



MAULDIN & JENKINS

CPAs & ADVISORS

**FOUNDATION FOR ATLANTA VETERANS
EDUCATION AND RESEARCH, INC.**

FINANCIAL REPORT

DECEMBER 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Foundation for Atlanta Veterans Education and Research, Inc.
Atlanta, Georgia

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Foundation for Atlanta Veterans Education and Research, Inc.** (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses and cash flows for the years 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 Foundation for Atlanta Veterans Education and Research, Inc. as of December 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation for Atlanta Veterans Education and Research, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation for Atlanta Veterans Education and Research, Inc.'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 the Foundation for Atlanta Veterans Education and Research, Inc.'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 audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the schedule of state contractual assistance - Georgia Department of Public Health, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 23, 2024, on our consideration of Foundation for Atlanta Veterans Education and Research, Inc.'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of testing, and not to provide an opinion on the effectiveness of the Foundation for Atlanta Veterans Education and Research, Inc.'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 Foundation for Atlanta Veterans Education and Research, Inc.'s internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

FOUNDATION FOR ATLANTA VETERANS EDUCATION AND RESEARCH, INC.

STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2023 AND 2022

<u>Assets</u>	<u>2023</u>	<u>2022</u>
Current assets		
Cash	\$ 4,671,466	\$ 5,163,261
Restricted cash	10,279	7,162
Investments - certificates of deposit	912,990	1,288,401
Investments - money markets	273,767	387,419
Grants receivable	4,609,434	2,035,532
Prepaid expenses	36,026	36,026
	10,513,962	8,917,801
Total current assets		
Property and equipment		
Equipment	525,750	633,615
Computers and software	-	15,815
Furniture and fixtures	107,074	107,075
Leasehold improvements	1,219,031	1,219,031
	1,851,855	1,975,536
Accumulated depreciation	(1,141,613)	(1,225,621)
	710,242	749,915
Net property and equipment		
Total assets	\$ 11,224,204	\$ 9,667,716
<u>Liabilities and Net Assets</u>		
Current liabilities		
Accounts payable	\$ 5,446,951	\$ 2,561,113
Accrued payroll and related liabilities	192,320	197,865
Deferred revenue	156,510	157,357
	5,795,781	2,916,335
Total current liabilities		
Net assets		
Without donor restrictions	2,972,560	4,640,452
With donor restrictions	2,455,863	2,110,929
	5,428,423	6,751,381
Total net assets		
Total liabilities and net assets	\$ 11,224,204	\$ 9,667,716

See Notes to Financial Statements.

**FOUNDATION FOR ATLANTA VETERANS EDUCATION
AND RESEARCH, INC.**

**STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support			
Contributions	\$ -	\$ 280,533	\$ 280,533
Grants	10,635,711	-	10,635,711
Research agreements	-	2,710,740	2,710,740
Interest income	107,985	-	107,985
Other income	1,370	-	1,370
Net assets released from restrictions upon satisfaction of project restrictions	2,646,339	(2,646,339)	-
Total revenues and other support	13,391,405	344,934	13,736,339
Expenses			
Project expenses	14,107,933	-	14,107,933
Management and general expenses	951,364	-	951,364
Total expenses	15,059,297	-	15,059,297
Change in net assets	(1,667,892)	344,934	(1,322,958)
Net assets, beginning of year	4,640,452	2,110,929	6,751,381
Net assets, end of year	\$ 2,972,560	\$ 2,455,863	\$ 5,428,423

See Notes to Financial Statements.

**FOUNDATION FOR ATLANTA VETERANS EDUCATION
AND RESEARCH, INC.**

**STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support			
Contributions	\$ -	\$ 107,777	\$ 107,777
Grants	9,467,083	-	9,467,083
Research agreements	-	2,363,884	2,363,884
Interest income	21,640	-	21,640
Other income	1,702	-	1,702
Net assets released from restrictions upon satisfaction of project restrictions	3,113,829	(3,113,829)	-
Total revenues and other support	12,604,254	(642,168)	11,962,086
Expenses			
Project expenses	11,287,063	-	11,287,063
Management and general expenses	987,966	-	987,966
Total expenses	12,275,029	-	12,275,029
Change in net assets	329,225	(642,168)	(312,943)
Net assets, beginning of year	4,311,227	2,753,097	7,064,324
Net assets, end of year	\$ 4,640,452	\$ 2,110,929	\$ 6,751,381

See Notes to Financial Statements.

**FOUNDATION FOR ATLANTA VETERANS EDUCATION
AND RESEARCH, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023**

	Management and General Expenses	Project Expenses	Total
Expenses			
Veterinarian charges	\$ -	\$ 5,462	\$ 5,462
Bank charges	5,384	50	5,434
Computer supplies	6,099	5,301	11,400
Conferences and meetings	2,145	90,762	92,907
Depreciation	57,007	-	57,007
Dues and subscriptions	11,473	20,723	32,196
Insurance	19,488	-	19,488
Laboratory supplies	11,370	52,090	63,460
Legal and accounting	33,076	7,462	40,538
Office supplies	933	49,623	50,556
Delivery	826	51,995	52,821
Printing	-	2,280	2,280
Professional services	8,355	76,182	84,537
HR/Payroll services	16,652	-	16,652
Project funding	-	9,971,760	9,971,760
Project support	-	428,730	428,730
Repairs and maintenance	1,339	-	1,339
Retirement plan	21,824	66,700	88,524
Salaries, wages, and benefits	752,499	3,154,995	3,907,494
Subject costs	-	91,816	91,816
Travel	2,894	32,002	34,896
Total expenses	\$ 951,364	\$ 14,107,933	\$ 15,059,297

See Notes to Financial Statements.

**FOUNDATION FOR ATLANTA VETERANS EDUCATION
AND RESEARCH, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022**

	Management and General Expenses	Project Expenses	Total
Expenses			
Veterinarian charges	\$ -	\$ 7,772	\$ 7,772
Bank charges	8,302	80	8,382
Computer supplies	5,230	4,791	10,021
Conferences and meetings	3,561	14,528	18,089
Depreciation	60,867	-	60,867
Dues and subscriptions	10,747	71,296	82,043
Honorarium	-	3,000	3,000
Insurance	21,583	-	21,583
Laboratory supplies	10,070	77,605	87,675
Legal and accounting	38,968	3,745	42,713
Office supplies	1,137	32,475	33,612
Delivery	1,101	46,231	47,332
Printing	-	404	404
Professional services	6,193	105,476	111,669
HR/Payroll services	16,772	-	16,772
Project funding	-	6,918,680	6,918,680
Project support	-	345,129	345,129
Repairs and maintenance	-	1,960	1,960
Retirement plan	22,932	74,271	97,203
Salaries, wages, and benefits	777,151	3,486,683	4,263,834
Subject costs	-	77,816	77,816
Travel	3,311	15,121	18,432
Other	41	-	41
Total expenses	\$ 987,966	\$ 11,287,063	\$ 12,275,029

See Notes to Financial Statements.

FOUNDATION FOR ATLANTA VETERANS EDUCATION AND RESEARCH, INC.

STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
OPERATING ACTIVITIES		
Change in net assets	\$ (1,322,958)	\$ (312,943)
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	57,007	60,867
Net change in:		
Grants receivable	(2,573,902)	2,406,173
Promises to give	-	192,234
Prepaid expenses	-	(28,273)
Accounts payable	2,885,838	(100,246)
Accrued payroll and related liabilities	(5,545)	(52,035)
Deferred revenue	(847)	(89,951)
	(960,407)	2,075,826
 INVESTING ACTIVITIES		
Net purchases of property and equipment	(17,334)	-
Sales of investments	3,831,000	3,235,000
Purchases of investments	(3,341,937)	(2,982,781)
	471,729	252,219
 (Decrease) increase in cash	(488,678)	2,328,045
 Cash, beginning of year	5,170,423	2,842,378
 Cash, end of year	\$ 4,681,745	\$ 5,170,423
 Cash, end of year		
Cash	\$ 4,671,466	\$ 5,163,261
Restricted cash	10,279	7,162
	\$ 4,681,745	\$ 5,170,423

See Notes to Financial Statements.

**FOUNDATION FOR ATLANTA VETERANS
EDUCATION AND RESEARCH, INC.
NOTES TO FINANCIAL STATEMENTS**

NOTE 1. ORGANIZATION

The Foundation for Atlanta Veterans Education and Research, Inc. (the "Foundation"), formerly Atlanta Research and Education Foundation, Inc., was established and incorporated as a nonprofit organization in DeKalb County of the state of Georgia on July 14, 1989. The Foundation derives its origins in legislation authorizing nonprofit research corporations at all Veterans Administration (VA) medical centers. Public law 100-322 dated May 20, 1988, amended 38 USC, Chapter 73 authorizes the establishment of a nonprofit corporation at each VA medical center, the purpose of which is to provide a funding mechanism for monies received from other than VA appropriations for conducting research projects approved by the medical center.

The Foundation is organized exclusively for charitable, scientific, and educational purposes. It conducts medical research, including investigations, experiments, and studies to discover, develop, or verify knowledge relating to the causes, diagnosis, treatment, or control of physical or mental diseases and impairments of mankind, in conjunction with the Veterans Affairs Medical Center, Decatur, Georgia. Results of the Foundation's research are made available to the scientific and general public through research publications in recognized journals widely distributed to the biomedical community, scientific lectures, and open meetings organized by the Foundation.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements of the Foundation have been prepared on the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America.

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

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions, including board-designated endowments. The only limits on net assets without donor restrictions are resulting from the nature of the Foundation and its purposes.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash Concentration

The Foundation maintains cash balances at high quality financial institutions. Cash balances at each institution are insured by the FDIC and SIPC for up to \$250,000 and \$500,000, respectively. The Foundation and its investment managers diversify the holdings to maintain balances within these limits with the sole exception of the general operating accounts. Management does not believe it is exposed to significant credit risk on the operating accounts.

Restricted Cash

Restricted cash represents funds held for flexible spending accounts to be disbursed based on medical expenses incurred by employee contributors. The cash is held in a separate bank account.

Certificates of Deposit

Certificates of deposit mature within five years or less and are carried at market value. There are no early withdrawal penalties. Investment income related to funds received in advance for reimbursement basis grants accrues to the grantor. These amounts are included in deferred revenue until they are remitted to the grantor.

Grants Receivable

Grants receivable represents amounts due to the Foundation for research from various funding sources. An allowance for uncollectible receivables is provided based on management's evaluation of potential uncollectible amounts at year end. Management did not consider any amounts to be uncollectible at December 31, 2023 and 2022.

Revenue Recognition

Revenue from research agreements is recognized based on the portion of work completed. Revenue from cost-reimbursable grants is recognized as expenditures are made. Contributions are recognized when the donor makes a promise to give to the Foundation that is in substance, unconditional.

Deferred Revenue

Deferred revenue represents funds received from reimbursement basis grants and research agreements prior to the Foundation incurring related reimbursable costs.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

The Foundation capitalizes all expenditures for property and equipment in excess of \$5,000. Property and equipment are recorded at cost and are depreciated on a straight-line basis over their estimated useful lives as follows:

Leasehold improvements	39 years
Equipment	3-10 years
Computers and software	3-7 years
Furniture and fixtures	7 years

Depreciation expense for the years ended December 31, 2023 and 2022 was \$57,007 and \$60,867, respectively. Maintenance and repairs of property and equipment are charged to operations.

Income Taxes

The Foundation is exempt from income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code and is classified as an organization which is not a private foundation under Section 509(a) of the U.S. Internal Revenue Code.

The Foundation accounts for uncertain tax positions in accordance with accounting standards that provide guidance on when uncertain tax positions are recognized in an entity's financial statements and how the values of these positions are determined. No liability has been recorded as of December 31, 2023 or 2022 due to uncertain tax positions.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Salaries and related expenses are allocated based on estimates of time and effort. Other costs are charged directly to programs or supporting services based on specific identification.

Fair Value of Financial Instruments

At December 31, 2023 and 2022, the carrying value of financial instruments such as cash, certificates of deposit, treasury bills, accounts receivable and payable approximated their fair values.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Presentation

FASB's *Fair Value Measurements* and disclosure guidance provides a framework for measuring fair value under generally accepted accounting principles. This standard applies to all financial instruments that are being measured and reported on a fair value basis.

As defined in this standard, 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 Foundation uses various methods including market, income, and cost approaches. Based on these approaches, the Foundation often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and/or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. The Foundation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques, the Foundation 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. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1 - Valuations for assets and liabilities traded in active markets, such as the New York Stock Exchange. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 - Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third-party pricing services for identical or similar assets or liabilities.

Level 3 - Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

For the years ended December 31, 2023 and 2022, the application of valuation techniques applied to similar assets and liabilities have been consistent. The fair value of investment securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers. If listed prices or quotes are not available, fair value is based upon externally developed models that use unobservable inputs due to the limited market activity of the instrument.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following for the years ended December 31, 2023 and 2022:

	2023	2022
Cash	\$ 2,225,882	\$ 3,052,332
Investments – certificates of deposit	912,990	1,288,401
Investments – money markets	104,622	225,774
Grants receivable	4,609,434	2,035,532
	\$ 7,852,928	\$ 6,602,039

The Foundation manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures in meeting its liabilities and other obligations as they become due. Cash needs of the Foundation are expected to be met through grant and contribution revenue.

NOTE 4. INVESTMENTS

Investments, measured at fair value on a recurring basis, consist of the following at December 31, 2023 and 2022:

Fair Value Measurements at December 31, 2023				
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money markets	\$ 273,767	\$ 273,767	\$ -	\$ -

Fair Value Measurements at December 31, 2022				
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money markets	\$ 387,419	\$ 387,419	\$ -	\$ -

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CONCENTRATION OF REVENUE

For the years ended December 31, 2023 and 2022, the Foundation derived significant revenues and support from the following:

	2023	2022
Centers for Disease Control	\$ 550,984	\$ 2,348,361
National Institute of Health	980,448	947,742
Department of Defense	20,401	35,634
Georgia Department of Public Health	9,083,878	6,135,346
	\$ 10,635,711	\$ 9,467,083

NOTE 6. NET ASSETS WITH DONOR RESTRICTIONS

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

	2023	2022
Subject to expenditure for a specified purpose:		
Research agreements	\$ 2,455,863	\$ 2,110,929

NOTE 7. NET ASSETS RELEASED FROM DONOR RESTRICTIONS

Net assets were released from restrictions during 2023 and 2022 by incurring expenses satisfying the restricted purpose of research and development as specified by donors and grantors. Net assets released from restrictions totaled \$2,646,339 and \$3,113,829 for the years ended December 31, 2023 and 2022, respectively.

NOTE 8. RETIREMENT PLAN

Effective January 1998, the Foundation sponsors an Internal Revenue Code Section 403(b) defined contribution plan whereby employees can contribute to the Plan on a voluntary basis. Employees are eligible to participate in the salary deferral portion of the plan upon employment.

Employees are eligible for an employer match after one year of employment. The Foundation matches 100% of the first 3% of salary reduction and 50% of the next 2% of salary reduction. The Plan provides for immediate vesting. The Foundation's contributions totaled \$88,524 and \$97,203 for the years ended December 31, 2023 and 2022, respectively.

NOTE 9. SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 23, 2024, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

FOUNDATION FOR ATLANTA VETERANS EDUCATION AND RESEARCH, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2023

	Agency #	Federal Assistance Listing #	Federal Expenditures	Expenditures to Subrecipients
RESEARCH & DEVELOPMENT CLUSTER				
<u>Department of Health and Human Services</u>				
<u>Passed Through Georgia Department of Public Health</u>				
Georgia Emerging Infections Program	EIP	93.283	\$ 9,921,107	\$ 9,528,941
<u>Passed Through Emory University</u>				
Assessing Barriers and Facilitators for Participating Structured Lifestyle Intervention and its Real-World Effectiveness and Cost-Effectiveness Among U.S. Veterans		93.068	17,147	-
<u>Passed Through National Institute of Health</u>				
<u>Passed Through Emory University</u>				
NIH Recover: A Multi-site Observational Study of Post-Acute Sequelae of SARS-CoV-2 Infection in Adults	RECOVER	93.838	409,439	-
Veteran Access and Limitations to Organ Recovery (VALOR)	VALOR	93.307	4,862	-
Changing the Natural History of Type-2 Diabetes - CHANGE Study	CHANGE	93.847	301,596	-
<u>Passed Through Yale University</u>				
The HIV and Alcohol Research Center focused on Polypharmacy	HARP	93.273	70,685	-
<u>Passed Through Mayo Clinic Jacksonville</u>				
Carotid Revascularization and Medical Management for Asymptomatic Carotid Stenosis Trial (CREST-2) Trial	CREST-2	93.853	3,114	-
<u>Passed Through Johns Hopkins University</u>				
A sequenced-strategy for improving outcomes in patients with knee osteoarthritis pain	SKOAP	93.846	4,728	-
<u>Passed Through Hennepin Healthcare Research Institute</u>				
ASPREE: Aspirin in reducing events in the elderly	ASPREE	93.866	303	-
ASPREE: Cancer endpoints study		93.866	30,429	-
Prospective Study of the Gut Microbiome in Aging		93.866	119,351	-
Sex-specific risk factors and trajectories of blood biomarkers for Alzheimer's disease and related dementias		93.866	16,240	-
<u>Passed Through Fred Hutchinson Cancer Research Center</u>				
CoVPN 3003 Protocol Funding (PF) - Atlanta, GA Protocol-Specific VA Site	CoVPN 3003	93.855	67,553	-
<u>Passed Through Duke University</u>				
Pragmatic Evaluation of Events and Benefits of Lipid-Lowering in Older Adults (PREVENTABLE)	PREVENTABLE	93.866	26,121	-
Coronary Artery Calcium in Pragmatic Evaluation of Events and Benefits of Lipid-Lowering in Older Adults (CAC PREVENTABLE Ancillary Study)	CAC PREVENTABLE	93.837	728	-
<u>Passed Through Regents of the University of Michigan</u>				
A multifaceted adaptive mobile application to promote self-management and improve outcomes in heart failure	Manage HF	93.866	11,089	-
<u>Passed Through Regents of the University of California</u>				
Multi-Dimensional Outcome Prediction Algorithm for Hospitalized COVID-19 Patients	COPA	93.855	13,725	-
<u>Passed Through Board of Trustees of the University of Alabama for the University of Alabama at Birmingham</u>				
Improving Primary Care Understanding of Resources and Screening for Urinary Incontinence to Enhance Treatment (PURSUIT)	PURSUIT	93.226	139,689	-
Sub-Total			11,157,906	9,528,941
<u>Department of Defense</u>				
<u>Passed Through Veterans Medical Research Foundation</u>				
Long term efficacy of neuronavigation-guided rTMS in alleviating headache and pain in GWI		12.420	19,875	-
Total Research & Development Cluster			<u>\$ 11,177,781</u>	<u>\$ 9,528,941</u>

**FOUNDATION FOR ATLANTA VETERANS
EDUCATION AND RESEARCH, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2023**

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal award activity of Foundation for Atlanta Veterans Education and Research, Inc. under programs of the federal government for the year ended December 31, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because this schedule presents only a selected portion of the operations of Foundation for Atlanta Veterans Education and Research, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Foundation for Atlanta Veterans Education and Research, Inc.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. INDIRECT COST RATE

The Foundation for Atlanta Veterans Education and Research has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Foundation for Atlanta Veterans Education and Research, Inc.
Atlanta, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Foundation for Atlanta Veterans Education and Research, Inc., (a nonprofit organization) which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 23, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Foundation for Atlanta Veterans Education and Research, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Foundation for Atlanta Veterans Education and Research, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Foundation for Atlanta Veterans Education and Research, Inc.'s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Foundation for Atlanta Veterans Education and Research, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
May 23, 2024



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
Foundation for Atlanta Veterans Education and Research, Inc.
Atlanta, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Foundation for Atlanta Veterans Education and Research, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Foundation for Atlanta Veterans Education and Research, Inc.'s major federal programs for the year ended December 31, 2023. Foundation for Atlanta Veterans Education and Research, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Foundation for Atlanta Veterans Education and Research, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
May 23, 2024

**FOUNDATION FOR ATLANTA VETERANS
EDUCATION AND RESEARCH, INC.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023**

I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS:

Financial Statements:

Type of auditors' report issued	<u>Unmodified</u>	
	<u>Yes</u>	<u>No</u>
Internal control over financial reporting:		
Material weaknesses identified?		<u>X</u>
Significant deficiencies identified not considered to be material weaknesses?		<u>None Reported</u>
Noncompliance material to the financial statements noted?		<u>X</u>

Federal Awards:

Internal controls over major programs:		
Material weaknesses identified?		<u>X</u>
Significant deficiencies identified not considered to be material weaknesses?		<u>None Reported</u>
Type of auditors' report issued on compliance for major programs	<u>Unmodified</u>	
Audit findings required to be reported in accordance with 2 CFR Section 200.516(a)		<u>X</u>

Identification of major programs:

Research and Development Cluster

Dollar threshold used to distinguish between Type A and Type B programs	<u>\$ 750,000</u>	
	<u>Yes</u>	<u>No</u>
Auditee qualified as low-risk auditee?	<u>X</u>	
Financial Statement Findings?		<u>X</u>
Findings and Questioned Costs for Federal Awards?		<u>X</u>

**FOUNDATION FOR ATLANTA VETERANS
EDUCATION AND RESEARCH, INC.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
YEAR ENDED DECEMBER 31, 2023**

II. FINANCIAL STATEMENT FINDINGS

NONE

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

NONE

**FOUNDATION FOR ATLANTA VETERANS
EDUCATION AND RESEARCH, INC.**

**SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2022**

II. FINANCIAL STATEMENT FINDINGS

NONE

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

NONE

**FOUNDATION FOR ATLANTA VETERANS
EDUCATION AND RESEARCH, INC.**

**SCHEDULE OF STATE CONTRACTUAL ASSISTANCE -
GEORGIA DEPARTMENT OF PUBLIC HEALTH
FOR THE YEAR ENDED DECEMBER 31, 2023**

Georgia Department of Public Health – 40500-036-21192856 (Amendment #10 and Carryover)
Contract year: January 1, 2021-December 31, 2023

	<u>Total Budget</u>	<u>Actual Year Ended December 31,</u>			<u>Balance remaining on Grant</u>
		<u>2021</u>	<u>2022</u>	<u>2023</u>	
Total receipts	\$ 22,411,300	\$ 3,493,866	\$ 5,030,024	\$ 6,415,431	
Total expenditures		\$ 5,486,605	\$ 6,677,577	\$ 9,920,485	\$ 326,633