

2021 Annual Report

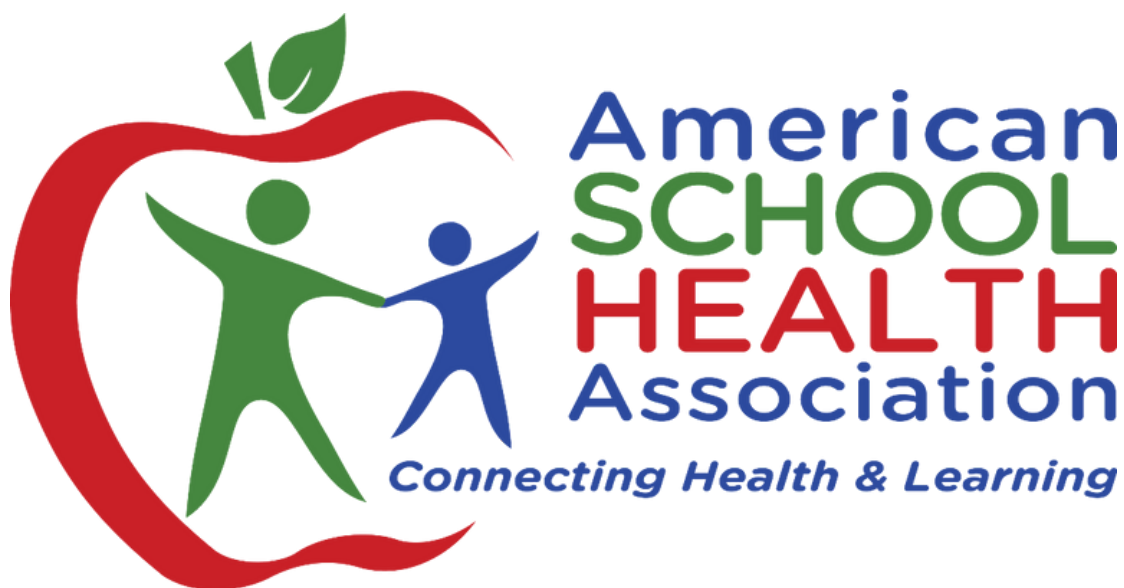




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National Board of Directors

President

Kayce Solari Williams

Vice President

Cathy Ramstetter

Treasurer

James Farmer

Secretary

Lisa Meadows

Leadership and Recognition Chair

Meagan Shipley

Future Leaders Academy Co-Chair

Christine Paske

Professional Development

Shauvon Simmons-Wright

Future Leadership Academy Co-Chair

Bridget Borgogna

Research and Publications Co-Chair

Hannah Catalano

Independent Board Member

Alec Fraser

Advocacy and Coalitions Co-Chair

Sarah Helton

Research and Publications Co-Chair

Mary Martinasek

Advocacy and Coalitions Co-Chair

Sarah Blanton

Headquarters Information

Jeanie Alter, PhD, CAE, MCHES, FASHA, Executive Director
Kaitlyn Celis, BS, Membership Services Manager



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School of Public Health
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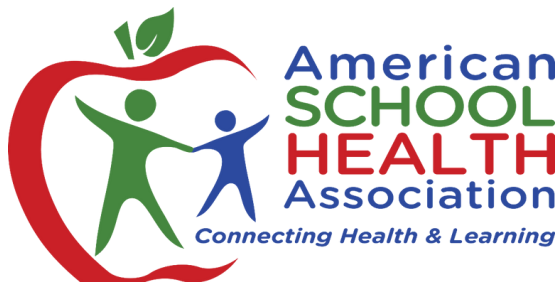


Mission, Purpose, & History



The mission of the American School Health Association (ASHA) is to transform all schools into places where every student learns and thrives. ASHA envisions healthy students who learn and achieve in safe and nurturing environments, supported by caring adults within coordinated school and community systems. The Association comprises a multidisciplinary team of administrators, counselors, dietitians, nutritionists, health educators, physical educators, psychologists, school health coordinators, school nurses, school physicians, and social workers.

For over 90 years, ASHA has advocated for quality school health programs for every child. ASHA proudly serves as the only multidisciplinary national membership organization that supports a coordinated and collaborative approach to school health. ASHA was founded at the annual meeting of the American Public Health Association (APHA) on October 27, 1927. At that time, APHA was known as the American Association of School Physicians, and its first president was William A. Howe, MD. Interest in the association grew so rapidly that in 1936, it opened its membership to all professionals interested in promoting school health, and the organization officially became the American School Health Association.



President's Message

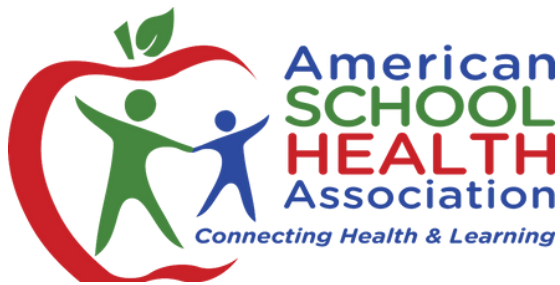
Kayce Solari Williams

It is my pleasure to bring you greetings on behalf of the board of directors. I began my first term as president with a theme of 'Engage, Recruit, and Retain,' and I have carried that theme into 2021. Your board is working hard, wants to hear from you, and we want you to be engaged. We want you to help us recruit others, and we want to retain you and everyone you bring to ASHA.

Throughout my tenure, I charged us with the task of moving forward with our diversity, equity, and inclusion initiatives, really taking a deep look at all the things that we are doing as an association and embodying everything we say about being a place for everyone to come—everyone who has an interest in investing in the health of K-12 students. So, we took a look inward and put our plans into action. We launched a member survey to learn more about your thoughts on membership and what you want to see from your organization. We are being intentional about the vendors we utilize, prioritizing businesses owned and operated by people who are underrepresented in their fields of expertise.

We began a new partnership with National Life Group to offer the Life Changer of the Year award, which recognizes and rewards K-12 educators and school professionals across the country. We have been actively engaged with the Human Rights Campaign, continued our collaborations with Shine Light on Depression, and have established an MOU with Texas Southern University. At the conference this year, we co-hosted, along with The Society, the inaugural School Health Action Congress and had representation from leadership from half the states in the US. We look forward to that group growing and the idea and effort sharing increasing as well. We also launched 'ASHA in the Know' this year. This quarterly newsletter provides an inside scoop to ASHA members about everything the board, committees, and staff are working on. So, you don't have to wait until the conference comes around to be 'in the know!'

I want to thank the standing committees, ad hoc committees, subcommittees, special committees, and advisory boards for all of your effort, energy, and time. You have all been wonderful to work with, and you do some amazing things for school health.



Executive Director's Message

Jeanie Alter

“The seeds we have planted are beginning to sprout!”

At the end of 2017, ASHA separated from MCI – a professional association management firm – and partnered with Indiana University. This came with a move to Indiana and a complete transition in staff. Since then, we have focused on building relationships, growing our membership, and efficiently using our resources.

Relationships

- ASHA has joined the Human Rights Campaign – Project THRIVE
- The collaboration with Penn State Hershey resulted in a JOSH article titled “National Survey of School Employees: COVID-19, School Reopening and Student Wellness.”
- ASHA has partnered with HBCU Texas Southern University to support an intern to continue our progress toward greater diversity, equity, and inclusion.

Membership

- President Kayce Solari Williams has tasked an ad hoc committee with recruiting, engaging, and retaining members.
- Membership has grown 23% since 2017!

Resources

- ASHA has enjoyed greater financial success with growing surpluses.
 - 2017 - \$20,632
 - 2018 - \$33,359
 - 2019 - \$71,972
 - 2020 – approx \$150,000
- The current Board of Directors has a goal of building 3 to 6 months of reserves, and we will reach that goal!

Recognition & Awards

The American School Health Association aspires to LEAD, EDUCATE, and ACTIVATE multidisciplinary school health professionals and other champions as they work in their communities nationwide to implement our mission to transform all schools into places where every student learns and thrives. At our core is a belief that involving individuals with diverse perspectives, lived experiences, and professional lenses creates a more robust, healthier school community. As such, ASHA encourages the recognition of school health professionals and champions from different backgrounds. We invite nominations in the spirit of inclusivity, where all forms of diversity are seen as valuable.

ASHA was pleased to honor the following individuals at the Virtual Awards Presentation on July 19, 2021, for their contributions to school health.

Outstanding School Health Professional of the Year

Michele Voss

Dr. Robert Synovitz Emerging Professional

Dave Kobel

ASHA's School Health Heroes

Krista Gneitling

Distinguished Service Award

Beth McNeil

Donors, Corporate Members, Sponsors, & Funded Projects

ASHA is grateful for the support we've received this past year from our generous donors, grantors, and corporate members.

OUR SPONSORS

WILEY

NMDOH
NEW MEXICO DEPARTMENT OF HEALTH

Children's
HOSPITAL • ST. LOUIS
BJC HealthCare

UNIVERSITY of HOUSTON

OUR EXHIBITORS



Membership

ASHA's multidisciplinary membership includes individuals whose primary focus or interest is in PreK-12 school health programs. This includes teachers, nurses, and physicians; counselors, psychologists, and social workers; and district and school administrators working in PreK-12 public and private schools. ASHA members also work in colleges and universities, preparing professionals for school health positions and conducting critical school health research. ASHA also draws its membership from public and community health agencies, local, state, and federal education organizations, and healthcare providers, as well as other education and health stakeholders.

Committees

ADVOCACY & COALITIONS

Jeanie Alter
Melissa Boguslawski
Hannah M Bourg
Eric Conrad
Noah S Drew
Lisa Greathouse
David Kobel
Ty J. Oehrtman
Erik Peterson
Alex Simko
Jo Ellen Tarallo
Cheryl Lake Weatherford
Megan Marie Weemer

PROFESSIONAL DEVELOPMENT

Jeanie Alter
Nora E. Gelperin
Amelia Huelskamp
Tiereny Lloyd
Ty J. Oehrtman
Larry K. Olsen
Heather Rhodes-Newburn
Karin Richards
Susanne Schmal
Mary Beth Szydlowski
Krisha Thiagarajah
Treece Timmons

RESEARCH & PUBLICATIONS

Michael J. Mann (Chair)
Jeanie Alter
Sheila Abebe
Anna M. Aragon
Bethany Ann Bell
David A. Birch
Hannah Priest Catalano
Shay M Daily
Virginia Jones Dodd
Christine Marie Fisher
Bonni C. Hodges
Alicia Hoke
Matt Hutchins
Tijani Mao
Rahul Mehra
Rahul Mehra
Sulianie Mertus
Stephanie Neff
Ty J. Oehrtman
Larry K. Olsen
Rosemary Catherine Reilly-
Chammat
Rachel Sadlon
Brandon Stratford
Leigh E Szucs
Lindsay Taliaferro

SCHOOL VIOLENCE TASKFORCE

Sharon Drumheller Murray (Chair)
Jeanie Alter
Jeffrey K. Clark
Lloyd J. Kolbe
David K. Lohrmann
Linda L. Morse
Ty L. Oehrtman
Larry K. Olsen
David C. Wiley



LEADERSHIP & RECOGNITION

Jeanie Alter
Caitlin Holden
Skye Lochlyn McDonald
Ty J. Oehrtman
Brittany L. Rosen
Meagan Shipley
Elizabeth Ann Whitney
Keith J. Zullig

NETWORKING COMMUNITIES

Jeanie Alter
Sarah Blanton
Marjorie E. Cole
Kathy Finley
Brooke R Harris
Ty J. Oehrtman

Advocacy & Coalitions

Co-Chairs: Sarah Blanton & Sarah Helton

ASHA adopted four key policy priorities that are driving ASHA's advocacy and educational initiatives with policymakers and stakeholders, as these priorities are central to our members' interests. They advocate for the implementation of the WSCC framework, promote racial and social justice, and encourage total funding of ESSA, particularly Title II and IV, to enhance professional development for our health and physical educators and school health programs. We have begun building relationships with our elected leaders by conducting virtual Hill visits and sharing information with them regularly. ASHA's advocacy toolkit was released and provides the tools and information needed to make advocacy easy at the local, state, and federal levels. The toolkit also has a companion piece for use in college and high school classrooms. Thank you, A&C Committee!

Professional Development (PD)

Chair: Shavon Simmons-Wright, with support from Dave Kobel

Members of the PD committee were instrumental in helping to plan the conference. They're also working diligently on coming up with what 2022's conference is going to look like and what we are going to do along the lines of additional webinars because our webinars have been phenomenal and well-attended. Our PD committee members introduce our speakers, and they work closely with Jeanie and the staff to set up a great schedule of webinars throughout the year for continuing education.

Leadership & Recognition

Co-Chairs: Lisa Meadows & Meagan Shipley

Thank you to the chairs and the committee for selecting outstanding award recipients this year and for all the other behind-the-scenes work that goes into the screening and selection process! We look forward to the new scholarship opportunities we have on the horizon, giving ASHA a chance to support school health professionals and students. Bridget Borgogna has led the Future Leaders Academy (FLA) with support from Chris Paske and all FLA members. This has been a great group led by a great individual. Bridget, as you close out your term on the board at the end of this year, we hope you leave knowing that you have made an incredible and lasting impact, and thank you for everything!

Research & Publications

Co-Chairs: Hannah Catalano & Mary Martinasek

The committee has been hard at work reviewing submissions for JOSH, establishing a school health research agenda, forming a relationship with Wiley for the next phase of JOSH, planning special issues focused on racial equity and social justice, and a practitioner issue. Again, thank you for all you do, and please welcome Dr. Michael Mann as our new editor for the Journal of School Health.

Nominating Committee

Chair: Cathy Ramstetter

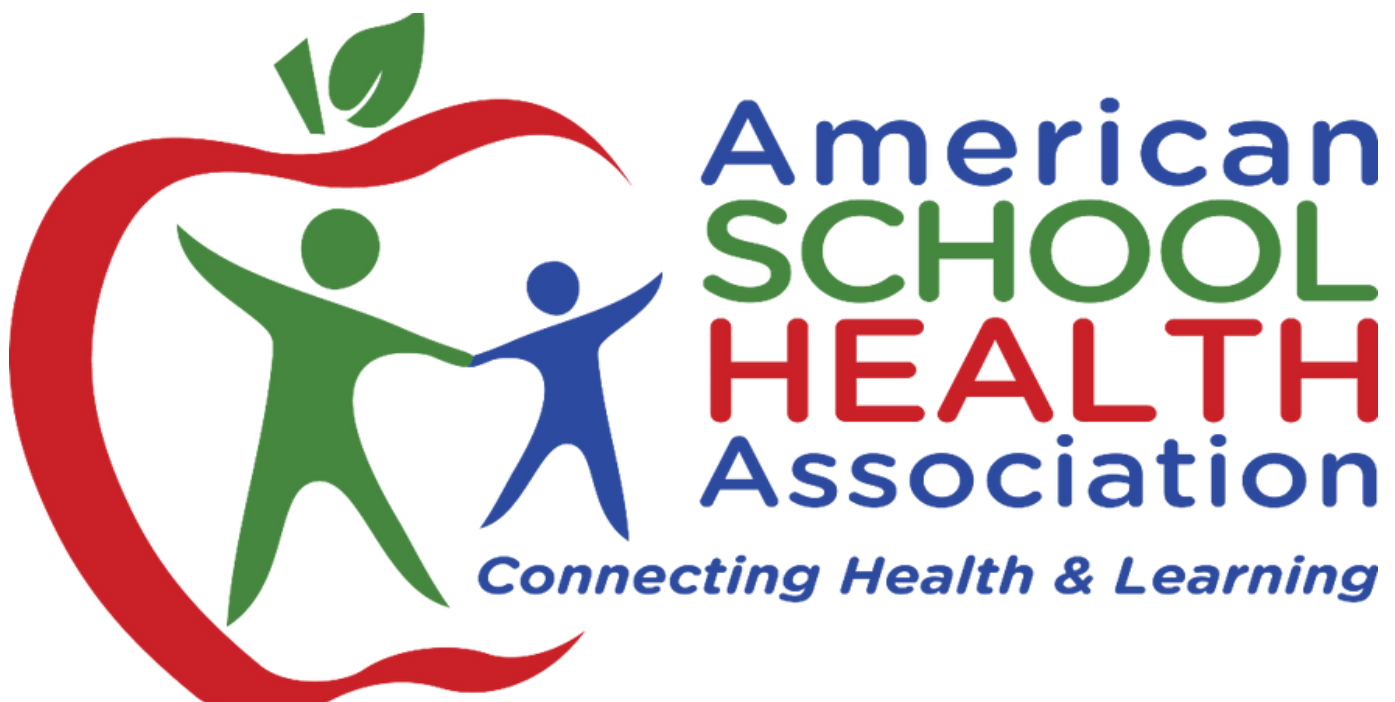
The nominating committee was fully engaged this year and did an excellent job with the slate of board members that ASHA members approved.

Membership Committee

Chair: Chris Paske

This ad hoc committee was established last year by Chris Paske. She is incredibly grateful for this small but mighty group. This is one to join if you want to be a part of the engagement, recruitment, and retention of our members. Additionally, the membership committee will find new ways to initiate and connect, collaborating with all other committees and initiatives.

To our members, thank you for making ASHA a part of your professional life. It means the world to have your support as we continue to pave the way and do the work to make every school a place where students can learn and thrive! I encourage all of you to find ways to connect and keep up with ASHA on social media.



Financials

See next page.

AMERICAN SCHOOL HEALTH ASSOCIATION

Financial Statements

For the Years Ended December 31, 2021 and 2020

AMERICAN HEALTH SCHOOL ASSOCIATION

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Independent Auditor's Report

Board of Directors
American School Health Association.
Bloomington, IN

We have audited the accompanying financial statements of American School Health Association (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021 and 2020, and the related statements of activities, changes in net assets, cash flows, and functional expenses 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 American School Health Association as of December 31, 2021 and 2020, 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. 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 American School Health Association 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 opinion.

Responsibilities of Management for the Financial Statements

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

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

8375 S. Howell Ave. Suite 202 Oak Creek, WI 53154-8344
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Auditor's Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

Wasserman & Shuff LLC

Wasserman & Shuff, LLC

9/21/22

8375 S. Howell Ave. Suite 202 Oak Creek, WI 53154-8344
Phone: (414) 764-7020 ♦ Fax: (414) 764-8780 ♦ www.wassermancpa.net

**American School Health Association
Statements of Financial Position
As of December 31, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>		
Current Assets:		
Cash and cash equivalents	\$ 229,598	\$ 128,956
Restricted cash	9,644	8,943
Accounts receivable	55,051	92,815
Prepaid expenses	31,699	37,518
Total Current Assets	<u>325,992</u>	<u>268,232</u>
Other Assets:		
Restricted investments	<u>285,071</u>	<u>250,680</u>
Total Other Assets	<u>285,071</u>	<u>250,680</u>
 Total Assets	 <u><u>\$ 611,063</u></u>	 <u><u>\$ 518,912</u></u>
 <u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts payable	\$ -	\$ 1,966
Deferred memberships	<u>19,978</u>	<u>37,972</u>
Total Current Liabilities	<u>19,978</u>	<u>39,938</u>
 Net Assets:		
Without donor restrictions	307,966	228,294
With donor restrictions	<u>283,119</u>	<u>250,680</u>
Total Net Assets	<u><u>\$ 591,085</u></u>	<u><u>\$ 478,974</u></u>
 Total Liabilities and Net Assets	 <u><u>\$ 611,063</u></u>	 <u><u>\$ 518,912</u></u>

See Independent Auditors' Report and Accompanying Notes.

American School Health Association
Statement of Activities and Change in Net Assets
For the Year Ended December 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Totals
Revenue and Support:			
Contributions	\$ 1,844	\$ -	\$ 1,844
Conference sponsorships	9,250	-	9,250
Corporate partnerships	4,900	-	4,900
Memberships	66,258	-	66,258
Conference registration fees	24,645	-	24,645
Education	48,941	-	48,941
Publications	143,790	-	143,790
Other income	45,201	-	45,201
Investment income	13,957	32,439	46,396
Total Revenue and Support	<u>358,786</u>	<u>32,439</u>	<u>391,225</u>
Net Assets Released from Restriction	-	-	-
Expenses:			
Conference	\$ 36,303	\$ -	\$ 36,303
Memberships	96,757	-	96,757
Education and publications	53,683	-	53,683
Management and general	92,371	-	92,371
Total Expenses	<u>279,114</u>	<u>-</u>	<u>279,114</u>
Excess of Revenues Over (Under) Expenses and Losses	79,672	32,439	112,111
Net Assets, Beginning of Year			
Without donor restrictions	228,294	-	228,294
With donor restrictions	-	137,680	137,680
Donor-restricted endowment funds	<u>-</u>	<u>113,000</u>	<u>113,000</u>
Net Assets, End of Year	<u>\$ 307,966</u>	<u>\$ 283,119</u>	<u>\$ 591,085</u>

See Independent Auditors' Report and Accompanying Notes.

American School Health Association
Statement of Activities and Change in Net Assets
For the Year Ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Totals
Revenue and Support:			
Contributions	\$ 3,044	\$ -	\$ 3,044
Conference sponsorships	14,300	-	14,300
Corporate partnerships	98,686	-	98,686
Memberships	79,175	-	79,175
Conference registration fees	39,395	-	39,395
Conference exhibitor fees	-	-	-
Publications	239,096	-	239,096
Other income	12,892	-	12,892
Investment income (loss)	-	16,761	16,761
Total Revenue and Support	<u>486,588</u>	<u>16,761</u>	<u>503,349</u>
Net Assets Released from Restriction	2,893	(2,893)	-
Expenses:			
Conference	\$ 50,234	\$ -	\$ 50,234
Memberships	113,142	-	113,142
Education and publications	90,703	-	90,703
Management and general	96,354	-	96,354
Total Expenses	<u>350,433</u>	<u>-</u>	<u>350,433</u>
Excess of Revenues Over (Under) Expenses and Losses	139,048	13,868	152,916
Net Assets, Beginning of Year			
Without donor restrictions	89,246	-	89,246
With donor restrictions	-	123,812	123,812
Donor-restricted endowment funds	-	113,000	113,000
Net Assets, End of Year	<u>\$ 228,294</u>	<u>\$ 250,680</u>	<u>\$ 478,974</u>

See Independent Auditors' Report and Accompanying Notes.

American School Health Association
Statements of Cash Flows
For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Change in net assets	\$ 112,111	\$ 152,916
Adjustments to reconcile change in net assets to cash provided by (used for) operating activities:		
Dividends and capital gain distributions reinvested	9,707	7,493
Realized (gains) on sales of investments	(3,906)	-
Unrealized (gains) losses on investments	(34,384)	(16,744)
Change in accounts receivable	37,764	(33,133)
Change in prepaid expenses	5,819	(30,484)
Change in accounts payable	(1,966)	(13,920)
Change in deferred revenue	(17,994)	(75,986)
Net cash provided by (used for) operating activities	<u>107,151</u>	<u>(9,858)</u>
Cash flows from investing activities:		
Purchase of investments	(17,851)	(7,463)
Proceeds from investments	12,000	0
Net cash provided by (used for) investing activities	<u>(5,851)</u>	<u>(7,463)</u>
Net increase (decrease) in cash and cash equivalents	101,300	(17,321)
Cash and cash equivalents, beginning of year	<u>137,942</u>	<u>155,263</u>
Cash and cash equivalents, end of year	<u><u>\$ 239,242</u></u>	<u><u>\$ 137,942</u></u>

See Independent Auditors' Report and Accompanying Notes.

American School Health Association
Statement of Functional Expenses
For the Year Ended December 31, 2021

	<u>Conference</u>	<u>Membership</u>	<u>Education and Publications</u>	<u>Management and General</u>	<u>Total</u>
Advertising expense	\$ -	\$ 3,125	\$ -	\$ -	\$ 3,125
Bank charges	-	-	-	555	555
Computer and software expense	435	-	-	13,557	13,992
Contract services	6,900	-	-	16,200	23,100
Continuing education expense	-	225	-	-	225
Equipment rental	-	-	-	-	-
Exhibition expense	-	-	-	-	-
Insurance	-	-	-	1,544	1,544
Leadership development	-	403	-	-	403
Legal and professional fees	-	-	-	4,375	4,375
Management fees	27,828	92,761	18,552	46,881	186,022
Meals and entertainment	-	-	-	-	-
Merchant fees	-	-	-	3,156	3,156
Office rent	-	-	-	4,638	4,638
Postage	-	-	-	-	-
Printing and copying	1,000	-	-	-	1,000
Publications	-	-	35,131	-	35,131
Speaker expense	-	-	-	-	-
Storage rental	-	-	-	-	-
Supplies	140	-	-	614	754
Survey expense	-	-	-	-	-
Telephone	-	-	-	-	-
Travel	-	-	-	-	-
Webinar expense	-	-	-	-	-
Website and internet expense	-	-	-	401	401
Miscellaneous	-	243	-	450	693
Total expenses	<u>\$ 36,303</u>	<u>\$ 96,757</u>	<u>\$ 53,683</u>	<u>\$ 92,371</u>	<u>\$ 279,114</u>

See Independent Auditors' Report and Accompanying Notes.

American School Health Association
Statement of Functional Expenses
For the Year Ended December 31, 2020

	<u>Conference</u>	<u>Membership</u>	<u>Education and Publications</u>	<u>Management and General</u>	<u>Total</u>
Advertising expense	\$ -	\$ 7,598	\$ -	\$ -	\$ 7,598
Bank charges	-	-	-	492	492
Computer and software expense	6,556	-	-	4,567	11,123
Contract services	-	-	33,339	400	33,739
Continuing education expense	-	225	-	-	225
Equipment rental	-	-	-	-	-
Exhibition expense	-	-	-	-	-
Food and beverage expense	-	-	-	-	-
Office rent	-	-	-	5,060	5,060
Insurance	-	-	-	1,559	1,559
Leadership development	-	-	-	-	-
Legal and professional fees	-	-	-	26,491	26,491
Management fees	31,596	105,319	21,064	52,660	210,639
Merchant fees	-	-	-	3,831	3,831
Postage	82	-	-	118	200
Printing and copying	-	-	-	-	-
Publications	-	-	600	-	600
Special issue expenses	-	-	35,700	-	35,700
Speaker expense	12,000	-	-	-	12,000
Supplies	-	-	-	688	688
Travel	-	-	-	-	-
Website and internet expense	-	-	-	381	381
Miscellaneous	-	-	-	107	107
Total expenses	<u>\$ 50,234</u>	<u>\$ 113,142</u>	<u>\$ 90,703</u>	<u>\$ 96,354</u>	<u>\$ 350,433</u>

See Independent Auditors' Report and Accompanying Notes.

**American School Health Association
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020**

A. NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

American School Health Association (ASHA) is a 501(c)(3) nonprofit organization incorporated in 1971 under the laws of the state of Ohio. The Association is a national membership organization for health and education professionals who work in or with schools on health issues. The ASHA mission is “to transform all schools into places where every student learns and thrives.” ASHA envisions healthy students who learn and achieve in safe and healthy environments nurtured by caring adults functioning within coordinated school and community support systems. To provide leadership and realize this mission, ASHA had identified the following goals for the Association:

- **Lead:** Lead efforts to prioritize school-based approaches that promote lifelong health.
- **Educate:** Build a community to support the whole child.
- **Activate:** Activate champions of school health.

Activities that the Association pursues to accomplish these goals include a scientific journal, an annual conference, networking opportunities for members, advocacy activities, and continuing education opportunities. The Association funds these activities through grants, membership fees, subscription sales, and conference fees.

Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting in accordance with United States of America generally accepted accounting principles. As such, revenues are recognized when earned, and expenses and related liabilities are recorded in the period incurred.

Financial Statement Presentation

As of January 1, 2019, the Organization has adopted ASU 2016-14, which requires that net assets be presented as with or without donor restrictions, rather than as unrestricted, temporarily restricted, or permanently restricted.

The Organization had total net assets of \$591,085 and \$478,974 as of December 31, 2021 and 2020, respectively. Of the total net assets, \$283,119 and \$250,680 were with donor restrictions as of December 31, 2021 and 2020.

Recognition of Donor Restrictions

The Association records contributions in accordance with the requirements of the FASB Accounting Standards Codification – Revenue Recognition for Not-for-Profit Entities. Support that is restricted by the donor is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

**American School Health Association
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020**

**A. NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CON'T)**

Revenue Recognition

The Association receives revenues primarily from publications, conference registrations and conference sponsors, and memberships.

The Association recognizes membership revenue as an exchange transaction because the value of the benefits received in exchange for the membership fee exceeds the value of the fee itself. Revenue derived from the membership in exchange transactions is recognized as income on the straight-line basis over the period of membership. Revenue from the sale of publications is recognized when sold. Amounts received before services are performed are recorded as deferred contract revenue and will be recognized as revenue as the contract is performed.

Use of Estimates

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

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, cash held in banks, and investments with initial maturities of three months or less. Restricted cash consists of amounts received that are deferred for future periods. Cash and cash equivalents held in the McGovern investment account are not included in cash but are reported as part of Restricted Investments – McGovern Fund on the statements of financial position.

Accounts Receivable

The Association considers accounts receivable to be fully collectible. Accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they are charged to operations when that determination is made.

Fair Value of Financial Instruments

The Association's financial instruments consist of cash, prepaid expenses, short-term receivables and payables, and deferred revenues. The carrying value for all such instruments, considering the terms, approximates fair value at December 31, 2021 and 2020.

**American School Health Association
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020**

**A. NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CON'T)**

Investments

The Association records its investments in accordance with the requirements of the Investments in Debt and Equity Securities for Not-for-Profit entities standard of the FASB Accounting Standards Codification. This standard requires that investments be reported in the statement of financial position at fair value with any realized or unrealized gains or losses reported in the statement of activities. Fair values are based upon quoted process in active markets for identical assets/liabilities (Level 1). Investment income is recognized as revenue in the period it is earned and gains and losses are recognized as changes in net assets in the accounting periods in which they occur.

Investment Policy

The Association's investment policy intends for the Association to invest in assets at three different levels:

The short-term reserve fund is intended to meet expenses from unanticipated activities. The objective of the fund is primarily liquidity, with optimization of investment return.

The long-term reserve fund is intended to provide financial stability and cash flow to support the Association's mission, with the objectives of long-term appreciation of assets and consistency of the total investment return.

The Board of Directors has interpreted the State Management of Institutional Funds Act (SMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, ASHA classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Association in a manner consistent with the standard of prudence prescribed by SMIFA. In accordance with SMIFA, the Association considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) The duration and preservation of the fund (2) The purposes of the Association and the donor-restricted endowment fund (3) General economic conditions (4) The possible effect of inflation and deflation (5) The expected total return from income and the appreciation of investments (6) Other resources of the Association (7) The investment policies of the Association.

American School Health Association
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020

A. NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CON'T)

Exempt Status

The Association is exempt from federal income taxes under Internal Revenue Code 501(c)(3) as a public charity and not a private foundation. The Association is also exempt from state income tax. However, income from certain activities not directly related to the Association's tax-exempt purpose is subject to taxation as unrelated business income.

The Association's income tax filings are subject to audit by various taxing authorities. Open periods subject to audit for federal and state purposes are generally the previous three and four years of tax returns filed, respectively. Any interest or penalties assessed to the Association are recorded as operating expenses; however, there were no interest or penalties recorded for the year ended December 31, 2021 and 2020.

Concentration of Credit Risk

Financial instruments that potentially subject the Association to concentrations of credit risk consist principally of cash. Non-interest bearing accounts are insured by the Federal Deposit Insurance Corporation. The Association maintains its cash balances at two financial institutions. As of December 31, 2021 and 2020, the Association's uninsured cash balances were \$0.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at the approximate fair market value. Major additions and improvements are capitalized as equipment if greater than \$500, while replacements, maintenance, and repairs, which do not improve or extend the lives of the respective assets are expensed. Depreciation is computed using a combination of accelerated methods and the straight-line method over estimated useful lives of the related assets which is 3-10 years for office equipment and furniture. Web site development costs have been capitalized and are being amortized over three years using the straight-line method.

Donated Goods and Services

The Association receives substantial amounts of services donated by its members in carrying out the business of the Association. No amounts have been reflected in the financial statements for those services since they do not meet the criteria under generally accepted accounting principles for recognition.

Expense Allocation

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include professional fees, office supplies, and merchant fees. Expenses that can be directly attributed to a program or support function are charged to that program.

American School Health Association
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020

A. NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CON'T)

Advertisement

The Association expenses advertising costs when they are incurred. Advertising costs for the years ended December 31, 2021 and 2020 were \$3,125 and \$7,598, respectively.

Adoption of New Accounting Principle

On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financials for not-For-Profit Entities. The update addresses the complexity and understandability of net asset classification, and deficiencies in information provided about expenses and investment return. Management has implemented ASU 2016-14, and has adjusted the presentation in these financial statements accordingly. The ASU has been applied retrospectively to all periods presented, which resulted in no change to the previously reported net assets.

Date of Management Evaluation

Management has evaluated subsequent events through September 21, 2022, the date on which the financial statements were available to be issued. The Association has no responsibility to update these financial statements for events and circumstances occurring after this date.

B. INVESTMENTS

The Fair Value Measurements and Disclosures topic of FASB Accounting Standards Codification establishes fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Association uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Association measured fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are used only when Level 1 or 2 inputs are not available. As of December 31, 2021 and 2020, the Association's instruments are all valued using Level 1 inputs.

Investments consist of various mutual funds and are presented in the aggregate at their fair market value using Level 1 inputs as of December 31, 2021 and 2020 as follows:

	<u>Original Cost</u>	<u>Fair Value</u>	<u>Unrealized Gain</u>
2021	<u>\$ 218,357</u>	<u>\$ 294,715</u>	<u>\$ 76,358</u>
2020	<u>\$ 199,806</u>	<u>\$ 259,623</u>	<u>\$ 59,817</u>

See Independent Auditors' Report.

**American School Health Association
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020**

B. INVESTMENTS (CONTINUED)

The following schedule summarizes the investment return for the years ended December 31, 2021 and 2020:

	2021	2020
Dividends, interest and capital gain distributions	\$ 13,952	\$ 7,493
Realized gains on investments	3,906	0
Unrealized gain (loss) on investments	34,384	16,744
Total	<u>\$ 52,242</u>	<u>\$ 24,237</u>

Short-term investments considered cash equivalents of \$9,644 and \$8,943 at December 31, 2021 and 2020, respectively, are included in restricted cash on the statement of financial position.

C. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of funding received from two sources. First are contributions and grants that are to be used entirely for special programs as identified by donor restrictions. Secondly, investment income from donor restricted endowment funds are recorded as restricted until used for the designated purpose.

Donor-restricted endowment funds consist of the principal balance of the McGovern Foundation Adornment Fund. The fund requires that the principal is to remain preserved. The Fund's earnings are recorded as restricted and are available to pay speaker fees for the McGovern Lecture at the annual conference.

Restricted net assets consisted of the following as of December 31, 2021 and 2020:

McGovern Foundation Endowment Fund:

	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
2021	<u>\$ 170,119</u>	<u>\$ 113,000</u>	<u>\$ 283,119</u>
2020	<u>\$ 137,680</u>	<u>\$ 113,000</u>	<u>\$ 250,680</u>

The endowment fund consists of both temporarily and permanently restricted donations. Earnings on the fund may be used for the specific purpose of paying speaker fees for the Association's annual conference.

**American School Health Association
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020**

C. NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Following is a schedule of activity within the endowment fund in 2021 and 2020:

	2021	2020
Beginning of year	\$ 250,680	\$ 233,923
Interest and dividends, net of fees	4,337	4,878
Amounts appropriated for expenditures	(12,000)	0
Purchases	(17,851)	(7,491)
Sales	12,000	0
Realized gains	3,906	0
Capital gains	9,615	2,615
Unrealized gains (losses)	34,384	16,755
As of December 31	<u>\$ 285,071</u>	<u>\$ 250,680</u>

D. STAFFING CONTRACT AND MANAGEMENT AGREEMENT

Effective January 8, 2018, the Association entered into a new management agreement with Prevention Insights at Indiana University for membership development and maintenance, Association operations, professional development and advocacy, as well as sponsorships and funding streams. The contract was extended on March 30, 2021 to cover the period through December 31, 2024. Total management fee expense for the years ended December 31, 2021 and 2020 was \$186,022 and \$210,639, respectively.

E. LEASE OBLIGATION

Operating Lease Obligation:

During 2021, the Organization entered into a lease agreement with the Trustees on Indiana University for office and storage space. The current lease was amended in August 2021 and extends through March 31, 2024. Rent expense for the year ended December 31, 2021 was \$4,638.

Future minimum lease payments under the operating leases as of December 31, 2021 are as follows:

2022	\$ 4,990
2023	4,990
2024	<u>1,248</u>
Total	<u>\$ 11,228</u>

See Independent Auditors' Report.

American School Health Association
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020

F. RISK MANAGEMENT

The Organization is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the Organization carries commercial insurance. There were no claims or settlements for the years ended December 31, 2021 and 2020, respectively.

G. RESTRICTED CONTRIBUTIONS

Restricted promises of support are included in the financial statements as receivables and revenue in the net asset with donor-imposed restrictions category. During 2021 and 2020, there were no restricted contributions.

H. FINANCIAL ASSET LIQUIDITY

The Organization's liquidity goal is to have sufficient assets available to meet operational expenditures for a 12-month period. The primary forms of funds available are cash and the expected collections of accounts receivable. Management regularly reviews the liquidity required to meet operational expenditures.

The following reflects the Organization's financial assets as of the balance sheet dates, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet dates.

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	<u>\$ 229,598</u>	<u>\$ 128,956</u>
Accounts receivable	<u>\$ 55,051</u>	<u>\$ 92,815</u>
Deferred revenue	<u>\$ 19,978</u>	<u>\$ 37,972</u>
Prepaid expenses	<u>\$ 31,699</u>	<u>\$ 37,518</u>

See Independent Auditors' Report.