

PUBLIC HEALTH INSTITUTE

FINANCIAL STATEMENTS
WITH SUPPLEMENTARY REGULATORY
COMPLIANCE INFORMATION

December 31, 2025 and 2024

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COMPLIANCE INFORMATION
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Public Health Institute
Oakland, California

Report on the Audit of the Financial Statements***Opinion***

We have audited the financial statements of Public Health Institute, which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Public Health Institute as of December 31, 2025 and 2024, 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. 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 Public Health Institute and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 Public Health Institute's ability to continue as a going concern for one year from the date the financial statements are available to be issued.

(Continued)

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 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 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 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 Public Health Institute'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 Public Health Institute'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 financial statements as a whole. The 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* is presented for purposes of additional analysis and is 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 other 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.

(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 10, 2026 on our consideration of Public Health Institute'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 Public Health Institute'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 Public Health Institute's internal control over financial reporting and compliance.


Crowe LLP

San Francisco, California
September 10, 2026

PUBLIC HEALTH INSTITUTE
STATEMENTS OF FINANCIAL POSITION
December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 40,345,660	\$ 66,932,834
Investments (Note 3)	4,813,298	13,830,197
Grants and contracts receivable, net of allowance for doubtful accounts of \$75,000 in 2025 and 2024	52,534,770	48,044,845
Prepaid expenses	927,768	1,506,311
Other assets	74,908	96,556
Total current assets	<u>98,696,404</u>	<u>130,410,743</u>
Non-current assets:		
Furniture, equipment and computer software, net of accumulated depreciation and amortization (Note 4)	312,354	369,806
Operating lease right-of-use asset	818,083	2,531,370
Total non-current assets	<u>1,130,437</u>	<u>2,901,176</u>
Total assets	<u><u>\$ 99,826,841</u></u>	<u><u>\$ 133,311,919</u></u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and other accrued liabilities	\$ 21,349,748	\$ 20,957,700
Accrued salaries and related leave (Note 1)	10,124,215	15,601,411
Operating lease liability, current (Note 8)	900,567	1,887,877
Contract advances	13,467,764	21,357,794
Total current liabilities	<u>45,842,294</u>	<u>59,804,782</u>
Operating lease liability, non-current (Note 8)	<u>11,282</u>	<u>879,948</u>
Total liabilities	<u>45,853,576</u>	<u>60,684,730</u>
Net assets:		
Without donor restrictions:		
Undesignated	18,721,685	18,904,454
Board designated - Strategic Initiative Fund (Note 5)	1,238,704	-
Designated (Note 5)	14,683,850	18,129,975
Total without donor restrictions	<u>34,644,239</u>	<u>37,034,429</u>
With donor restrictions (Note 6)	<u>19,329,026</u>	<u>35,592,760</u>
Total net assets	<u>53,973,265</u>	<u>72,627,189</u>
Total liabilities and net assets	<u><u>\$ 99,826,841</u></u>	<u><u>\$ 133,311,919</u></u>

See accompanying notes to financial statements.

PUBLIC HEALTH INSTITUTE
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
For the years ended December 31, 2025 and 2024

	2025			2024		
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Support and revenue						
Grants and contracts (Notes 2 and 10)	\$ 159,202,040	\$ 19,866,292	\$ 179,068,332	\$ 233,161,505	\$ 23,414,215	\$ 256,575,720
Contributions	2,844,336	-	2,844,336	1,986,507	-	1,986,507
Investment income, net (Note 3)	3,019,797	-	3,019,797	4,282,744	-	4,282,744
Net assets released from donor restrictions	36,130,026	(36,130,026)	-	22,666,099	(22,666,099)	-
Total support and revenue	201,196,199	(16,263,734)	184,932,465	262,096,855	748,116	262,844,971
Expenses						
Direct expenses:						
Salaries, wages and benefits (Note 9)	73,491,210	-	73,491,210	101,038,761	-	101,038,761
Professional services	10,638,193	-	10,638,193	16,399,853	-	16,399,853
Travel, training and professional development	3,815,609	-	3,815,609	4,879,792	-	4,879,792
Occupancy (Note 8)	658,392	-	658,392	1,311,724	-	1,311,724
Supplies	1,193,237	-	1,193,237	1,552,525	-	1,552,525
Publications and printing	120,912	-	120,912	147,279	-	147,279
Communications	526,988	-	526,988	555,282	-	555,282
Postage and delivery	805,655	-	805,655	766,103	-	766,103
Subcontracts and grants	60,055,800	-	60,055,800	100,212,528	-	100,212,528
Contribution expense (Note 12)	22,262,962	-	22,262,962	-	-	-
Other	3,995,140	-	3,995,140	1,532,773	-	1,532,773
Total direct expenses	177,564,098	-	177,564,098	228,396,620	-	228,396,620
Indirect expenses:						
Allocated	24,942,633	-	24,942,633	27,518,831	-	27,518,831
Unallocated	1,079,658	-	1,079,658	1,395,051	-	1,395,051
Total indirect expenses	26,022,291	-	26,022,291	28,913,882	-	28,913,882
Total expenses	203,586,389	-	203,586,389	257,310,502	-	257,310,502
Change in net assets	(2,390,190)	(16,263,734)	(18,653,924)	4,786,353	748,116	5,534,469
Net assets at beginning of year	37,034,429	35,592,760	72,627,189	32,248,076	34,844,644	67,092,720
Net assets at end of year	\$ 34,644,239	\$ 19,329,026	\$ 53,973,265	\$ 37,034,429	\$ 35,592,760	\$ 72,627,189

See accompanying notes to financial statements.

PUBLIC HEALTH INSTITUTE
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2025

	Program Services and Fundraising				Management and General			Total
	Program Services	Fundraising	Transitioned Programs	Subtotal	PHI	ARG	Subtotal	Expenses
Salaries, wages and benefits	\$ 73,491,210	\$ -	\$ -	\$ 73,491,210	\$ 18,581,448	\$ 686,110	\$ 19,267,558	\$ 92,758,768
Professional services	10,638,193	-	-	10,638,193	1,964,251	84,758	2,049,009	12,687,202
Travel, training and professional development	3,815,609	-	-	3,815,609	225,483	19,704	245,187	4,060,796
Occupancy	658,392	-	-	658,392	1,053,808	375,554	1,429,362	2,087,754
Supplies	1,193,237	-	-	1,193,237	1,534,309	27,101	1,561,410	2,754,647
Publications and printing	120,912	-	-	120,912	23,281	-	23,281	144,193
Communications	526,738	250	-	526,988	126,474	1,875	128,349	655,337
Postage and delivery	805,655	-	-	805,655	14,883	620	15,503	821,158
Subcontracts and grants	60,055,800	-	-	60,055,800	-	4,400	4,400	60,060,200
Contribution expense	-	-	22,262,962	22,262,962	-	-	-	22,262,962
Other	3,994,948	192	-	3,995,140	1,290,370	7,862	1,298,232	5,293,372
	<u>\$ 155,300,694</u>	<u>\$ 442</u>	<u>\$ 22,262,962</u>	<u>\$ 177,564,098</u>	<u>\$ 24,814,307</u>	<u>\$ 1,207,984</u>	<u>\$ 26,022,291</u>	<u>\$ 203,586,389</u>

See accompanying notes to financial statements.

PUBLIC HEALTH INSTITUTE
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2024

	Program Services and Fundraising				Management and General			Total
	<u>Program Services</u>	<u>Fundraising</u>	<u>Transitioned Programs</u>	<u>Subtotal</u>	<u>PHI</u>	<u>ARG</u>	<u>Subtotal</u>	<u>Expenses</u>
Salaries, wages and benefits	\$ 101,038,076	\$ 685	\$ -	\$ 101,038,761	\$ 21,054,431	\$ 842,365	\$ 21,896,796	\$ 122,935,557
Professional services	16,399,853	-	-	16,399,853	1,596,433	94,342	1,690,775	18,090,628
Travel, training and professional development	4,879,792	-	-	4,879,792	269,542	5,631	275,173	5,154,965
Occupancy	1,311,724	-	-	1,311,724	1,243,658	358,055	1,601,713	2,913,437
Supplies	1,552,525	-	-	1,552,525	1,497,476	64,440	1,561,916	3,114,441
Publications and printing	147,279	-	-	147,279	90,041	175	90,216	237,495
Temporary help	248	-	-	248	133,291	-	133,291	133,539
Communications	553,782	1,500	-	555,282	189,997	1,779	191,776	747,058
Postage and delivery	766,103	-	-	766,103	12,364	238	12,602	778,705
Subcontracts and grants	100,212,528	-	-	100,212,528	-	-	-	100,212,528
Other	1,532,293	232	-	1,532,525	1,445,737	13,887	1,459,624	2,992,149
	<u>\$ 228,394,203</u>	<u>\$ 2,417</u>	<u>\$ -</u>	<u>\$ 228,396,620</u>	<u>\$ 27,532,970</u>	<u>\$ 1,380,912</u>	<u>\$ 28,913,882</u>	<u>\$ 257,310,502</u>

See accompanying notes to financial statements.

PUBLIC HEALTH INSTITUTE
STATEMENTS OF CASH FLOWS
For the years ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Change in net assets	\$ (18,653,924)	\$ 5,534,469
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	128,744	190,980
Net realized and unrealized gain on investments	(2,910,272)	(3,796,191)
Non-cash rent expense	(142,689)	(123,462)
Non-cash contribution expense (investment transfer)	9,890,334	-
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Grants and contracts receivable	(4,489,925)	(57,004)
Prepaid expenses	578,543	(366,115)
Other assets	21,648	458,987
Increase (decrease) in:		
Accounts payable and accrued liabilities	392,048	(1,043,325)
Accrued salaries and related leave	(5,477,196)	(540,229)
Contract advances	(7,890,030)	1,763,415
Net cash (used in) provided by operating activities	<u>(28,552,719)</u>	<u>2,021,525</u>
Cash flows from investing activities		
Proceeds from sale or maturity of investments, net	2,036,837	2,776,832
Purchase of furniture, equipment and computer software	<u>(71,292)</u>	<u>(20,175)</u>
Net cash provided by investing activities	<u>1,965,545</u>	<u>2,756,657</u>
Net change in cash and cash equivalents	(26,587,174)	4,778,182
Cash and cash equivalents at beginning of year	<u>66,932,834</u>	<u>62,154,652</u>
Cash and cash equivalents at end of year	<u>\$ 40,345,660</u>	<u>\$ 66,932,834</u>

See accompanying notes to financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization: The Public Health Institute (PHI) is a national independent nonprofit based in California. PHI is a public benefit corporation organized and operated for charitable and scientific purposes under section 501(c)(3) of the Internal Revenue Code. The primary purposes of the Public Health Institute and its subsidiaries (collectively, the Institute or PHI) are to advance the health and well-being of all people and communities, particularly those facing the greatest barriers. PHI collaborates with public, private, non-profit and philanthropic organizations and fiscally sponsors programs supporting public health practice, policy, research, and community engagement to improve the conditions for health in communities.

PHI activities span the continuum of public health practice, including:

- Data collection and analysis to inform prevention strategies
- Program administration in community settings
- Partnerships arrangements to scale evidence-based approaches
- Workforce training and technical assistance to build capacity

PHI provides the following services:

- Initiative Design, Implementation, and Management
- Strategic Funding Intermediary
- Strategic Growth Partnership
- Fiscal Sponsorship
- Fee-for-Service

PHI focuses on the following areas of impact:

- Bolster Public Health Programs
- Create Partnerships to Advance the Field
- Strengthen the Public Health Workforce
- Improve the Health of Communities
- Answer Public Health Research Questions

Principles of Consolidation: The accompanying financial statements of the Institute include the accounts of the Public Health Institute and its controlled subsidiary, PHI India Private Limited, which is a private limited company organized under the laws of India. PHI India Private Limited is operated exclusively for the purpose of carrying out projects that advance PHI's charitable and scientific purposes in India. All intercompany balances and transactions have been eliminated in consolidation.

Basis of Presentation: The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with generally accepted accounting principles in the United States of America (GAAP).

Cash and Cash Equivalents: The Institute considers all cash and other highly liquid investments with initial maturities of three months or less when purchased to be cash equivalents. This classification also includes money market accounts held by the Institute.

Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, the Institute maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Investments: Investments are valued at fair value based upon quoted market prices, when available, or estimates of fair value, in the Statements of Financial Position and realized and unrealized gains and losses are recognized in the Statements of Activities and Changes in Net Assets in the year incurred.

Furniture, Equipment and Computer Software: Furniture, equipment and computer software in excess of \$5,000 are capitalized and stated at cost if purchased, or at fair value if donated.

Furniture, equipment and computer software are depreciated/amortized on a straight-line basis over the estimated useful lives of the related assets, generally five to seven years. The cost of maintenance and repairs is recorded as expenses when incurred.

Compensated Absences: The Institute's current policy is to allow employees to accrue up to a maximum of 492 hours of paid time off. As of December 31, 2025 and 2024, the liability for accrued compensated absences aggregated \$5,292,869 and \$10,239,519, respectively, and is included in accrued salaries and related leave in the accompanying Statements of Financial Position.

Net Asset Classification: The net assets are reported in two self-balancing groups as follows:

- *Net assets without donor restrictions* – This classification includes revenue and contributions received which have no donor-imposed restrictions. These net assets are available for the operation of the Institute and include both internally designated (Note 5), Board designated (Note 5), and undesignated resources.
- *Net assets with donor restrictions* – This classification includes revenue and contributions which are subject to donor-imposed stipulations that will be met by the actions of the Institute, and/or the passage of time. When a restriction ceases, the restricted net assets are reclassified to “net assets without donor restrictions” and reported in the Statements of Activities and Changes in Net Assets, as net assets released from restrictions.

Grants and Contracts: Grants and contracts, which are generally considered non-exchange transactions, are recognized as net assets with donor restrictions when they are deemed to have a purpose or time restricted contribution. Conditional promises to give, with a barrier and right of return, are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Grants received in excess of qualifying direct and indirect expenses incurred are shown as net assets with donor restrictions in the accompanying financial statements. Contracts are recorded as revenue without donor restrictions when reimbursable costs have been incurred by the Institute. Contract funding received in advance of incurring the related expenses is recorded as a contract advance. Contract advances remain as a liability until such time as the qualifying direct or indirect expenses have been incurred.

The Institute receives funding under grants and contracts from the U.S. Government for direct and indirect program costs. This funding is subject to contractual conditions, which must be met through incurring qualifying expenses for particular programs. Accordingly, such grants are recorded as without donor restrictions income to the extent that related direct and indirect expenses are incurred in compliance with the criteria stipulated in the grant agreements.

Grants and contracts receivable represents amounts due from funding organizations for reimbursable expenses incurred in accordance with the related agreements. Grants and contracts receivable approximate fair value.

(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

The allowance for doubtful accounts is determined based upon an annual review of account balances, including the age of the balance and the historical experience with the funder, as well as current conditions and reasonable and supportable forecasts about the future.

Income Taxes: The Institute is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state income and franchise taxes under Section 23701d of the California Revenue and Taxation Code, except to the extent of unrelated business taxable income as defined under Internal Revenue Code Sections 511 through 515. A provision for income taxes has not been recorded in the accompanying financial statements. The Institute is not a private foundation.

Uncertain Tax Positions: For the years ended December 31, 2025 and 2024, the Institute has documented its consideration of guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

The Federal Form 990, Return of Organization Exempt from Income Tax, is subject to examination by the Internal Revenue Service, generally for three years after it is filed.

Tax positions taken related to the Institute's tax exempt status, unrelated business activities taxable income and deductibility of expenses and other miscellaneous tax positions have been reviewed, and management is of the opinion that material positions taken by the Institute would more likely than not be sustained by examination. Accordingly, the Institute has not recorded an income tax liability for uncertain tax benefits as of December 31, 2025 or 2024 nor does it expect there will be a material change in the twelve months following the year ended December 31, 2025. As of December 31, 2025, the Institute's tax years ended December 31, 2021 through December 31, 2025 remain subject to examination in the United States federal tax jurisdiction and the tax years ended December 31, 2020 through December 31, 2025, remain subject to examination in the California state tax jurisdiction.

Use of Estimates: The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses: The costs of providing the various programs and other activities have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among program and supporting services benefited. Functional expenses are allocated based on hours incurred by the individuals assigned to the program and supporting services or by directly charging costs to a given function, where applicable. The Institute considers its services related to bettering public health to encompass one program for purposes of functional expense presentation. Certain management and general costs attributable specifically to Alcohol Research Group ("ARG") are separately presented within management and general expenses.

(Continued)

NOTE 2 – CONCENTRATION OF REVENUE

Approximately 55% and 58% of the Institute's total support and revenue for the years ending December 31, 2025 and 2024, respectively, was derived from various agencies of the U.S. government. Approximately 22% and 18% of the Institute's total support and revenue for the years ended December 31, 2025 and 2024, respectively, was received under various awards from the National Cancer Institute. Any interruption of these relationships (i.e. failure to renew grant agreements or withholding of funds) would require review of ongoing operations.

NOTE 3 – INVESTMENTS AND FAIR VALUE MEASUREMENTS

Investments are carried at fair value; therefore, realized and unrealized gains and losses are reflected in the statements of activities and changes in net assets in the year incurred.

The Institute discloses investments recorded at fair value into the "fair value hierarchy," in accordance with GAAP. The categorization of a financial instrument within the fair value hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Institute's perceived risk of that instrument. The three levels for measuring fair value are based on the reliability of inputs and are as follows:

- Level 1* Quoted prices are available in active markets for identical investments as of the reporting date. Level 1 investments generally include publicly traded equity securities and fixed income mutual funds.
- Level 2* Pricing inputs are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3* Pricing inputs are generally unobservable for the assets or liabilities and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require management's judgment or estimation of assumptions that market participants would use in pricing the assets or liabilities. The fair values are therefore determined using factors that involve judgment including private and comparable public companies, third party appraisals, discounted cash flow models, and fund manager estimates. There were no such investments held by the Institute as of December 31, 2025 and 2024.

Investments in equity securities and fixed income mutual funds are classified as Level 1 as they are traded on a public exchange. Investments recorded at cost include cash and money market funds. Investments recorded at cost are not required to be classified in one of the levels prescribed by the fair value hierarchy.

PUBLIC HEALTH INSTITUTE
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 3 – INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

At December 31, 2025, investments consisted of the following:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments, at fair value:				
Equity securities	\$ 2,950,017	\$ 2,950,017	\$ -	\$ -
Fixed income securities	<u>1,399,372</u>	<u>531,675</u>	<u>867,697</u>	<u>-</u>
	4,349,389	<u>\$ 3,481,692</u>	<u>\$ 867,697</u>	<u>\$ -</u>
Investments, at cost:				
Cash and money market funds	79,193			
Fixed annuity	<u>384,716</u>			
Total investments	<u>\$ 4,813,298</u>			

At December 31, 2024, investments consisted of the following:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments, at fair value:				
Equity securities	\$ 5,526,294	\$ 5,526,294	\$ -	\$ -
Fixed income securities	<u>2,829,095</u>	<u>1,677,162</u>	<u>1,151,933</u>	<u>-</u>
	8,355,389	<u>\$ 7,203,456</u>	<u>\$ 1,151,933</u>	<u>\$ -</u>
Investments, at cost:				
Cash and money market funds	<u>5,474,808</u>			
Total investments	<u>\$ 13,830,197</u>			

Investment income consists of interest and dividend income, realized gains and losses, and unrealized gains and losses. Gains and losses on dispositions of investments, as included in the statements of activities and changes in net assets, are determined on the specific-identification basis. Unrealized gains and losses from fair value fluctuations on investments are included in the statements of activities and changes in net assets in the period such fluctuations occur. Investment and related fees include all external and direct internal investment expenses.

The following schedule summarizes the net investment return and its classification in the statements of activities and changes in net assets for December 31:

	<u>2025</u>	<u>2024</u>
Ordinary dividends	\$ 78,096	\$ 443,149
Interest income	31,429	43,404
Realized gain on investments	92,154	303,325
Unrealized gain on investments	<u>2,818,118</u>	<u>3,492,866</u>
Investment income, net	<u>\$ 3,019,797</u>	<u>\$ 4,282,744</u>

(Continued)

PUBLIC HEALTH INSTITUTE
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 4 – FURNITURE, EQUIPMENT AND COMPUTER SOFTWARE

Furniture, equipment and computer software consisted of the following at December 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Furniture and equipment	\$ 4,319,275	\$ 4,247,983
Computer software	<u>704,054</u>	<u>704,054</u>
Total furniture, equipment and computer software	5,023,329	4,952,037
Less: Accumulated depreciation and amortization	<u>(4,710,975)</u>	<u>(4,582,231)</u>
Net furniture, equipment and computer software	<u>\$ 312,354</u>	<u>\$ 369,806</u>

Total depreciation and amortization expense for the years ended December 31, 2025 and 2024 was \$128,744 and \$190,980, respectively.

NOTE 5 – DESIGNATED NET ASSETS

Designated net assets consist of internally designated program funds of \$14,683,850 and \$18,129,975, as of December 31, 2025 and 2024, respectively, and board-designated Strategic Initiative Fund net assets of \$1,238,704 as of December 31, 2025. There were no board-designated funds in 2024.

(Continued)

PUBLIC HEALTH INSTITUTE
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS

As of December 31, 2025 and 2024, net assets with donor restrictions consisted of funds set aside for specific programs, as stipulated by the following donors providing the restricted support:

	<u>2025</u>	<u>2024</u>
Rise Up	\$ -	\$ 13,739,000
PHI Center for Health Leadership & Impact	872,378	2,061,367
Community Data Exchange Collab	2,989,371	-
Berkeley Media Studies Group	1,824,139	3,040,751
Center for Wellness and Nutrition	1,028,180	1,963,126
Oregon Public Health Institute	1,008,328	1,578,959
Public Health Alliance of Southern California	1,500,647	1,184,398
FACES for the Future Coalition	601,707	917,237
Child Health & Development Studies	305,377	781,065
Center for Collaborative Planning	1,385,782	1,993,997
State of Equity	1,014,133	445,039
Prevention Policy Group	104,226	361,396
AC Care Alliance, ACCA	-	617,676
Science for Toxic Exposure Prevention	68	173,500
Build Healthy Places Network	2,720,881	1,520,029
California Coalition for Black Birth Justice	1,165,964	1,313,590
Together Toward Health	368,031	581,998
Bridge Program	389,763	511,415
Youth Action Hub	368,186	-
Regional Asthma Management & Prevention	129,800	380,615
Pacific ADA - Endowment	384,716	-
Others	<u>1,167,349</u>	<u>2,427,602</u>
Total net assets with donor restrictions	<u>\$ 19,329,026</u>	<u>\$ 35,592,760</u>

NOTE 7 – LINE OF CREDIT

The Institute has a renewable revolving bank line of credit for \$6,000,000, with a current expiration date of January 30, 2027. Amounts borrowed under this agreement for 2025 and 2024 bear interest at 2.50% above the Daily Simple Secured Overnight Financing Rate (SOFR) for any balance outstanding. The line is secured by the cash and accounts receivable of the Institute. As of December 31, 2025 and 2024, there were no outstanding borrowings on the line of credit. In addition, no amounts were borrowed from the revolving bank line of credit during the years ended December 31, 2025 or 2024.

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PUBLIC HEALTH INSTITUTE
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 8 – LEASE COMMITMENTS

Public Health Institute leases facilities to provide office space for various program services. Public Health Institute has determined these contracts contain a lease as described in Accounting Standards Update No. 2016-02 (ASU 2016-02), *Leases*. The leases have various terms that extend through November 2028. Several of the leases have options to extend, but those options are not recognized as part of Public Health Institute's right-of-use assets and lease liabilities. Public Health Institute determined the discount rate for these leases using their risk-free rate, which is based on the Daily Treasury Par Yield Curve Rates as provided by the U.S. Department of the Treasury. Discount rates used range from 1.04% to 5.06%. Public Health Institute recognized \$1,759,838 and \$2,595,876 in rent expense during the years ended December 31, 2025 and 2024, respectively, which included short-term leases of less than 12 months in duration.

Future minimum lease payments under operating leases with remaining terms in excess of one year as of December 31, 2025 are as follows:

2026	\$ 922,358
2027	5,886
2028	5,396
	<u>933,640</u>
Less effect of discounting	<u>(21,791)</u>
Lease liability, net	<u><u>\$ 911,849</u></u>

Other Information as of December 31:

	<u>2025</u>	<u>2024</u>
Weighted-average remaining lease term (years) - operating leases	1.64	1.48
Weighted-average discount rate - operating leases	2.15%	2.10%

Rent expense under all operating leases totaled \$1,613,261 and \$2,482,481, for the years ended December 31, 2025 and 2024, respectively.

NOTE 9 – TAX DEFERRED RETIREMENT PLAN

The Public Health Institute offers participation in a tax deferred retirement plan. All regular full-time and part-time employees who work a minimum of 20 hours per week are eligible to make salary deferral contributions to the Plan and are eligible to receive employer contributions beginning on the first day of the month following six consecutive months of employment. The Institute contributes 10% of gross wages to the retirement plan. An employee's minimum contribution is \$25 per month. The maximum combined contributions are determined by limits set under Federal law.

During the years ended December 31, 2025 and 2024, the Institute contributed \$6,466,711 and \$8,406,149, respectively, to the tax-sheltered annuity plan. The aforementioned contributions are fully vested and are administered by the Teachers Insurance and Annuity Association of America (TIAA).

(Continued)

PUBLIC HEALTH INSTITUTE
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 10 – CONTINGENCIES

The Institute receives assistance from various agencies of the United States Government; such awards are subject to audit under the provisions of Uniform Guidance. The ultimate determination of amounts received under United States Government awards is based upon the allowance of costs reported to and accepted by the United States Government. There exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material contingent liability exists at December 31, 2025.

NOTE 11 - LIQUIDITY AND AVAILABILITY

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

	<u>2025</u>	<u>2024</u>
Financial assets at year-end:		
Cash and cash equivalents	\$ 40,345,660	\$ 66,932,834
Investments	4,813,298	13,830,197
Grants and contracts receivable, net of allowance for doubtful accounts	<u>52,534,770</u>	<u>48,044,845</u>
	97,693,728	128,807,876
Less amounts not available for general expenditure within one year:		
Net assets with donor restrictions	(19,329,026)	(35,592,760)
Designated net assets	<u>(15,922,554)</u>	<u>(18,129,975)</u>
	<u>(35,251,580)</u>	<u>(53,722,735)</u>
	<u>\$ 62,442,148</u>	<u>\$ 75,085,141</u>

The Institute has a liquidity management policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. None of the financial assets above are subject to donor or other contractual restrictions which would make them unavailable for general expenditure, within one year of the balance sheet date. The Institute also maintains a line of credit for \$6,000,000 which can be drawn upon should a need for additional liquidity arise. See additional information in Note 7.

NOTE 12 – TRANSITION OF SPONSORED PROGRAMS

During the year ended December 31, 2025, the Institute transitioned certain fiscally sponsored programs to independent organizations. As part of the transition, program assets and settled related obligations were transferred in accordance with the related fiscal sponsorship agreements. The transitions consisted of investments and other program assets held on behalf of the sponsored programs and resulted in recognition of contribution expense totaling approximately \$22.3 million during the year ended December 31, 2025. The Institute continues to hold assets and related liabilities of sponsored programs which were not transitioned.

(Continued)

NOTE 13 – SUBSEQUENT EVENTS

In preparing these financial statements, the Institute has evaluated events and transactions for potential recognition or disclosure through September 10, 2026, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

PUBLIC HEALTH INSTITUTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
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<u>Federal Granting Agency/Program Name</u>	<u>Pass-Through Entity</u>	<u>Assistance Listing Number</u>	<u>Grant/Contract Number</u>	<u>Provided to Sub-recipients</u>	<u>Expenditures</u>
Research and Development Cluster:					
<i>United States Department of Defense (DOD):</i>					
Military Medical Research and Development		12.420	0001621140	\$ -	\$ 3,184
Military Medical Research and Development		12.420	W81XWH2110212	-	68,914
Military Medical Research and Development	THE WASHINGTON UNIVERSITY	12.420	WU-24-0126	38,183	39,863
Military Medical Research and Development	REGENTS OF THE UNIVERSITY OF MINNESOTA	12.420	N009613405	-	8,412
Subtotal AL 12.420				38,183	120,373
<i>Department of Health and Human Services (DHHS):</i>					
Environmental Public Health and Emergency Response	CA DEPT OF PUBLIC HEALTH	93.070	24-10253	-	23,191
Environmental Public Health and Emergency Response		93.070	1 NUE1EH001427-01-00	91,386	264,116
Environmental Public Health and Emergency Response		93.070	NUE1EH001489-01-00	-	655,121
Subtotal AL 93.070				91,386	942,428
Blood Disorder Program: Prevention, Surveillance and Research		93.080	1 NU58DD000039-01-00	-	447,477
Environmental Health	UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	93.113	14790sc	-	124,782
Environmental Health		93.113		-	1,895
Environmental Health	UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	93.113	12912sc	-	6,482
Subtotal AL 93.113				-	133,159
Mental Health Research Grants	TEMPLE UNIVERSITY	93.242	264202-PHI	-	8,243
Mental Health Research Grants		93.242	N/A	-	408
Subtotal AL 93.242				-	8,651
Substance Abuse and Mental Health Services Projects of Regional and National Significance	AMERICAN ACADEMY OF ADDICTION PSYCHIATRY	93.243	SORTOR-24-40	-	595,531

(Continued)

PUBLIC HEALTH INSTITUTE
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Research and Development Cluster (Continued):					
<i>Department of Health and Human Services (DHHS) (Continued):</i>					
Substance Abuse and Mental Health Services Projects of Regional and National Significance		93.243	1H79SM084724-01	\$ -	\$ 121,716
Substance Abuse and Mental Health Services Projects of Regional and National Significance		93.243	1H79SM084832-01	159,890	456,805
Substance Abuse and Mental Health Services Projects of Regional and National Significance		93.243	1H79SM085087-01	172,137	689,699
Substance Abuse and Mental Health Services Projects of Regional and National Significance		93.243	1H79SM086213-01	-	503,467
Substance Abuse and Mental Health Services Projects of Regional and National Significance		93.243	1H79TI085246-01	-	530,991
Subtotal AL 93.243				332,027	2,898,209
Occupational Safety and Health Program	UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	93.262	13093sc	35,466	78,511
Occupational Safety and Health Program	THE MARY IMOGENE BASSETT HOSPITAL	93.262	1 R01OH011668-01-00-BMSG	-	39,343
Occupational Safety and Health Program		93.262	2 U60OH008468-16-00	-	735,055
Subtotal AL 93.262				35,466	852,909
Alcohol Research Programs		93.273	N/A	-	2,651
Alcohol Research Programs	CENTRE FOR ADDICTION AND MENTAL HEALTH	93.273	21-438 20-325	-	199,868
Alcohol Research Programs	KAISER PERMANENTE	93.273	RNG212099-PHI-01	-	37,863
Alcohol Research Programs		93.273	1R01AA031823-01A 1	-	63,084
Alcohol Research Programs		93.273	1R01AA027920-01	-	58,589
Alcohol Research Programs		93.273	1R01AA028252-01A 1	-	593,295
Alcohol Research Programs		93.273	1R01AA029001-01A 1	123,445	631,449
Alcohol Research Programs		93.273	1R01AA029921-01	12,972	157,395
Alcohol Research Programs		93.273	2P50AA005595-41	8,376	871,382
Alcohol Research Programs		93.273	1R01AA027782-01	19,662	181,564
Alcohol Research Programs	RTI INTERNATIONAL	93.273	1-312-0218557-66970L	14,814	152,221
Alcohol Research Programs	THE SCRIPPS RESEARCH INSTITUTE	93.273	5-53950	-	9,056
Alcohol Research Programs	UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	93.273	12836sc	-	45,501
Subtotal AL 93.273				179,269	3,003,918

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<u>Federal Granting Agency/Program Name</u>	<u>Pass-Through Entity</u>	<u>Assistance Listing Number</u>	<u>Grant/Contract Number</u>	<u>Provided to Sub-recipients</u>	<u>Expenditures</u>
Research and Development Cluster (Continued):					
<i>Department of Health and Human Services (DHHS)</i> (Continued):					
Drug Abuse and Addiction Research Programs	MASSACHUSETTS GENERAL HOSPITAL	93.279	237126	\$ -	\$ 20,965
Drug Abuse and Addiction Research Programs	KAISER PERMANENTE	93.279	RNG21191 0-PHI-01	-	87,849
Drug Abuse and Addiction Research Programs		93.279	1R24DA051974-01A1	141,957	744,508
Drug Abuse and Addiction Research Programs		93.279	R01DA059036	-	397,746
Drug Abuse and Addiction Research Programs	UNIVERSITY OF MARYLAND	93.279	20960	-	20,861
Drug Abuse and Addiction Research Programs	KAISER PERMANENTE	93.279	RNG212780-PHI-01	-	62,109
Drug Abuse and Addiction Research Programs	PARTNERSHIP TO END ADDICTION	93.279	N/A	-	7,769
Subtotal AL 93.279				141,957	1,341,807
Minority Health and Health Disparities Research	COLUMBIA UNIVERSITY	93.307	3(GG017334-01)	-	27,812
Public Health Preparedness and Response SR&P	UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	93.316	15812sc	-	95,446
Cancer Cause and Prevention Research	BAYLOR COLLEGE OF MEDICINE	93.393	P700000198	26,000	27,170
Cancer Cause and Prevention Research	GEORGETOWN UNIVERSITY	93.393	425783_GR425668_PHI	-	188,055
Cancer Cause and Prevention Research		93.393	1R01CA264519-01	240,452	494,209
Cancer Cause and Prevention Research	UNIVERSITY OF SOUTHERN CALIFORNIA	93.393	SCON-00006894	-	79,724
Cancer Cause and Prevention Research	UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER	93.393	SA0002046 / PO# UTH214594	-	164,087
Subtotal AL 93.393				266,452	953,245
Cancer Detection and Diagnosis Research		93.394	N/A	-	4,257
Cancer Treatment Research	COG RESEARCH FOUNDATION LLC	93.395	PEP-CTN_2025_PO000031	-	629,109
Cancer Treatment Research		93.395	7U10CA180886-08	15,747,199	23,734,105
Cancer Treatment Research		93.395	7UG1CA233249-04	1,074,037	1,125,539
Cancer Treatment Research		93.395	7UM1CA228823-04	2,061,264	3,671,701

(Continued)

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<u>Federal Granting Agency/Program Name</u>	<u>Pass-Through Entity</u>	<u>Assistance Listing Number</u>	<u>Grant/Contract Number</u>	<u>Provided to Sub-recipients</u>	<u>Expenditures</u>
Research and Development Cluster (Continued):					
<i>Department of Health and Human Services (DHHS)</i> (Continued):					
Cancer Treatment Research	UNIVERSITY OF SOUTHERN CALIFORNIA	93.395	SCON-00005277	\$ -	\$ 2,193,955
Cancer Treatment Research	UNIVERSITY OF SOUTHERN CALIFORNIA	93.395	SCON-00005412	-	5,135
Cancer Treatment Research	UNIVERSITY OF SOUTHERN CALIFORNIA	93.395	SCON-00007224	-	2,398,068
Cancer Treatment Research	UNIVERSITY OF SOUTHERN CALIFORNIA	93.395	SCON-00007557	-	739,164
Subtotal AL 93.395				18,882,500	34,496,776
ACL National Institute On Disability, Independent Living, and Rehabilitation Research	TIRR MEMORIAL HERMANN	93.433		-	2,463
ACL National Institute On Disability, Independent Living, and Rehabilitation Research		93.433	90DPAD0006-01-00	303,262	1,402,878
Subtotal AL 93.433				303,262	1,405,341
Cardiovascular Diseases Research	CHILDREN'S HOSPITAL OF PHILADELPHIA	93.837	GRT-00003567/PO #20530015	-	11,094
Cardiovascular Diseases Research		93.837		135,583	521,098
Subtotal AL 93.837				135,583	532,192
Diabetes, Digestive, and Kidney Diseases Extramural Research	EMORY UNIVERSITY	93.847	A833534	-	14,450
Extramural Research Programs in the Neurosciences and Neurological Disorders		93.853	1RF1NS130713-01	507,998	721,471
Aging Research	EMORY UNIVERSITY	93.866	A657128	-	11,123
21st Century Cures Act - Beau Biden Cancer Moonshot	CITY OF HOPE	93.353	ACCL2031	119,900	125,176
21st Century Cures Act - Beau Biden Cancer Moonshot	MAYO FOUNDATION FOR MEDICAL EDUCATION	93.353	65963.2013307.669302	-	16,421
Subtotal AL 93.353				119,900	141,597
Child Health & Human Development Extramural Research	UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	93.865	13838sc	-	24,307
Cancer Control Grants		93.399	UG1CA189955	2,712,219	6,463,096

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<u>Federal Granting Agency/Program Name</u>	<u>Pass-Through Entity</u>	<u>Assistance Listing Number</u>	<u>Grant/Contract Number</u>	<u>Provided to Sub-recipients</u>	<u>Expenditures</u>
Research and Development Cluster (Continued):					
<i>United States Department of State:</i>					
Environmental and Scientific Partnerships and Programs		19.017	SAQMIP24CA5308	\$ 16,769	\$ 31,687
<i>National Aeronautics and Space Administration:</i>					
NASA - Science	UNIVERSITY OF CALIFORNIA, LOS ANGELES	43.001	19180000017383	-	12,402
<i>United States Department of Agriculture:</i>					
Resilient Food System Infrastructure Program	CA DEPT OF FOOD AND AG	10.190	22-1950-001-SF	52,135	198,365
Total Research and Development Cluster				\$ 23,815,106	\$ 54,882,498
Other Programs:					
<i>Department of Health and Human Services (DHHS) :</i>					
Injury Prevention and Control Research and State Community Based Programs	CA DEPT OF PUBLIC HEALTH	93.136	23-10717	\$ -	\$ 268,798
Injury Prevention and Control Research and State Community Based Programs	SANTA CLARA COUNTY, CA	93.136	4400008821	-	63,544
Injury Prevention and Control Research and State Community Based Programs	UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	93.136	15311sc	-	178,081
Subtotal AL 93.136				-	510,423
Centers of Excellence	UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	93.157	13700sc	-	13,337
Health Program for Toxic Substances and Disease Registry		93.161	1 NU61TS000356-01-00	2,805,321	3,890,138
Telehealth Programs		93.211	1 U67TH43496-01-00	-	159,892
Telehealth Programs	INDIANA RURAL HEALTH ASSOCIATION	93.211	U1U42522	-	13,182
Telehealth Programs		93.211	2 U67TH43496-04-00	-	160,725
Subtotal AL 93.211				-	333,799

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Other Programs (Continued):					
<i>Department of Health and Human Services (DHHS)</i> (Continued):					
Strengthening Public Health Systems and Services Through National Partnerships to Improve & Protect the Nation's Health		93.421	1 NU38PW000031-02-00	\$ 1,556,530	\$ 2,260,945
<i>Department of Health and Human Services (DHHS)</i> (Continued):					
Public Health Training Centers Program	UNIVERSITY OF ARIZONA	93.516	664735	-	40,563
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	CA. DEPT. OF PH, REFUGEE HEALTH	93.566	22-10622	1,502,205	2,030,247
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	CDSS - OFFICE OF IMMIGRANT YOUTH	93.566	ARSIS2S-URSI-PHI	4,172,851	11,980,109
Subtotal AL 93.566				5,675,056	14,010,356
Mental and Behavioral Health Education and Training Grants	SAMUEL MERRITT UNIVERSITY	93.732	N/A	-	1,564
Opioid STR	CA DEPT OF HEALTH CARE SERVICES	93.788	22-20387	-	286,566
Opioid STR	CA DEPT OF HEALTH CARE SERVICES	93.788	24-40132	-	2,271,870
Opioid STR	CA DEPT OF HEALTH CARE SERVICES	93.788	24-40106	-	3,502,902
Opioid STR	SIERRA HEALTH FDN	93.788	N/A	-	629,497
Opioid STR		93.788	N/A	-	418
Subtotal AL 93.788				-	6,691,253
Block Grant for Prevention and Treatment of Substance Abuse	SACRAMENTO COUNTY	93.959	7206000-23-085	-	411,878
Collaboration with Academia to Strengthen Public Health	COUNTY OF RIVERSIDE	93.967	HSARC-23-137	-	655,304
Collaboration with Academia to Strengthen Public Health	NATIONAL NETWORK OF PUBLIC HEALTH	93.967	G3223_AG-1823	-	371,179
Collaboration with Academia to Strengthen Public Health		93.967	G2514_AG-1144	-	8,475
Collaboration with Academia to Strengthen Public Health		93.967	N/A	-	4,872
Collaboration with Academia to Strengthen Public Health		93.967	N/A	-	877
Collaboration with Academia to Strengthen Public Health		93.967	N/A	-	559
Subtotal AL 93.967				-	1,041,266

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<u>Federal Granting Agency/Program Name</u>	<u>Pass-Through Entity</u>	<u>Assistance Listing Number</u>	<u>Grant/Contract Number</u>	<u>Provided to Sub-recipients</u>	<u>Expenditures</u>
Other Programs (Continued):					
<i>Department of Health and Human Services (DHHS)</i> (Continued):					
Maternal and Child Health Federal Consolidated Programs	UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	93.994	11818sc	\$ -	\$ 61,799
Maternal and Child Health Federal Consolidated Programs	UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	93.994	16211sc	-	193,448
Subtotal AL 93.994				-	255,247
<i>U.S. Department of Agriculture :</i>					
Farmers Market and Local Food Promotion Program		10.175	23LFPPCA1213-00	80,762	247,601
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	CA DEPT OF SOCIAL SERVICES	10.561	23-7006	-	3,949,395
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program		10.561		-	136
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program		10.561		-	3,654
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	INDIANA DEPARTMENT OF HEALTH	10.561	PO#00400-0020016549	-	75,805
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	CA DEPT OF SOCIAL SERVICES	10.561	25 IHGA 199091	-	84,047
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	STATE OF GEORGIA	10.561	42700-040-26-121781	-	68,792
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	STATE OF GEORGIA	10.561	42700-040-25-119082	-	298,685
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	STATE OF NORTH CAROLINA	10.561	30-23446-DCFW	-	222,125
Subtotal AL 10.561 - SNAP Cluster				-	4,702,639
Partnerships forClimate-SmartCommodities	AMERICAN SUSTAINABLE BUSINESS INSTITUTE	10.937	94-1646278	-	20,610
Partnerships forClimate-SmartCommodities	WOLFES NECK CENTER	10.937	N/A	-	549
Subtotal AL 10.937				-	21,159

(Continued)

PUBLIC HEALTH INSTITUTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended December 31, 2025

<u>Federal Granting Agency/Program Name</u>	<u>Pass-Through Entity</u>	<u>Assistance Listing Number</u>	<u>Grant/Contract Number</u>	<u>Provided to Sub-recipients</u>	<u>Expenditures</u>
Other Programs (Continued):					
<i>U.S. Environmental Protection Agency:</i>					
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to Environmental Justice	UNIVERSITY OF ARIZONA	66.309	714933	\$ -	\$ 29,841
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to Environmental Justice	SAN DIEGO STATE UNIVERSITY FOUNDATION	66.309	D10542-07 SA1030 A0 5B228	-	14,333
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to Environmental Justice	WILLAMETTE PARTNERSHIP	66.309	N/A	-	16,447
Subtotal AL 66.309				-	60,621
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act		66.034	84099001	90,313	200,589
Science To Achieve Results (STAR) Research Program		66.509	12057	-	16,096
<i>U.S. Department of the Treasury:</i>					
COVID-19: Coronavirus State and Local Fiscal Recovery	LOS ANGELES COUNTY	21.027	PH-005002	-	85,336
COVID-19: Coronavirus State and Local Fiscal Recovery	UTAH DEPARTMENT OF HEALTH	21.027	226315	-	14,930
Subtotal AL 21.027				-	100,266
<i>U.S. Agency for International Development:</i>					
USAID Foreign Assistance for Programs Overseas	MAGEE-WOMENS RESEARCH INST. & FDN.	98.001	9781	-	188,535
USAID Foreign Assistance for Programs Overseas	FHI360	98.001	720BHA23CA00007	107,834	363,830
Subtotal AL 98.001				107,834	552,365
<i>U.S. Department of Justice:</i>					
Juvenile Mentoring Program		16.726	N/A	-	58,198
Juvenile Mentoring Program		16.726	15PJDP-23-GG-01324-MENT	98,122	652,040
Subtotal AL 16.726				98,122	710,238

(Continued)

PUBLIC HEALTH INSTITUTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended December 31, 2025

<u>Federal Granting Agency/Program Name</u>	<u>Pass-Through Entity</u>	<u>Assistance Listing Number</u>	<u>Grant/Contract Number</u>	<u>Provided to Sub-recipients</u>	<u>Expenditures</u>
Other Programs (Continued):					
<i>Corporation For National And Community Service:</i>					
AmeriCorps Volunteers In Service to America		94.013	18VS207001, 17VSPCA024	\$ -	\$ 164,101
AmeriCorps State and National	STATE OF WASHINGTON	94.006	N/A	-	137,018
AmeriCorps State and National		94.006	N/A	2,256	671,300
AmeriCorps State and National	SERVE COLORADO	94.006	N/A	-	174,889
AmeriCorps State and National	STATE OF CA, OFFICE OF THE GOVERNOR	94.006	24FXIY32-X169	-	352,670
AmeriCorps State and National	STATE OF CA, OFFICE OF THE GOVERNOR	94.006	23AFICA0010004	-	1,337,268
Subtotal AL 94.006				2,256	2,673,145
<i>U.S. Department of Homeland Security:</i>					
Emergency Management Performance Grants	CAL OFFICE OF EMERGENCY SERVICES	97.042	A231013064	-	609
Subtotal Other Programs				10,416,194	38,910,198
Total Expenditures of Federal Awards				\$ 34,231,300	\$ 93,792,696

PUBLIC HEALTH INSTITUTE
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
December 31, 2025

NOTE 1 - PURPOSE OF THE SCHEDULE

Basis of Presentation: The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") presents the expenditures of all federal awards of Public Health Institute for the year ended December 31, 2025 and is presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of Public Health Institute, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Public Health Institute.

Expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Institute has not elected to use the 15-percent de minimis indirect cost rate as 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
Public Health Institute
Oakland, California

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 Public Health Institute, which comprise the statement of financial position as of December 31, 2025, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 10, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Public Health Institute'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 Public Health Institute's internal control. Accordingly, we do not express an opinion on the effectiveness of Public Health Institute'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 a 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 Public Health Institute'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*.

(Continued)

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Crowe LLP

San Francisco, California
September 10, 2026

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

To the Board of Directors
Public Health Institute
Oakland, California

Report on Compliance for Each Major Federal Program***Opinion on Each Major Federal Program***

We have audited Public Health Institute'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 Public Health Institute's major federal programs for the year ended December 31, 2025. Public Health Institute'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, Public Health Institute complied, in all material respects, with the 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, 2025.

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 (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 Public Health Institute 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 Public Health Institute'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 Public Health Institute's federal programs.

(Continued)

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 Public Health Institute'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 GAAS, *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 Public Health Institute's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 Public Health Institute'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 Public Health Institute'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 Public Health Institute'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.

(Continued)

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.

A handwritten signature in black ink that reads "Crowe LLP". The signature is written in a cursive, flowing style.

Crowe LLP

San Francisco, California
September 10, 2026

PUBLIC HEALTH INSTITUTE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
December 31, 2025

SECTION I – SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<u> </u> Yes	<u> X </u> No
Significant deficiencies identified not considered to be material weaknesses?	<u> </u> Yes	<u> X </u> None Reported
Noncompliance material to financial statements noted?	<u> </u> Yes	<u> X </u> No

FEDERAL AWARDS

Internal Control over major programs:

Material weakness(es) identified?	<u> </u> Yes	<u> X </u> No
Significant deficiencies identified not considered to be material weaknesses?	<u> </u> Yes	<u> X </u> None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes X No

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>Assistance Listing Numbers</u>	<u>Expenditures</u>
Health Program for Toxic Substances and Disease Registry	93.161	\$ 3,890,138
Refugee and Entrant Assistance	93.566	\$ 14,010,356
Opioid STR	93.788	\$ 6,691,253
Americorps State and National	94.006	\$ 2,673,145

Dollar threshold used to distinguish between Type A and Type B programs: \$2,813,781

Auditee qualified as low-risk auditee? X Yes No

(Continued)

PUBLIC HEALTH INSTITUTE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
December 31, 2025

SECTION II - FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.