 24,741
Accrued payroll and related liabilities	229,388	206,188
Deferred revenue	599,749	514,893
TOTAL LIABILITIES	<u>844,160</u>	<u>745,822</u>
NET ASSETS		
Without donor restrictions	1,330,147	1,171,009
With donor restrictions	193,705	197,417
TOTAL NET ASSETS	<u>1,523,852</u>	<u>1,368,426</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 2,368,012</u></u>	<u><u>\$ 2,114,248</u></u>

See accompanying notes and independent auditor's report.

COMMISSION ON THE ACCREDITATION OF HEALTHCARE MANAGEMENT EDUCATION

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Years Ended June 30, 2024 and 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT						
Program fees	907,346	-	907,346	804,276	-	804,276
Corporate membership dues	-	220,000	220,000	-	206,250	206,250
Contributed services	228,538	-	228,538	216,320	-	216,320
Site visit fees	142,836	-	142,836	135,271	-	135,271
Contributions of cash and other financial assets	90,302	-	90,302	91,432	-	91,432
Candidacy fees	112,650	-	112,650	71,875	-	71,875
Foundation grants	103,900	5,900	109,800	47,547	12,300	59,847
Investment income	140,291	-	140,291	67,750	-	67,750
Gifts, in-kind	55,265	-	55,265	-	-	-
Other	4,596	-	4,596	3,042	-	3,042
Net assets released from restrictions	229,612	(229,612)	-	212,661	(212,661)	-
TOTAL REVENUE AND SUPPORT	2,015,336	(3,712)	2,011,624	1,650,174	5,889	1,656,063
OPERATING EXPENSES						
Program	1,243,647	-	1,243,647	1,042,662	-	1,042,662
Management and general	489,228	-	489,228	319,340	-	319,340
Fundraising	123,323	-	123,323	120,572	-	120,572
TOTAL OPERATING EXPENSES	1,856,198	-	1,856,198	1,482,574	-	1,482,574
CHANGE IN NET ASSETS	159,138	(3,712)	155,426	167,600	5,889	173,489
NET ASSETS, BEGINNING OF YEAR	1,171,009	197,417	1,368,426	1,003,409	191,528	1,194,937
NET ASSETS, END OF YEAR	\$ 1,330,147	\$ 193,705	\$ 1,523,852	\$ 1,171,009	\$ 197,417	\$ 1,368,426

See accompanying notes and independent auditor's report.

COMMISSION ON THE ACCREDITATION OF HEALTHCARE MANAGEMENT EDUCATION
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2024

OPERATING EXPENSES	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	\$ 708,424	\$ 312,540	\$ 20,836	\$ 1,041,800
In-kind accreditation expenses	228,538	-	-	228,538
Professional fees	115,407	97,818	17,459	230,684
Site visits	81,412	-	-	81,412
Awards	-	-	69,430	69,430
Website costs	32,702	9,344	4,672	46,718
Office expense	17,579	15,848	2,389	35,816
Accreditation Portal	7,701	-	-	7,701
Travel and lodging	19,890	5,120	8,537	33,547
Meetings	18,532	31,954	-	50,486
Dues and subscriptions	13,462	5,770	-	19,232
Directors' and officers' insurance	-	5,350	-	5,350
Other expenses	-	5,188	-	5,188
Depreciation	-	296	-	296
TOTAL OPERATING EXPENSES	<u>\$ 1,243,647</u>	<u>\$ 489,228</u>	<u>\$ 123,323</u>	<u>\$ 1,856,198</u>

See accompanying notes and independent auditor's report.

COMMISSION ON THE ACCREDITATION OF HEALTHCARE MANAGEMENT EDUCATION
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2023

OPERATING EXPENSES	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	\$ 608,977	\$ 211,450	\$ 25,374	\$ 845,801
In-kind accreditation expenses	216,320	-	-	216,320
Professional fees	24,564	53,481	19,929	97,974
Site visits	92,543	-	-	92,543
Awards	-	-	64,035	64,035
Website costs	28,797	8,228	4,114	41,139
Office expense	11,881	13,713	1,590	27,184
Accreditation Portal	26,936	-	-	26,936
Travel and lodging	13,381	3,505	5,530	22,416
Meetings	8,546	12,059	-	20,605
Dues and subscriptions	10,717	4,593	-	15,310
Directors' and officers' insurance	-	7,118	-	7,118
Other expenses	-	4,799	-	4,799
Depreciation	-	394	-	394
TOTAL OPERATING EXPENSES	<u><u>\$ 1,042,662</u></u>	<u><u>\$ 319,340</u></u>	<u><u>\$ 120,572</u></u>	<u><u>\$ 1,482,574</u></u>

See accompanying notes and independent auditor's report.

COMMISSION ON THE ACCREDITATION OF HEALTHCARE MANAGEMENT EDUCATION**STATEMENTS OF CASH FLOWS**

For the Years Ended June 30, 2024 and 2023

	2024	2023
OPERATING ACTIVITIES		
Change in net assets	\$ 155,426	\$ 173,489
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	296	394
Net realized and unrealized gain on investments	(140,285)	(13,887)
(Increase) decrease in operating assets:		
Accounts receivable	55,000	(5,678)
Prepaid expenses	4,011	29,385
Contribution receivable	6,531	32,250
Increase (decrease) in operating liabilities:		
Accounts payable and accrued liabilities	(9,718)	(13,128)
Accrued payroll and related liabilities	23,200	18,826
Deferred revenue	84,856	54,729
NET CASH FROM OPERATING ACTIVITIES	179,317	276,380
INVESTING ACTIVITIES		
Purchase of investments	(840,000)	(588,858)
Sale of investments	705,000	360,000
NET CASH FROM INVESTING ACTIVITIES	(135,000)	(228,858)
NET CHANGE IN CASH	44,317	47,522
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	230,164	182,642
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 274,481</u>	<u>\$ 230,164</u>

See accompanying notes and independent auditor's report.

COMMISSION ON ACCREDITATION OF HEALTHCARE MANAGEMENT EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Commission on Accreditation of Healthcare Management Education (CAHME) was organized under the laws of the State of Illinois and incorporated in 1968 as the Accrediting Commission on Education for Health Services Administration (ACEHSA).

On July 1, 2004, ACEHSA changed its name to become Commission on Accreditation of Healthcare Management Education. CAHME, which has been granted formal recognition by the Council for Higher Education Accreditation offers accreditation to individual academic programs offering a professional master's degree in healthcare management education, planning and policy.

CAHME serves universities and programs in a voluntary peer review process designed to continuously improve academic education. CAHME is the resource for the healthcare field in setting, measuring, and authoritatively attesting to the quality of academic education in healthcare management.

Basis of Presentation

The financial statements of the CAHME 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) and are presented on the basis of net assets without donor restrictions and net assets with donor restrictions.

Net assets with donor restrictions are created only by donor-imposed restrictions on their use. When a 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. All other net assets without donor restrictions including board-designated or appropriated amounts, are net assets without donor restrictions and are reported as part of the net assets without donor restriction class.

Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management of CAHME to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash Equivalents

Cash equivalents include money market funds and all highly liquid investments with a maturity date of less than three months from the date of purchase. CAHME's cash balances that are maintained in bank accounts may exceed Federal Deposit Insurance Corporation limits from time to time. CAHME has not experienced any losses in such accounts and management believes that it is not exposed to any significant credit risk on cash.

Investments

Investments are recorded at their readily determinable fair values. Realized and unrealized gains, loss, and income, net of investment fees, are included in the statement of activities and changes in net assets.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Changes in the valuation allowance have not been material to the financial statements. The allowance for accounts receivable was \$0 at June 30, 2023 and 2022.

COMMISSION ON ACCREDITATION OF HEALTHCARE MANAGEMENT EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Contributions Receivable

Contributions receivable are unconditional promises to give. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows.

Contributions receivable are stated net of an allowance for credit losses. CAHME establishes an allowance for uncollectable pledges based upon factors surrounding the credit risk of specific donors, historical trends, and other information. The allowance for uncollectable pledges was \$0 at June 30, 2023 and 2022. Contributions receivable are written-off when deemed uncollectable.

Property and Equipment

Property and equipment, with a cost greater than \$5,000 are stated at cost and are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to five years. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation expense for the years ended June 30, 2024 and 2023 were \$296 and \$394, respectively.

Revenue Recognition

Corporate membership dues – are contributions and recorded as net assets with donor restrictions in the year received.

Program fees – include annual program candidacy, accreditation, and core learning center. The annual program candidacy and accreditation fees are recognized pro-rata over the course of the fiscal year. If revenue is received before year-end, it is recognized as deferred revenue until the new fiscal year. Annual program candidacy allows the programs to receive ongoing support from CAHME as they work to become accredited. Accreditation allows programs that meet certain requirements to be recognized as programs that provide quality education. The core learning center is a subscription-based service that offers trainings and other materials to help prepare for accreditation. It will be recognized pro-rata over the course of the fiscal year. Any payments received before year-end, will be recognized as deferred revenue. Deferred revenue from program fees consists of \$599,749 and \$514,893 as of June 30, 2024 and 2023, respectively.

Site visit fees and candidacy fees – site visit fees are for visits to various university programs. Once a program has been deemed to be accreditable, revenue is recognized. Candidacy fees consist of applications from programs applying to be accredited. The transaction price is determined based on sales price and revenue is recognized when applications are completed.

Contributions and grants - Unconditional promises to give from many sources as well as grants from Commissions and other entities. Contributions and grants are recognized in the appropriate category of net assets in the period received. CAHME performs an analysis of the individual contribution and grant to determine if the revenue streams follow the contribution rules or if they should be recorded as an exchange transaction depending upon whether the transactions are deemed reciprocal or nonreciprocal under ASU 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions.

COMMISSION ON ACCREDITATION OF HEALTHCARE MANAGEMENT EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

For contributions and grants qualifying under the contribution rule, revenue is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions and grants qualifying as contributions that are unconditional and have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor—imposed restrictions and satisfaction of time restrictions; such funds in excess of expenses incurred are shown as net assets with donor restrictions in the accompanying financial statements.

Contributions qualifying as conditional contributions contain a right of return from obligation provision that limits CAHME on how funds transferred should be spent. Additionally, a barrier is present that is related to the purpose of the agreement. Revenue is recognized when the condition or conditions on which they depend are substantially met. CAHME recognizes revenue for these conditional contributions when the related barrier has been overcome (generally, when qualifying expenditures are incurred). Funds received in advance of the incurrence of qualifying expenditures are recorded as refundable advances. CAHME did not have any unrecognized conditional contributions as of June 30, 2024 and 2023.

Gift, in-kind – are donated Google Ads CAHME receives from Google to track CAHME'S reach within the market, traffic to their website, etc. These contributions are recorded and expensed as they are received as in-kind contributions and expense.

Donated Services and assets

Contributed services are recorded when they meet the criteria of (1) creating or enhancing nonfinancial assets or (2) requiring specialized skills and provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. There was \$228,538 and \$216,320 of donated services for the years ended June 30, 2024 and 2023, respectively. There were no donated assets for the years ended June 30, 2024 and 2023.

Expense Allocation

The statements of functional expenses report certain categories of expenses that are attributable to one or more program or supporting functions of CAHME. Therefore, these expenses require allocation on a reasonable basis that is consistently applied.

Direct Program Expenses - direct program expenses include any expenses that are incurred to support CAHME's accreditation services.

Direct Management and General Expenses - direct management and general expenses include normal administrative activities such as, but not limited to, management, accounting, human resources, and governance.

Direct Fundraising Expenses - direct fundraising expenses are any expenses incurred in soliciting cash and noncash contributions.

Common Expenses - common expenses that cover multiple functional areas are allocated based on time incurred or use of space. Expenses allocated by time spent are based on the direct time or the direct supervision spent on these activities. Any remaining expense is allocated to management and general expenses. Expenses allocated based on the use of space are determined based on square footage used by the activity. Common-use space is further allocated based on staffing time allocation.

COMMISSION ON ACCREDITATION OF HEALTHCARE MANAGEMENT EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Federal Income Taxes

CAHME is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. CAHME is not a private foundation.

CAHME follows FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*, which provides guidance on accounting for uncertainty in income taxes recognized in CAHME's financial statements. The guidance prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return and provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of June 30, 2024 and 2023, CAHME had no uncertain tax positions that required either recognition or disclosure in the CAHME's financial statements. Generally, the tax years before 2021 are no longer subject to examination by federal or state authorities.

Risks and Uncertainties

CAHME invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market, and credit risks.

Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

Fair Value Measurement

CAHME adopted the provisions of FASB ASC 820, Fair Value Measurement. FASB ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs (assumptions that market participants would use in pricing assets and liabilities, including assumption about risk) used to measure fair value, and enhances disclosure requirements for fair value measurements. CAHME accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement.

New Accounting Standard

In June 2016, the FASB issued amended accounting guidance that requires entities to measure credit losses on trade and other receivables, held-to-maturity debt securities, loans and other instruments using an "expected credit loss" model that considers historical experience, current conditions, and reasonable supportable forecasts. CAHME considers historical experience, the current economic environment, customer credit ratings or bankruptcies, and reasonable and supportable forecasts to develop an allowance for credit losses. CAHME reviews these factors annually to determine if any adjustments are needed to the allowance. This guidance was effective beginning July 1, 2023 and did not have a material impact on the financial statements.

COMMISSION ON ACCREDITATION OF HEALTHCARE MANAGEMENT EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE 2 - INVESTMENTS

Investments consist of the following at June 30:

	2024	2023
Money Market Funds	\$ 1,196,816	\$ 1,062,479
Mutual Funds	841,241	700,293
	<u>\$ 2,038,057</u>	<u>\$ 1,762,772</u>

The investments held at June 30, 2024, mature at various dates through June 2025, but are callable at any time during the year; therefore, these assets are reflected as current on the statements of financial position. A periodic review and evaluation of CAHME's investments is conducted to determine if the fair value of any security has declined below its carrying value and whether such decline is other- than-temporary. If such decline is deemed to be other-than-temporary, the security is written down to a new cost basis and the resulting loss is charged against net assets. Investment income is shown on the statements of activities and change in net assets, net of direct investment fees. There were no investment fees for the years ended June 30, 2024 and 2023.

NOTE 3 – FAIR VALUE MEASUREMENTS

Accounting principles generally accepted in the United States of America (GAAP) establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under GAAP are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that CAHME can access.

Level 2 - Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

COMMISSION ON ACCREDITATION OF HEALTHCARE MANAGEMENT EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE 3 – FAIR VALUE MEASUREMENTS - CONTINUED

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2024 or 2023.

Money Market Funds – Valued at the daily closing price as reported by the fund. The money market funds are open-end funds that are registered with the Securities and Exchange Commission (SEC). This fund is required to publish its daily net asset value (NAV) and to transact at that price. The money market fund is deemed to be actively traded.

Mutual funds and exchange trade funds - Valued at the closing price reported on the active market on which the individual funds are traded.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although CAHME believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, CAHME's investments at fair value as of June 30:

2024	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money Market Funds	\$ 1,196,816	-	-	\$ 1,196,816
Mutual Funds	<u>841,241</u>	<u>-</u>	<u>-</u>	<u>841,241</u>
Total	<u>\$ 2,038,057</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,038,057</u>
2023	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money Market Funds	\$ 1,062,479	\$ -	\$ -	\$ 1,062,479
Mutual Funds	<u>700,293</u>	<u>-</u>	<u>-</u>	<u>700,293</u>
Total	<u>\$ 1,762,772</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,762,772</u>

CAHME's policy is to recognize transfers between levels of the fair value hierarchy as of the end of the reporting period. For the years ended June 30, 2024 and 2023, there were no transfers between levels of the fair value hierarchy.

The recorded values of cash, accounts receivable, and promises to give approximate their fair value based on their short-term nature.

Total investment income consisted of the following for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Interest and dividend income, net	\$ 86,199	\$ 53,863
Unrealized gain (loss) on investments	<u>54,092</u>	<u>13,887</u>
Net investment income	<u>\$ 140,291</u>	<u>\$ 67,750</u>

COMMISSION ON ACCREDITATION OF HEALTHCARE MANAGEMENT EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 3 – FAIR VALUE MEASUREMENTS - CONTINUED

The overall investment objective of CAHME is to invest its assets in a prudent manner that will achieve a long-term rate of return sufficient to fund a portion of its annual operating activities and increase investment value.

NOTE 4 - RETIREMENT PLAN

CAHME maintains a 403(b) plan (the Plan) for employees meeting minimum service requirements set forth in the plan. The plan is a defined contribution plan and is managed by The Vanguard Group. CAHME made contributions to the Plan of \$54,591 and \$40,074 in 2024 and 2023 that are included in salaries and wages expenses in the Statement of Functional Expenses.

NOTE 5 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes and periods as of June 2024:

	2024	2023
Purpose or time restrictions:		
Time Restricted	\$ 178,750	\$ 178,750
Fawn Lopez Scholarship	6,438	8,092
Tim Campbell Scholarship Award	8,517	10,575
Total net assets with donor restrictions	\$ 193,705	\$ 197,417

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by donors as follows for the year ended June 30:

	2024	2023
Purpose or time restrictions accomplished:		
Time restricted	\$ 220,000	\$ 204,250
Fawn Lopez Scholarship	4,355	4,357
Tim Campbell Scholarship Award	4,007	4,054
Dolores Clement Fellow of the Year Award	1,250	-
Total restrictions released	\$ 229,612	\$ 212,661

COMMISSION ON ACCREDITATION OF HEALTHCARE MANAGEMENT EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE 6 – LIQUIDITY AND AVAILABILITY

CAHME has a policy to structure its financial assets to be available and liquid as its obligations become due. Financial assets available for use for general expenditure within one year of the statement of financial position date comprise the following:

	2024	2023
Cash and cash equivalents	\$ 274,481	\$ 230,164
Investments	2,038,057	1,762,772
Contribution receivable	13,750	68,750
Accounts receivable	<u>14,605</u>	<u>21,136</u>
Subtotal financial assets available within one year	\$ 2,340,893	\$ 2,082,822
Subject to Appropriation		
Donor restricted funds	(14,955)	(18,667)
Accounts Payable	(15,023)	(24,741)
Accrued Liabilities	(229,388)	(206,188)
Deferred Revenues	<u>(599,749)</u>	<u>(514,893)</u>
Subtotal financial assets subject to appropriation	(859,115)	(764,489)
Financial assets available to meet cash needs for general expenditures within one year	\$ 1,481,778	\$ 1,318,333

NOTE 7 - SUBSEQUENT EVENTS

Management evaluated subsequent events through September 18, 2024, the date at which the financial statements were available to be issued.