Vivent Health and Affiliates

Consolidated Financial Statements and Supplementary Information

August 31, 2023 and 2022

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Independent Auditors' Report

To the Board of Directors of
Vivent Health and Affiliates

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Vivent Health and Affiliates (the Organization), which comprise the consolidated statements of financial position as of August 31, 2023 and 2022, and the related consolidated statements of activities, cash flows and functional expenses for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Organization as of August 31, 2023 and 2022, 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) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization 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.

Emphasis of Matter

As described in Note 2 to the consolidated financial statements, on September 1, 2022, the Organization adopted Accounting Standards Codification Topic 842 as required by Accounting Standards Update No. 2016-02, *Leases (Topic 842)* and its related amendments. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 the Organization'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 consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information identified in the table of contents is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, changes in net assets and cash flows of the individual organizations, and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2024 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Baker Tilly US, LLP

Milwaukee, Wisconsin
January 29, 2024

Vivent Health and Affiliates

Consolidated Statements of Financial Position
August 31, 2023 and 2022

	2023	2022
Assets		
Current Assets		
Cash and cash equivalents	$ 29,658,258	$ 41,798,168
Contributions receivable, net	256,642	158,188
Accounts and grants receivable	31,475,332	20,857,177
Inventory	6,107,780	4,132,791
Prepaid expenses and other assets	564,593	507,433
Total current assets	68,062,605	67,453,757
Property and Equipment, Net	19,536,407	12,206,579
Other Assets		
HUD restricted escrow and other assets	293,334	130,136
Operating lease right of use asset	25,921,275	-
Investments	19,747,424	15,483,846
Total other assets	45,962,033	15,613,982
Total assets	$ 133,561,045	$ 95,274,318
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	$ 6,859,333	$ 3,634,491
Accrued expenses	3,620,945	2,878,946
Other current liabilities	461,911	774,624
Capital advance	680,090	680,090
Operating lease liability, current	3,217,004	-
Total current liabilities	14,839,283	7,968,151
Long-Term Liabilities		
Deferred compensation obligation	114,192	375,061
Operating lease liability, net of current portion	24,641,771	-
Total liabilities	39,595,246	8,343,212
Net Assets		
Without donor restrictions:		
Undesignated	47,713,649	51,723,662
Board designated	26,737,763	22,205,896
Property and equipment less related debt	17,669,467	11,526,489
Total net assets without donor restrictions	92,120,879	85,456,047
With donor restrictions	1,844,920	1,475,059
Total net assets	93,965,799	86,931,106
Total liabilities and net assets	$ 133,561,045	$ 95,274,318

See notes to consolidated financial statements

Vivent Health and Affiliates

Consolidated Statements of Activities
Years Ended August 31, 2023 and 2022

	2023			2022		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**	**Without Donor Restrictions**	**With donor restrictions**	**Total**
Revenue						
Government grants	$ 32,269,837	$ -	$ 32,269,837	$ 26,647,434	$ -	$ 26,647,434
Grants and public support	4,054,190	621,259	4,675,449	3,684,347	393,468	4,077,815
Special events:						
Special events revenue	499,915	-	499,915	43,469	-	43,469
Special events expense	(472,437)	-	(472,437)	(516,632)	-	(516,632)
Contractual partnerships	336,844	-	336,844	575,045	-	575,045
Reimbursement for services and pharmacy	245,041,303	-	245,041,303	213,639,825	-	213,639,825
Other income	1,610,772	56,790	1,667,562	1,301,271	(208,726)	1,092,545
Net assets released from restrictions	308,188	(308,188)	-	1,032,706	(1,032,706)	-
Total revenue	283,648,612	369,861	284,018,473	246,407,465	(847,964)	245,559,501
Expenses						
Clinical and program services:						
Medical center	25,342,528	-	25,342,528	23,319,973	-	23,319,973
Pharmacy	196,182,235	-	196,182,235	167,041,914	-	167,041,914
Social services and other	23,332,992	-	23,332,992	21,163,885	-	21,163,885
Prevention services	9,754,088	-	9,754,088	8,866,928	-	8,866,928
Management and general	21,710,911	-	21,710,911	14,418,416	-	14,418,416
Fundraising	2,100,464	-	2,100,464	1,763,489	-	1,763,489
Total expenses	278,423,218	-	278,423,218	236,574,605	-	236,574,605
Change in net assets related to operations	5,225,394	369,861	5,595,255	9,832,860	(847,964)	8,984,896
Other Change in Net Assets						
Inherent contribution from acquisitions	1,439,438	-	1,439,438	-	-	-
Change in net assets	6,664,832	369,861	7,034,693	9,832,860	(847,964)	8,984,896
Net Assets, Beginning	85,456,047	1,475,059	86,931,106	75,623,187	2,323,023	77,946,210
Net Assets, Ending	$ 92,120,879	$ 1,844,920	$ 93,965,799	$ 85,456,047	$ 1,475,059	$ 86,931,106

See notes to consolidated financial statements

Consolidated Statements of Cash Flows
Years Ended August 31, 2023 and 2022

	2023	2022
Cash Flows From Operating Activities		
Change in net assets	$ 7,034,693	$ 8,984,896
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	2,424,664	2,196,070
Lease costs	1,937,500	-
Gain on disposal of property and equipment	-	(778,635)
Deferred compensation	(260,869)	89,473
Inherent contributions from acquisitions	(1,439,438)	-
Net realized and unrealized (gain) loss on investments	(1,285,757)	763,725
Changes in operating assets and liabilities:		
Contributions receivable	148,426	454,764
Accounts and grants receivable	(10,275,406)	(808,646)
Inventory	(1,974,989)	760,629
Prepaid expenses and other assets	42,895	218,735
Other assets	(158,650)	-
Change in deposits	-	5,911
Accounts payable	(591,178)	812,774
Accrued expenses	715,319	276,691
Other current liabilities	(312,713)	772,553
Net cash flows from operating activities	(3,995,503)	13,748,940
Cash Flows From Investing Activities		
Purchase of property and equipment	(5,967,866)	(6,374,791)
Proceeds from disposal of property and equipment	-	3,682,989
Purchase of investments	(2,977,821)	(2,330,609)
Cash acquired from acquisition	805,828	-
Net cash flows from investing activities	(8,139,859)	(5,022,411)
Net change in cash, cash equivalents and restricted cash	(12,135,362)	8,726,529
Cash, Cash Equivalents and Restricted Cash, Beginning	41,844,486	33,117,957
Cash, Cash Equivalents and Restricted Cash, Ending	$ 29,709,124	$ 41,844,486

See notes to consolidated financial statements

Reconciliation of cash, cash equivalents and restricted cash to consolidated statements of financial position:

	2023	2022
Cash and cash equivalents	$ 29,658,258	$ 41,798,168
HUD restricted escrow	50,866	46,318
Total cash, cash equivalents and restricted cash	$ 29,709,124	$ 41,844,486

Noncash Investing and Financing Activities

	2023	2022
Acquisition of TPA Network, Incorporated assets and liabilities	$ 1,439,438	$ -
Purchases of property and equipment financed with accounts payable	$ 3,782,548	$ -

Vivent Health and Affiliates

Consolidated Statement of Functional Expenses
Year Ended August 31, 2023

	Medical Center	Pharmacy	Social Services and Other	Prevention Services	Total Clinical and Program Services	Management and General	Fundraising	Total
Salaries and wages	$ 11,482,976	$ 5,623,257	$ 11,019,442	$ 4,566,244	$ 32,691,919	$ 6,710,419	$ 1,125,148	$ 40,527,486
Payroll taxes	854,781	355,556	831,506	344,472	2,386,315	360,615	72,505	2,819,435
Employee benefits	2,425,309	1,103,703	2,773,093	1,110,471	7,412,576	1,487,330	237,945	9,137,851
Total personnel expenses	14,763,066	7,082,516	14,624,041	6,021,187	42,490,810	8,558,364	1,435,598	52,484,772
Pharmacy cost of sales	-	186,581,841	-	-	186,581,841	-	-	186,581,841
Contracted program services	3,149,381	-	657,049	116,291	3,922,721	-	-	3,922,721
Client and patient assistance	57,253	-	5,268,872	4,860	5,330,985	17,085	-	5,348,070
Program materials	939,337	60,502	(19,607)	1,797,783	2,778,015	43,354	7,534	2,828,903
Patient medications and laboratory	3,019,702	-	155,844	9,872	3,185,418	-	-	3,185,418
Employee travel and education	264,320	55,932	235,695	20,711	576,658	451,076	60,016	1,087,750
Office and insurance	501,149	727,602	708,756	382,201	2,319,708	1,101,343	101,959	3,523,010
Professional services	212,829	17,986	399,474	149,103	779,392	3,279,743	275,065	4,334,200
Repairs and maintenance	315,946	49,810	426,970	182,486	975,212	158,158	16,341	1,149,711
Occupancy	1,319,825	505,204	(46,580)	788,885	2,567,334	3,455,482	68,267	6,091,083
Depreciation and amortization	7,510	127,120	41,357	4,338	180,325	2,244,021	318	2,424,664
Information technology	364,738	57,870	449,454	226,982	1,099,044	1,330,725	94,125	2,523,894
Other expenses	427,472	915,852	431,667	49,389	1,824,380	1,071,556	41,241	2,937,177
Total expenses	$ 25,342,528	$196,182,235	$ 23,332,992	$ 9,754,088	$254,611,843	$ 21,710,911	$ 2,100,464	$278,423,218

See notes to consolidated financial statements

Vivent Health and Affiliates

Consolidated Statement of Functional Expenses
Year Ended August 31, 2022

	Medical Center	Pharmacy	Social Services and Other	Prevention Services	Total Clinical and Program Services	Management and General	Fundraising	Total
Salaries and wages	$ 10,808,110	$ 4,991,722	$ 9,002,309	$ 3,858,625	$ 28,660,766	$ 5,759,105	$ 923,494	$ 35,343,365
Payroll taxes	830,889	306,187	669,999	301,391	2,108,466	280,644	63,521	2,452,631
Employee benefits	2,292,505	1,015,141	2,364,595	983,284	6,655,525	1,383,368	173,017	8,211,910
Total personnel expenses	13,931,504	6,313,050	12,036,903	5,143,300	37,424,757	7,423,117	1,160,032	46,007,906
Pharmacy cost of sales	-	158,206,021	-	-	158,206,021	-	-	158,206,021
Contracted program services	2,026,398	-	421,296	57,997	2,505,691	-	-	2,505,691
Client and patient assistance	188,564	-	3,985,882	5,841	4,180,287	-	-	4,180,287
Program materials	891,681	51,861	48,009	1,358,186	2,349,737	417	10,002	2,360,156
Patient medications and laboratory	2,745,582	-	-	16,208	2,761,790	-	-	2,761,790
Employee travel and education	136,913	34,028	604,736	173,293	948,970	185,795	41,371	1,176,136
Office and insurance	540,148	881,842	681,836	371,498	2,475,324	1,054,790	71,106	3,601,220
Professional services	482,779	145,812	208,140	96,625	933,356	2,369,365	241,593	3,544,314
Repairs and maintenance	331,392	51,903	436,945	197,598	1,017,838	180,686	17,128	1,215,652
Occupancy	959,197	192,691	1,255,011	582,094	2,988,993	249,515	46,059	3,284,567
Depreciation and amortization	461,802	102,143	633,658	266,730	1,464,333	707,853	23,884	2,196,070
Information technology	475,628	66,239	742,624	298,225	1,582,716	934,357	91,876	2,608,949
Other expenses	148,385	996,324	108,845	299,333	1,552,887	1,312,520	60,438	2,925,845
Total expenses	$ 23,319,973	$167,041,914	$ 21,163,885	$ 8,866,928	$220,392,700	$ 14,418,416	$ 1,763,489	$236,574,605

See notes to consolidated financial statements

1. Organization, Nature of Activities and Basis of Consolidation

Vivent Health and Affiliates (the Organization) is a provider of HIV health care, social services and prevention services in the States of Wisconsin, Colorado, Missouri, Texas, Kansas, and Illinois. The Vivent Health Medical Center has been designated by the Centers for Medicare and Medicaid as the nation's only HIV Medical Home with integrated medical, dental, mental health, pharmacy and social services for all people with HIV disease. The Organization operates in Denver, Colorado, St. Louis, Missouri, Austin, Texas, Kansas City, Missouri, Kansas City, Kansas, Chicago, Illinois, and throughout Wisconsin with locations in Appleton, Beloit, Eau Claire, Green Bay, La Crosse, Kenosha, Madison, Milwaukee, Schofield/Wausau and Superior.

The consolidated financial statements include the accounts of Vivent Health (Vivent) and the following entities: Milwaukee AIDS Housing Corporation, Inc. (MAHC), Test Positively Aware Network, Inc. (TPAN), Vivent Health Pharmacy, LLC (VH Pharmacy), CARES Pharmacy, LLC (CARES Pharmacy), EFA Pharmacy, LLC (EFA Pharmacy), AIDS Services of Austin, Inc. (ASA), AIDS Services of Austin Pharmacy, LLC (VH Texas Pharmacy) and Vivent Health Endowment Fund, Inc. (the Endowment). MAHC is registered under Section 811 of the National Affordable Housing Act of 1990. The pharmacies exclusively service HIV patients as limited liability companies and are solely owned by Vivent. Vivent is the sole corporate member of MAHC, ASA, TPAN and the Endowment. All significant intercompany transactions and accounts are eliminated.

2. Summary of Significant Accounting Policies

Basis of Accounting

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting.

Basis of Presentation

The Organization is required to report information regarding its net assets and its activities on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization are classified and reported in the following two classes:

Without Donor Restriction - Net assets that are not subject to donor-imposed stipulations.

With Donor Restriction - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization or passage of time or net assets subject to donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

Board Designated Net Assets

The Organization's Board of Directors has the ability to designate identified amounts of net assets without donor restrictions to be used by management for specific future projects or activities. These designations can be modified or removed by the Board of Directors at any time. See Note 14 for more information regarding the amount and purpose of board designated net assets of the Organization.

Use of Estimates

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

Risks and Uncertainties

The Organization invests in investment securities, which are exposed to various risks, such as interest rate, 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 these consolidated financial statements.

Tax-Exempt Status

Vivent Health, MAHC, ASA, TPAN and the Endowment are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, Vivent Health, MAHC, ASA, TPAN and the Endowment qualify for the charitable contribution deduction under Section 170(b)(1)(A) and have been classified as organizations that are not private foundations under section 509(a)(2). Vivent Health, MAHC, ASA, TPAN and the Endowment are also exempt from state income taxes.

Cash and Cash Equivalents

For purposes of the consolidated financial statements, cash and cash equivalents include all highly liquid instruments with original maturities of three months or less.

Concentration of Credit Risk

The Organization maintains cash accounts, various certificates of deposit and money market accounts at financial institutions. Deposits with the financial institutions are insured by the Federal Deposit Insurance Corporation in the amount of $250,000 per official custodian. The Organization's cash deposits, certificates of deposit and money market balances may exceed these federally insured limits at times during the year. The Organization has not experienced any losses on these accounts and management believes the Organization is not exposed to any significant credit risk.

Contributions Receivable

Contributions made to the Organization are recorded in the year the unconditional promise is made. Any contributions that are expected to be collected after one year are discounted and are reflected in the consolidated financial statements at their net present value. The allowance for uncollectible contributions is based on previous experiences, adjusted for current conditions.

Accounts and Grants Receivable

Accounts and grants receivable consist of insurance and patient receivables, government grants receivable and other receivables. The Organization assesses collectibility of insurance and patient receivables when revenue is recognized. These receivables are recorded at the net realizable value when the amounts are due in accordance with contracts with customers. Accounts are written-off through bad debt expense when the Organization has exhausted all collection efforts and determines accounts are impaired based on changes in credit worthiness.

Government grants receivable and other receivables are recorded net of estimated uncollectible amounts. Management of the Organization reviews the collectibility of these receivables on an ongoing basis based on previous experience and the current status of the receivables. At August 31, 2023 and 2022, no allowance was considered necessary for these receivables. Government grants receivable and other receivables are written off against the allowance when deemed uncollectible.

Inventory

Inventory is comprised of pharmaceuticals held at the VH Pharmacy, CARES Pharmacy, EFA Pharmacy and VH Texas Pharmacy. Inventory is valued at the lower of cost, determined using the average cost method, or market.

Property and Equipment

Property and equipment is recorded at cost if purchased and at fair value at date of the gift if donated. Depreciation is provided over the estimated useful lives of the assets using the straight-line method. Leasehold improvements are amortized over the shorter of the remaining lease term or the estimated useful life of the asset. All acquisitions of equipment in excess of $5,000 and all expenditures for improvements and betterments that materially prolong the useful lives of assets are capitalized. Maintenance, repairs and minor improvements are expensed as incurred.

Impairment of Long-Lived Assets

The Organization reviews long-lived assets, including property and equipment and intangible assets, for impairment whenever events or changes in business circumstances indicate that the carrying amount of the asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of the asset. During 2023 and 2022, the Organization did not record any impairment for long-lived assets.

Investments

The Organization has engaged professional investment advisors to manage its portfolio. The Organization's investments are stated at fair value based upon quoted market prices, when available, or estimates of fair value. The Board of Directors has provided the firm with guidelines consistent with a socially responsible prudent investment policy and the conservative nature of the Organization. Gains and losses that result from market fluctuations are recorded in the period in which the fluctuation occurs.

Donated assets are recorded at fair value at the date of donation, or, if sold immediately after receipt, at the amount of sales proceeds received (which are considered a fair measure of the value at the date of donation).

Fiscal Agent

The Organization acts as a fiscal agent for the Latino Health Council. The Organization coordinates the financial activities on behalf of the Latino Health Council through receipt and disbursement of funds. Cash receipts in excess of disbursements are reflected in accounts payable in the consolidated statements of financial position.

Revenue Recognition

A portion of the the Organization’s revenue results from the sale of goods and services under contracts with customers. Revenue under contracts with customers is recognized when the customer obtains control of the good or service and is recognized to depict the transfer of promised goods or services in an amount that reflects the consideration to which the Organization expects to be entitled in exchange for those goods or services.

A performance obligation is a distinct good, service or a bundle of goods and services promised in a contract. The Organization identifies performance obligations at the inception of a contract and allocates the transaction price to individual performance obligations to appropriately depict the Organization's performance in transferring control of the promised goods or services to the customer. Contracts with customers do not include a significant financing component.

Reimbursement for services and pharmacy revenues are for pharmaceutical sales or treatment services the Organization provides to its customers and are subsequently reimbursed for, either by the patient or via third-party payers on behalf of the patients. Each patient enters into an implicit contract with the Organization when they register, detailing the medication or treatment to be provided and the payment terms. Net transaction price for the contract is determined and recorded using a portfolio approach, relative to the medication provided or services to be performed and the insurance status of the patient. Revenue is recognized upon the delivery of the medication or performance of the treatment as the performance obligation is satisfied at that point in time.

Certain clinical and program services are billed to third-party payers, including insurance companies, managed care plans and governmental payors. Revenue for services is recognized when the services are delivered. Revenue is recorded net of estimated differences between charges and amounts expected to be collected from third-party payors to reach the net transaction price. Accounts receivable related to reimbursement for services and pharmacy revenues at August 31, 2023, 2022, and 2021 were $16,593,564, $13,983,784, and $13,117,036, respectively.

Unconditional contributions or grants are recognized when cash, securities, other assets, or promises to give are received. Conditional contributions or grants, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been met. Most of the Organization’s federal, state and other grants or contracts are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. As of August 31, 2023 and 2022 there was approximately $14,724,000 and $15,315,000, respectively, of conditional grant revenue, which is expected to be recognized in future years when the conditions are met.

Contributions restricted for a specific purpose by a donor are recorded as contributions with donor restrictions. Contributions received with restrictions that are met in the same reporting period are reported as contributions without donor restrictions. When a donor restriction is met or expires, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. All grants with government agencies are reported as without donor restrictions when the Organization satisfies any conditions.

Advertising Costs

The Organization uses advertising to promote its programs and special events and for recruiting employees. The costs of communicating advertisements are expensed as the items or services are received. Advertising costs recognized by the Organization were $269,143 and $344,511 for the years ended August 31, 2023 and 2022, respectively.

Expense Allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statements of activities and in the consolidated statements of functional expenses. Expenses are directly charged throughout the year to the appropriate program or supporting service. Certain costs, such as personnel expenses have been allocated based on time and effort of employees. Expenses such as occupancy, depreciation and information technology are allocated based on full-time equivalents within departments.

Measure of Operations

The consolidated statements of activities include change in net assets related to operations that represents the results of operations. Other activities which are excluded from change in net assets related to operations include activities incidental to the operations of the Organization including the inherent contributions from the acquisitions.

Adopted Accounting Pronouncements

During 2023, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-02, *Leases* (Topic 842) that amended the treatment for leases under the modified retrospective method. The Organization's 2022 consolidated financial statements continue to be accounted for under the FASB's Topic 840 and have not been adjusted.

ASU No. 2016-02 requires lessees to recognize the assets and liabilities that arise from leases on the consolidated statement of financial position. At lease inception, leases are classified as either finance leases or operating leases with the associated right-of-use asset and lease liability measured at the net present value of future lease payments. Operating lease right-of-use assets are expensed on a straight-line basis as lease expense over the non-cancelable lease term. Lease expense for the Organization’s finance leases is comprised of the amortization of the right-of-use asset and interest expense recognized based on the effective interest method. At the date of adoption, the Organization recorded operating lease right-of-use assets and lease liabilities of $24,370,394. There was no adjustment to net assets as a result of adopting ASU No. 2016-02.

The new standard provides for several optional practical expedients. Upon transition to Topic 842, the Organization elected:

- The package of practical expedients permitted under the transition guidance which does not require the Organization to reassess prior conclusions regarding whether contracts are or contain a lease, lease classification and initial direct lease costs;

The new standard also provides for several accounting policy elections, as follows:

- The Organization has elected the policy not to separate lease and nonlease components for all real estate leases.

- The Organization used an accounting policy election if the rate implicit in the lease was not determinable, rather than use the Organization's incremental borrowing rate, the Organization elected to use a risk-free discount rate for the initial and subsequent measurement of lease liabilities for all asset classes.

- The Organization elected to not apply the recognition requirements to leases with an original term of 12 months or less, for which the Organization is not likely to exercise a renewal option or purchase the asset at the end of the lease; rather, short-term leases will continue to be recorded on a straight-line basis over the lease term.

- The Organization elected not to include immaterial leases individually or in the aggregate in the lease calculation.

- The Organization elected to account for its equipment leases using the portfolio approach; as such, leases that have similar commencement dates, length of terms, renewal options or other contract terms have been combined into a lease portfolio whereby the resulting accounting at the portfolio level does not differ materially from that at the individual lease level.

Additional required disclosures are contained in Note 9.

Future Accounting Pronouncements

During June 2016, the FASB issued ASU No. 2016-13, *Measurement of Credit Losses on Financial Instruments*. ASU No. 2016-13 requires financial assets measured at amortized cost to be presented at the net amount expected to be collected, through an allowance for credit losses that is deducted from the amortized cost basis. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions and reasonable and supportable forecasts that affect the collectability of the reported amount. FASB has issued subsequent standards to clarify and correct errors in or improve the guidance. ASU No. 2016-13 (as amended) is effective for annual periods and interim periods within those annual periods beginning after December 15, 2022 (2024). The Organization is currently assessing the effect that ASU No. 2016-13 (as amended) will have on its consolidated financial statements.

3. Availability of Financial Assets

The following represents the Organization's financial assets at August 31, 2023 and 2022:

	2023	2022
Cash and cash equivalents	$ 29,658,258	$ 41,798,168
Contributions receivable, net	256,642	158,188
Accounts and grants receivable	31,475,332	20,857,177
Investments	19,747,424	15,483,846
Less cash and cash equivalents held for others	(133,295)	(85,119)
Less net assets with donor restrictions	(1,844,920)	(1,475,059)
Less board designated net assets	(26,737,763)	(22,205,896)
Financial assets available to meet cash needs for general expenditures within one year	$ 52,421,678	$ 54,531,305

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. If needed, the Board designated funds could be released for general expenditures after receiving Board approval. In addition, as referenced in Note 10, the Organization has a line of credit of $10,000,000 that could be drawn upon to support expenditures, if needed.

4. Merger of TPAN

On March 1, 2023, Vivent merged operations with TPAN (an unrelated non-profit organization) to expand operations of the Organization into a new market. Under terms of the transaction, no consideration was transferred to either organization and Vivent became the sole corporate member of TPAN. Pursuant to generally accepted accounting principles, the Organization accounted for the transactions as an acquisition recognizing the underlying assets and liabilities acquired at fair value, resulting in an inherent contribution of $1,439,438 recognized in the consolidated statements of activities.

The valuation of net assets acquired at March 1, 2023 for TPAN was as follows:

Cash and cash equivalents	$ 805,828
Accounts and grants receivable	342,749
Contributions receivable	246,880
Prepaid expenses and other assets	100,055
Property and equipment, net	4,078
Operating lease right of use asset	520,129
Accounts payable	(33,472)
Accrued expenses	(26,680)
Operating lease liability	(520,129)
Inherent contribution recognized on acquisition of TPAN	$ 1,439,438

5. Fair Value Measurements

The Organization follows authoritative accounting guidance which provides a framework for measuring, reporting and disclosing fair value under generally accepted accounting principles. These standards apply to all assets and liabilities that are measured, reported and/or disclosed on a fair value basis.

As defined in these standards, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Organization uses various valuation methods including the market, income and cost approaches. The assumptions used in the application of these valuation methods are developed from the perspective of market participants pricing the asset or liability. Inputs used in the valuation methods can be either readily observable, market corroborated, or generally unobservable inputs. Whenever possible the Organization attempts to utilize valuation methods that maximize the use of observable inputs and minimizes the use of unobservable inputs. Based on the observability of the inputs used in the valuation methods the Organization is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Assets and liabilities measured, reported and/or disclosed at fair value will be classified and disclosed in one of the following three categories:

Level 1 – Quoted market prices in active markets for identical assets or liabilities.

Level 2 – Observable market based inputs or unobservable inputs that are corroborated by market data.

Level 3 – Unobservable inputs that are not corroborated by market data.

Bond and Equity Mutual Funds - Valued at the daily closing price as reported by the funds. Mutual funds held by the Organization are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are actively traded and are recorded at fair value based on quoted prices and are classified as level 1 investments.

Certificates of Deposit - Valued at the closing price as reported by the funds and institutions issuing the certificates of deposit. These certificates of deposit are not traded on a regular basis and therefore are classified as level 2 investments.

Real Estate - Investment represents a timeshare in certain property and is valued at the estimated fair market value and classified as level 3 investment.

The preceding valuation methodologies may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization 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 provide by level, within the fair value hierarchy, the Organization's investment assets as of August 31:

	2023			
	Level 1	**Level 2**	**Level 3**	**Total**
Investments:				
Bond mutual funds	$ 1,757,167	$ -	$ -	$ 1,757,167
Equity mutual funds	1,228,309	-	-	1,228,309
Certificates of deposit	-	13,026,800	-	13,026,800
Real estate	-	-	8,000	8,000
Total investments at fair value	$ 2,985,476	$ 13,026,800	$ 8,000	16,020,276
Money market fund				3,727,148
Total investments				$ 19,747,424

	2022			
	Level 1	**Level 2**	**Level 3**	**Total**
Investments:				
Bond mutual funds	$ 3,005,785	$ -	$ -	$ 3,005,785
Equity mutual funds	1,421,365	-	-	1,421,365
Certificates of deposit	-	4,534,432	-	4,534,432
Real estate	-	-	8,000	8,000
Total investments at fair value	$ 4,427,150	$ 4,534,432	$ 8,000	8,969,582
Money market fund				6,514,264
Total investments				$ 15,483,846

Investments at August 31 are as follows:

	2023	**2022**
Endowment investments	$ 907,858	$ 851,069
Investments held for non-qualified deferred compensation	250,671	547,510
Other investments	18,588,895	14,085,267
Total	$ 19,747,424	$ 15,483,846

6. Accounts and Grants Receivable

Accounts and grants receivable consists of the following as of August 31:

	2023	2022
Government grants receivable	$ 10,636,507	$ 5,577,190
Insurance and patient receivables	16,593,564	13,983,784
340b and other receivables	4,245,261	1,296,203
Net accounts and grants receivable	$ 31,475,332	$ 20,857,177

7. Restrictions on Cash

MAHC maintains a separate, restricted cash account as required by the U.S. Department of Housing and Urban Development (HUD). Monthly deposits are made as required by HUD for the reserve for replacement and are maintained in an interest bearing account separate from the operating account of MAHC. Disbursements are restricted to replacement of structural elements or equipment and may be made only upon approval by HUD. Upon satisfaction of the mortgage note related to the capital advance (see Note 11), the balance in this fund reverts to the benefit of MAHC. At August 31, 2023 and 2022, the reserve for replacement of MAHC included within HUD restricted escrow and other assets on the consolidated statements of financial position was $50,866 and $46,318, respectively.

8. Property and Equipment

Property and equipment consists of the following at August 31:

	2023	2022
Land	$ 201	$ 201
Garden View Apartments	717,536	717,536
Leasehold improvements	20,606,108	15,897,817
Furniture and fixtures	1,241,205	1,268,719
Office equipment and technology	921,362	1,137,658
Motor vehicles	601,897	524,195
Health care equipment	4,866,428	2,697,600
Construction in progress	-	127,781
Total	28,954,737	22,371,507
Less accumulated depreciation	(9,418,330)	(10,164,928)
Net property and equipment	$ 19,536,407	$ 12,206,579

9. Leases

Right-of-use assets represent the Organization's right to use an underlying asset for the lease term, while lease liabilities represent the Organization's obligation to make lease payments arising from the lease. Right-of-use assets and lease liabilities are recognized at the commencement date of a lease based on the net present value of lease payments over the lease term.

Certain of the Organization's leases include options to renew or terminate the lease. The exercise of lease renewal or early termination options is at the Organization's sole discretion. The Organization regularly evaluates the renewal and early termination options and when they are reasonably certain of exercise, the Organization includes such options in the lease term.

In determining the discount rate used to measure the right-of-use assets and lease liabilities, the Organization uses the rate implicit in the lease, or if not readily available, the Organization uses a risk-free rate based on U.S. Treasury notes or bond rates for a similar term.

Right-of-use assets are assessed for impairment in accordance with the Organization's long-lived asset policy. The Organization reassesses lease classification and remeasures right-of-use assets and lease liabilities when a lease is modified and that modification is not accounted for as a separate new lease or upon certain other events that require reassessment in accordance with Topic 842.

The Organization made significant assumptions and judgments in applying the requirements of Topic 842. In particular, the Organization:

- Evaluated whether a contract contains a lease, by considering factors such as whether the Organization obtained substantially all rights to control an identifiable underlying asset and whether the lessor has substantive substitution rights;

- Determined whether contracts contain embedded leases;

The Organization does not have any material leasing transaction with related parties.

The following table summarizes the lease right of use assets and lease liabilities as of August 31, 2023:

Right of use assets:	
Operating leases	$ 25,921,275
Lease liabilities:	
Current operating lease liabilities	$ 3,217,004
Long-term operating lease liabilities	24,641,771
Total lease liabilities	$ 27,858,775

Below is a summary of expenses incurred pertaining to leases during the year ended August 31, 2023:

Operating lease expense	$ 3,903,758
Short-term lease expense	86,919
Total lease expense	$ 3,990,677

The following table presents supplemental information related to leases:

Weighted average remaining lease term (in years)	
Operating leases	9.57
Weighted average discount rate:	
Operating leases	3.55%

The table below summarizes the Organization's scheduled future minimum operating lease payments for years ending after August 31, 2023:

2024	$ 4,134,628
2025	3,571,849
2026	3,538,817
2027	3,583,300
2028	3,407,629
2029 and after	15,039,688
Total lease payments	33,275,911
Less present value discount	(5,417,136)
Total lease liabilities	27,858,775
Less current portion	(3,217,004)
Long-term lease liabilities	$ 24,641,771

10. Line of Credit

The Organization has a $10,000,000 line of credit with a bank. The line of credit has an interest rate of the secured overnight financing rate plus 10 basis points (6.7 percent as of August 31, 2023) and matures on September 30, 2025. The line of credit is secured by the assets of the Organization. The line of credit had no outstanding balance at August 31, 2023 and 2022.

11. Capital Advance

HUD advanced MAHC funds that were used in the construction of MAHC's Garden View Apartments to house people with HIV and AIDS. HUD will not require repayment of these funds provided MAHC continues to provide housing for low income persons with disabilities, as defined in Section 811 of the National Affordable Housing Act of 1990 and applicable HUD regulations. Failure to meet this restriction, which expires July, 2037, would result in the full balance, including interest from inception, to become payable to HUD. As of August 31, 2023 and 2022, the total HUD capital advances were $680,090. The entire amount is recorded in capital advance on the accompanying consolidated statements of financial position. At August 31, 2023 and 2022 the capital advance is classified as a current liability due to management working with HUD to settle the advance.

12. Letter of Credit For Unemployment Compensation

The Organization is self-funded for state unemployment compensation purposes. In accordance with state laws and regulations, a $149,240 letter of credit in favor of the Wisconsin unemployment reserve fund is maintained which is collateralized by substantially all assets of the Organization.

13. Deferred Compensation Plan

The Organization and members of management have entered into deferred compensation agreements whereby the Organization is obligated to make quarterly contributions, as defined in the agreement, on behalf of the executives. The cumulative contribution payments are maintained in a separate investment account in the Organization's name. Each annual contribution amount will individually vest over a five year period or until the executives' attainment of age 65 as well as other contractual provisions. As of August 31, 2023 and 2022, investments of $250,671 and $547,510 are reflected as investments and an accrued liability for the earned deferred compensation obligation of $114,192 and $375,061 are included in the accompanying consolidated statements of financial position. Deferred compensation expense was $59,216 and $180,733 for the years ended August 31, 2023 and 2022, respectively.

14. Net Assets

The Organization's Board of Directors created a board designated fund to establish a reserve and ensure continued success and long-term financial stability for the Organization. The reserves are available for future critical needs of the Organization and use of these reserves require Board of Directors approval. The amount of Board designated net assets is as follows at August 31:

	2023	2022
Board designated reserve	$ 26,737,763	$ 22,205,896

Net assets with donor restrictions as of August 31 consist of the following:

	2023	2022
United Way	$ 235,792	$ 158,188
Other restricted	381,427	150,000
Unappropriated endowment earnings	361,398	304,608
AIDS Services of Austin, Inc.	325,154	321,114
Investments held in perpetuity	541,149	541,149
Total net assets with donor restrictions	$ 1,844,920	$ 1,475,059

15. Endowment

The Organization follows the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and Enhanced Disclosures for All Endowment Funds. A key component of the guidance and UPMIFA is a requirement to classify the portion of a donor-restricted endowment fund as net assets with donor restrictions until appropriated for expenditure. Another key component of the guidance is a requirement for expanded disclosures about all endowments.

The Board of Directors of the Endowment has adopted a policy that there shall be no active fundraising for the Endowment until the Vivent strategic plan financial reserve goal is achieved.

The Organization's endowment net asset composition by type of fund is as follows for the years ended August 31:

	2023		
	Accumulated Earnings	Original Gift	Total
Donor restricted	$ 361,398	$ 541,149	$ 902,547

	2022		
	Accumulated Earnings	**Original Gift**	**Total**
Donor restricted	$ 304,608	$ 541,149	$ 845,757

Changes in endowment investment and net asset composition for the years ended August 31 are provided as follows:

	2023		
	Accumulated Earnings	**Original Gift**	**Total**
Endowment net assets, beginning	$ 304,608	$ 541,149	$ 845,757
Investment income, net	56,790	-	56,790
Endowment net assets, ending	$ 361,398	$ 541,149	$ 902,547

	2022		
	Accumulated Earnings	**Original Gift**	**Total**
Endowment net assets, beginning of year	$ 513,334	$ 541,149	$ 1,054,483
Investment loss, net	(208,726)	-	(208,726)
Endowment net assets, ending	$ 304,608	$ 541,149	$ 845,757

16. Uncompensated Care and Treatment

The Organization provided the following uncompensated care and treatment to its medical, dental and mental health patients for the years ended August 31:

	2023	**2022**
Contractual allowances	$ 5,836,387	$ 6,115,997
Patient subsidy	3,821,095	3,821,271
Patient medications	2,409,997	1,134,314
Patient laboratory testing	620,248	615,436
Patient assistance	880,270	1,964,197
Total	$ 13,567,997	$ 13,651,215

17. Retirement Plans

The Organization maintains a flexible investment in a safe harbor 401(k) plan. The Organization matched up to 5 percent of gross wages for all participating employees. Total employer contributions to the 401(k) plan were $1,526,069 and $1,133,207 for the years ended August 31, 2023 and 2022, respectively.

18. Contingencies

In the normal course of business, the Organization is involved in litigation incidental to the conduct of the business. The Organization does not believe that the ultimate disposition of currently pending claims, individually or in the aggregate, would have a material adverse effect on their consolidated financial position, results of activities or cash flows.

Financial awards from federal, state and local governments in the form of grants are subject to special audit. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this time.

19. Subsequent Events

The Organization has evaluated events and transactions for potential recognition or disclosure in the consolidated financial statements through January 29, 2024, the date on which the consolidated financial statements were available to be issued.

Vivent Health and Affiliates

Consolidating Schedule of Financial Position
August 31, 2023

	Vivent Health	Vivent Health Pharmacy, LLC	CARES Pharmacy, LLC	EFA Pharmacy, LLC	AIDS Services of Austin Pharmacy, LLC	AIDS Services of Austin	TPA Network	Vivent Health Endowment Fund, Inc.	Milwaukee AIDS Housing Corporation, Inc.	Eliminations	Consolidated
Current Assets											
Cash and cash equivalents	$ 8,025,410	$ 3,657,919	$ 3,039,983	$ 2,119,998	$ 2,015,934	$ 9,773,531	$ 942,052	$ -	$ 83,431	$ -	$ 29,658,258
Contributions receivable, net	256,642	-	-	-	-	-	-	-	-	-	256,642
Accounts and grants receivable	12,370,982	6,470,348	4,631,871	4,303,403	1,769,211	1,366,640	562,877	-	-	-	31,475,332
Inventory	-	2,432,742	1,341,056	1,560,336	773,646	-	-	-	-	-	6,107,780
Prepaid expenses and other assets	327,951	46,781	26,389	72,345	25,236	(5,300)	65,000	-	6,191	-	564,593
Amounts due from affiliates	75,944,145	10,148,510	-	-	29,324,109	35,096,550	-	-	-	(150,513,314)	-
Total current assets	96,925,130	22,756,300	9,039,299	8,056,082	33,908,136	46,231,421	1,569,929	-	89,622	(150,513,314)	68,062,605
Property and Equipment, Net	14,621,582	742,266	227,477	826,645	254,121	2,808,840	-	-	55,476	-	19,536,407
Other Assets											
HUD restricted escrow and other assets	239,251	-	-	3,217	-	-	-	-	50,866	-	293,334
Operating lease right of use asset	19,362,431	1,962	-	2,484,584	-	-	4,072,298	-	-	-	25,921,275
Investment in subsidiaries	5,106,158	-	-	-	-	-	-	-	-	(5,106,158)	-
Investments	18,839,566	-	-	-	-	-	-	907,858	-	-	19,747,424
Total other assets	43,547,406	1,962	-	2,487,801	-	-	4,072,298	907,858	50,866	(5,106,158)	45,962,033
Total assets	$ 155,094,118	$ 23,500,528	$ 9,266,776	$ 11,370,528	$ 34,162,257	$ 49,040,261	$ 5,642,227	$ 907,858	$ 195,964	$ (155,619,472)	$ 133,561,045
Current Liabilities											
Accounts payable	$ 5,498,473	$ 1,302,978	$ 178,388	$ (253,476)	$ 2,264	$ -	$ 130,481	$ -	$ 225	$ -	$ 6,859,333
Accrued expenses	2,482,709	627,150	222,403	242,666	46,017	-	-	-	-	-	3,620,945
Other current liabilities	461,573	-	-	-	-	-	-	-	338	-	461,911
Capital advance	-	-	-	-	-	-	-	-	680,090	-	680,090
Operating lease liabilities, current	2,803,289	751	-	318,705	-	-	94,259	-	-	-	3,217,004
Amounts due to affiliates	64,165,569	-	598,346	2,843,126	32,279,729	48,557,145	-	5,311	877,238	(149,326,464)	-
Total current liabilities	75,411,613	1,930,879	999,137	3,151,021	32,328,010	48,557,145	224,740	5,311	1,557,891	(149,326,464)	14,839,283
Long-Term Liabilities											
Deferred compensation obligation	114,192	-	-	-	-	-	-	-	-	-	114,192
Operating lease liabilities, net of current portion	18,383,730	1,211	-	2,272,575	-	-	3,984,255	-	-	-	24,641,771
Amounts due to affiliates	-	-	-	-	-	-	1,186,850	-	-	(1,186,850)	-
Total Long-Term Liabilities	18,497,922	1,211	-	2,272,575	-	-	5,171,105	-	-	(1,186,850)	24,755,963
Total liabilities	93,909,535	1,932,090	999,137	5,423,596	32,328,010	48,557,145	5,395,845	5,311	1,557,891	(150,513,314)	39,595,246
Net Assets (Deficit)											
Undesignated (deficit)	19,208,019	20,826,172	8,040,162	5,120,287	1,580,126	(2,650,878)	1,433,232	-	(737,313)	(5,106,158)	47,713,649
Board designated	26,737,763	-	-	-	-	-	-	-	-	-	26,737,763
Property and equipment less related debt (deficit)	14,621,582	742,266	227,477	826,645	254,121	2,808,840	(1,186,850)	-	(624,614)	-	17,669,467
Total net assets without donor restrictions	60,567,364	21,568,438	8,267,639	5,946,932	1,834,247	157,962	246,382	-	(1,361,927)	(5,106,158)	92,120,879
With donor restrictions	617,219	-	-	-	-	325,154	-	902,547	-	-	1,844,920
Total net assets	61,184,583	21,568,438	8,267,639	5,946,932	1,834,247	483,116	246,382	902,547	(1,361,927)	(5,106,158)	93,965,799
Total liabilities and net assets	$ 155,094,118	$ 23,500,528	$ 9,266,776	$ 11,370,528	$ 34,162,257	$ 49,040,261	$ 5,642,227	$ 907,858	$ 195,964	$ (155,619,472)	$ 133,561,045

Vivent Health and Affiliates

Consolidating Schedule of Financial Position
August 31, 2022

	Vivent Health	Vivent Health Pharmacy, LLC	CARES Pharmacy, LLC	EFA Pharmacy, LLC	AIDS Services of Austin Pharmacy, LLC	AIDS Services of Austin	Vivent Health Endowment Fund, Inc.	Milwaukee AIDS Housing Corporation, Inc.	Eliminations	Consolidated
Current Assets										
Cash and cash equivalents	$ 9,254,095	$ 4,623,071	$ 3,800,444	$ 3,806,254	$ 4,289,129	$ 15,926,191	$ -	$ 98,984	$ -	$ 41,798,168
Contributions receivable, net	158,188	-	-	-	-	-	-	-	-	158,188
Accounts and grants receivable	5,406,645	5,428,666	3,579,270	3,788,507	1,790,470	863,619	-	-	-	20,857,177
Inventory	-	1,766,962	974,358	891,375	500,096	-	-	-	-	4,132,791
Prepaid expenses and other assets	386,935	57,189	37,573	13,910	6,231	-	-	5,595	-	507,433
Amounts due from affiliates	51,628,050	20,001,020	3,089,175	5,002,904	13,356,496	15,532,972	-	-	(108,610,617)	-
Total current assets	66,833,913	31,876,908	11,480,820	13,502,950	19,942,422	32,322,782	-	104,579	(108,610,617)	67,453,757
Property and Equipment, Net	8,036,744	15,481	260,766	316,638	282,621	3,211,303	-	83,026	-	12,206,579
Other Assets										
Contributions receivable, net current portion	-	-	-	-	-	-	-	-	-	-
HUD restricted escrow and other assets	83,818	-	-	-	-	-	-	46,318	-	130,136
Investment in subsidiaries	3,666,720	-	-	-	-	-	-	-	(3,666,720)	-
Investments	14,632,777	-	-	-	-	-	851,069	-	-	15,483,846
Total other assets	18,383,315	-	-	-	-	-	851,069	46,318	(3,666,720)	15,613,982
Total assets	$ 93,253,972	$ 31,892,389	$ 11,741,586	$ 13,819,588	$ 20,225,043	$ 35,534,085	$ 851,069	$ 233,923	$ (112,277,337)	$ 95,274,318
Current Liabilities										
Accounts payable	$ 2,847,402	$ 648,240	$ 31,525	$ 6,450	$ 3,096	$ 97,553	$ -	$ 225	$ -	$ 3,634,491
Accrued expenses	1,687,366	587,422	222,690	220,206	38,862	122,400	-	-	-	2,878,946
Other current liabilities	774,286	-	-	-	-	-	-	338	-	774,624
Capital advance	-	-	-	-	-	-	-	680,090	-	680,090
Amounts due to affiliates	28,737,277	13,568,487	5,635,929	9,188,804	19,287,778	31,320,020	5,312	867,010	(108,610,617)	-
Total current liabilities	34,046,331	14,804,149	5,890,144	9,415,460	19,329,736	31,539,973	5,312	1,547,663	(108,610,617)	7,968,151
Long-Term Liabilities										
Deferred compensation obligation	375,061	-	-	-	-	-	-	-	-	375,061
Total liabilities	34,421,392	14,804,149	5,890,144	9,415,460	19,329,736	31,539,973	5,312	1,547,663	(108,610,617)	8,343,212
Net Assets (Deficit)										
Undesignated (deficit)	28,281,752	17,072,759	5,590,676	4,087,490	612,686	461,695	-	(716,676)	(3,666,720)	51,723,662
Board designated	22,205,896	-	-	-	-	-	-	-	-	22,205,896
Property and equipment less related debt (deficit)	8,036,744	15,481	260,766	316,638	282,621	3,211,303	-	(597,064)	-	11,526,489
Total net assets without donor restrictions	58,524,392	17,088,240	5,851,442	4,404,128	895,307	3,672,998	-	(1,313,740)	(3,666,720)	85,456,047
With donor restrictions	308,188	-	-	-	-	321,114	845,757	-	-	1,475,059
Total net assets	58,832,580	17,088,240	5,851,442	4,404,128	895,307	3,994,112	845,757	(1,313,740)	(3,666,720)	86,931,106
Total liabilities and net assets	$ 93,253,972	$ 31,892,389	$ 11,741,586	$ 13,819,588	$ 20,225,043	$ 35,534,085	$ 851,069	$ 233,923	$ (112,277,337)	$ 95,274,318

Vivent Health and Affiliates

Consolidating Schedule of Activities
Year Ended August 31, 2023

	Vivent Health	Vivent Health Pharmacy, LLC	CARES Pharmacy, LLC	EFA Pharmacy, LLC	AIDS Services of Austin Pharmacy, LLC	AIDS Services of Austin	TPA Network	Vivent Health Endowment Fund, Inc.	Milwaukee AIDS Housing Corporation, Inc.	Eliminations	Consolidated
Revenue											
Government grants	$ 25,346,855	$ -	$ -	$ -	$ -	$ 6,330,483	$ 592,499	$ -	$ -	$ -	$ 32,269,837
Grants and public support	4,232,932	-	-	-	-	294,827	147,690	-	-	-	4,675,449
Special events:											
Special events revenue	421,144	-	-	-	-	78,771	-	-	-	-	499,915
Special events expense	(460,289)	-	-	-	-	(12,148)	-	-	-	-	(472,437)
Contractual partnerships	336,844	-	-	-	-	-	-	-	-	-	336,844
Reimbursement for services and pharmacy	4,335,922	100,295,567	66,844,336	53,781,352	19,410,633	373,493	-	-	-	-	245,041,303
Other income	4,607,506	-	35,445	-	111	54,028	140,498	56,790	1,469	(3,228,285)	1,667,562
Total revenue	38,820,914	100,295,567	66,879,781	53,781,352	19,410,744	7,119,454	880,687	56,790	1,469	(3,228,285)	284,018,473
Expenses											
Clinical and program services:											
Medical center	25,311,858	-	-	-	-	30,670	-	-	-	-	25,342,528
Pharmacy	-	79,659,042	55,836,528	45,818,342	14,868,323	-	-	-	-	-	196,182,235
Social services and other	12,495,483	-	-	-	-	10,600,844	2,073,743	-	49,656	(1,886,734)	23,332,992
Prevention services	9,749,479	-	-	-	-	4,609	-	-	-	-	9,754,088
Management and general	13,568,666	2,715,732	1,378,464	1,791,792	786,660	2,811,148	-	-	-	(1,341,551)	21,710,911
Fundraising	2,100,464	-	-	-	-	-	-	-	-	-	2,100,464
Total expenses	63,225,950	82,374,774	57,214,992	47,610,134	15,654,983	13,447,271	2,073,743	-	49,656	(3,228,285)	278,423,218
Change in net assets related to operations	(24,405,036)	17,920,793	9,664,789	6,171,218	3,755,761	(6,327,817)	(1,193,056)	56,790	(48,187)	-	5,595,255
Other Changes in Net Assets											
Inherent contribution from acquisitions	1,439,438	-	-	-	-	-	-	-	-	-	1,439,438
Transfer from related parties	25,317,601	-	-	-	-	2,816,821	-	-	-	-	28,134,422
Transfer to related parties	-	(13,440,595)	(7,248,592)	(4,628,414)	(2,816,821)	-	-	-	-	-	(28,134,422)
Total other changes in net assets	26,757,039	(13,440,595)	(7,248,592)	(4,628,414)	(2,816,821)	2,816,821	-	-	-	-	1,439,438
Change in net assets	2,352,003	4,480,198	2,416,197	1,542,804	938,940	(3,510,996)	(1,193,056)	56,790	(48,187)	-	7,034,693
Net Assets (Deficit), Beginning	58,832,580	17,088,240	5,851,442	4,404,128	895,307	3,994,112	1,439,438	845,757	(1,313,740)	(5,106,158)	86,931,106
Net Assets (Deficit), Ending	$ 61,184,583	$ 21,568,438	$ 8,267,639	$ 5,946,932	$ 1,834,247	$ 483,116	$ 246,382	$ 902,547	$ (1,361,927)	$ (5,106,158)	$ 93,965,799

Vivent Health and Affiliates

Consolidating Schedule of Activities
Year Ended August 31, 2022

	Vivent Health	Vivent Health Pharmacy, LLC	CARES Pharmacy, LLC	EFA Pharmacy, LLC	AIDS Services of Austin Pharmacy, LLC	AIDS Services of Austin	Vivent Health Endowment Fund, Inc.	Milwaukee AIDS Housing Corporation, Inc.	Eliminations	Consolidated
Revenue										
Government grants	$ 20,390,213	$ -	$ -	$ -	$ -	$ 6,257,221	$ -	$ -	$ -	$ 26,647,434
Grants and public support	2,069,467	-	-	-	-	2,008,348	-	-	-	4,077,815
Special events:										
Special events revenue	78,080	-	-	-	-	(34,611)	-	-	-	43,469
Special events expense	(483,944)	-	-	-	-	(32,688)	-	-	-	(516,632)
Contractual partnerships	575,045	-	-	-	-	-	-	-	-	575,045
Reimbursement for services and pharmacy	3,843,661	93,361,889	57,366,379	40,639,934	17,855,533	572,429	-	-	-	213,639,825
Other income	401,414	-	170,240	-	(148,189)	877,800	(208,726)	6	-	1,092,545
Total revenue	26,873,936	93,361,889	57,536,619	40,639,934	17,707,344	9,648,499	(208,726)	6	-	245,559,501
Expenses										
Clinical and program services:										
Medical center	19,367,384	-	-	-	-	3,952,589	-	-	-	23,319,973
Pharmacy	-	75,468,648	49,340,093	28,926,840	13,306,333	-	-	-	-	167,041,914
Social services and other	17,239,840	-	-	-	-	3,874,655	-	49,390	-	21,163,885
Prevention services	7,461,353	-	-	-	-	1,405,575	-	-	-	8,866,928
Management and general	4,492,049	2,817,144	2,023,272	1,503,312	239,004	3,343,635	-	-	-	14,418,416
Fundraising	1,631,475	-	-	-	-	132,014	-	-	-	1,763,489
Total expenses	50,192,101	78,285,792	51,363,365	30,430,152	13,545,337	12,708,468	-	49,390	-	236,574,605
Change in net assets related to operations	(23,318,165)	15,076,097	6,173,254	10,209,782	4,162,007	(3,059,969)	(208,726)	(49,384)	-	8,984,896
Other Changes in Net Assets										
Inherent contribution from acquisitions	-	-	-	-	-	-	-	-	-	-
Transfer from related parties	28,313,220	-	-	-	-	3,754,806	-	-	(32,068,026)	-
Transfer to related parties	-	(13,568,487)	(5,555,929)	(9,188,804)	(3,754,806)	-	-	-	32,068,026	-
Total other changes in net assets	28,313,220	(13,568,487)	(5,555,929)	(9,188,804)	(3,754,806)	3,754,806	-	-	-	-
Change in net assets	4,995,055	1,507,610	617,325	1,020,978	407,201	694,837	(208,726)	(49,384)	-	8,984,896
Net Assets (Deficit), Beginning	53,837,525	15,580,630	5,234,117	3,383,150	488,106	3,299,275	1,054,483	(1,264,356)	(3,666,720)	77,946,210
Net Assets (Deficit), Ending	$ 58,832,580	$ 17,088,240	$ 5,851,442	$ 4,404,128	$ 895,307	$ 3,994,112	$ 845,757	$ (1,313,740)	$ (3,666,720)	$ 86,931,106