
Michigan Public Health Institute

**Financial Report
with Supplementary Information
December 31, 2023**

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Independent Auditor's Report

To the Board of Directors
Michigan Public Health Institute

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Michigan Public Health Institute (the "Institute") as of and for the year ended December 31, 2023 and the related notes to the financial statements, which collectively comprise the Institute's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Institute as of December 31, 2023 and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 the Institute 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 the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Institute's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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.

To the Board of Directors
Michigan Public Health Institute

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 the 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 the 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 16, 2024 on our consideration of the Institute's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 the Institute's internal control over financial reporting and compliance.



July 16, 2024

Management's Discussion and Analysis

Our discussion and analysis of Michigan Public Health Institute's ("MPHI") financial performance provides additional narrative of MPHI's financial activities for the fiscal years ended 2023 and 2022. The following information should be read in conjunction with MPHI's audited financial statements and related footnotes.

Financial Highlights

MPHI continued to grow as an organization. In 2023, MPHI continued to seek out new partnerships and expand our relationships with existing partners as we sought to broaden capacity, provide technical expertise, and advance our shared agenda with diverse partners. Our partnerships have made us increasingly aware of the critical role of public health and the need to advance understanding of that role. This need continues to be reflected by strong corporate operating revenue of \$164,512,639 in 2023. This is an increase of 20% from 2022 and is largely due to increases in funding for our Center for Diversified Government Solutions, Center for Health Equity Practice, Center for Child and Family Health, and Business Solutions Group programs.

Overview of the Annual Report

MPHI is a not-for-profit organization reporting under proprietary fund accounting for business-type activities as required by Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*. This annual report consists of a series of financial statements, containing management's discussion and analysis (this section) and the basic financial statements. The financial statements also include footnotes, which explain some of the more significant information contained within the statements and provide more detailed data.

Proprietary Fund Statement

The proprietary fund statement reports business-type activities for MPHI using accounting methods similar to those used by private-sector companies, full accrual accounting. The statement of net position includes all of MPHI's assets, liabilities and net position; MPHI has no deferred outflows/inflows of resources. The statement of revenues, expenses and changes in net position accounts for all of the current year's revenues and expenses when earned or incurred regardless of when cash is received or paid.

The net position of the proprietary fund is reported in the statement of net position. Net position is one way to measure MPHI's financial health. Increases or decreases in MPHI's net position are one indicator of whether its financial position is improving or deteriorating.

Management's Discussion and Analysis (Continued)

Net Position

MPHI's net position as of December 31, 2023, was \$27,930,807. The following table (in thousands) shows, in a condensed format, the current year's net position and changes in net position compared to the prior year:

	2022	2023	Change	Percent Change
Assets				
Other Assets	\$43,778	\$48,723	\$4,945	11%
Capital Assets	\$5,496	\$5,372	-\$124	-2%
Total Assets	\$49,274	\$54,095	\$4,821	10%
Liabilities				
Current liabilities	\$21,770	\$22,389	\$619	3%
Long-term liabilities	\$4,387	\$3,775	-\$612	-14%
Total Liabilities	\$26,157	\$26,164	\$7	0%
Net Position				
Net investments in capital assets	\$503	\$542	\$39	8%
Restricted	\$6,216	\$6,098	-\$118	-2%
Unrestricted	\$16,398	\$21,291	\$4,893	30%
Total Net Position	\$23,117	\$27,931	\$4,814	21%

Other assets increased from 2022 to 2023 due to changes in cash and grants and contracts receivable balances at the respective year's end, which is based on the timing of customer payments and a decrease to the operating advance from the State of Michigan. Capital assets decreased slightly from 2022 to 2023 even with the implementation of GASB 96's change in accounting for our subscription-based information technology arrangements as amortization expense exceeded the impact of implementing the new standard.

Total liabilities increased slightly from 2022 to 2023 due to normal fluctuation in business activity.

Net position increased 21% percent from a year ago, increasing from \$23,116,822 to \$27,930,807. In contrast, last year's net position increased by 19% percent. A portion of the overall increase in net position from operations during 2023 is due to market-related gains in MPHI's investment portfolio.

Unrestricted net position is the part of net position that can be used to finance day-to-day operations and it increased by \$4,892,485. This represents an increase of 30% percent. The current level of unrestricted net position for our activities stands at \$21,290,513 or about 14% of total expenditures.

Management's Discussion and Analysis (Continued)

Changes in Net Position

The following table (in thousands) compares MPHI's Statement of Revenues, Expenses and Changes in Net Position for the year ending December 31, 2023 and 2022.

	2022	2023	Change	Percent Change
Revenue				
Grants and contracts	\$136,876	\$163,648	\$26,772	20%
Miscellaneous	\$831	\$864	\$33	4%
Total revenue	\$137,707	\$164,512	\$26,805	19%
Operating Expenses				
Center for Data Management and Translational Research	\$3,096	\$2,838	(\$258)	-8%
Center for Healthy Communities	\$4,618	\$6,576	\$1,958	42%
Center for Health Equity Practice	\$1,908	\$2,734	\$826	43%
Center for National Prevention Initiatives	\$3,336	\$3,835	\$499	15%
Center for Child and Family Health	\$1,533	\$6,904	\$5,371	350%
Center for Technology Solutions (formerly part of SSD)	\$0	\$3,425	\$3,425	100%
Center for Strategic Health Partnerships	\$2,832	\$2,679	(\$153)	-5%
Center for Culturally Responsive Engagement	\$1,844	\$1,198	(\$646)	-35%
Center for Social Change (formerly part of SSD)	\$0	\$6,070	\$6,070	100%
Business Solutions Group	\$10,352	\$16,358	\$6,006	58%
Education and Communications Services	\$3,084	\$3,804	\$720	23%
Cancer Control Services	\$2,317	\$2,180	(\$137)	-6%
Administrative Projects	\$3,512	\$5,650	\$2,138	61%
Center for Diversified Government Solutions	\$68,580	\$73,733	\$5,153	8%
Center for Racial and Social Justice (formerly SSD)	\$0	\$1,822	\$1,822	100%
Strategy Services Division (SSD)	\$7,387	\$0	(\$7,387)	-100%
Management and general	\$18,474	\$20,946	\$2,472	13%
Total Operating expenses	\$132,873	\$160,752	\$27,879	21%
Nonoperating Income (Expense)				
Investment gain/(loss)	(\$719)	\$1,408	\$2,127	-296%
Interest expense on building and subscription-based information technology arrangement leases	(\$442)	(\$354)	\$88	-20%
Gain on building leases termination	\$50	\$0	(\$50)	-100%
Total Nonoperating Income (Expense)	(\$1,111)	\$1,054	\$2,215	-199%
Change in net Position	\$3,723	\$4,814	\$1,091	29%

MPHI's total revenue increased by 19% or \$26,805,375 over prior year. The change was driven by an increase in funding for the Center for Diversified Government Solutions, Center for Health Equity Practice, Center for Child and Family Health, and Business Solutions Group programs. Net investment income fluctuates based on the market conditions.

Expenses increased by \$27,879,470 during the year, a 21% increase. This net change is primarily the result of increased work in our Center for Diversified Government Solutions, Center for Health Equity Practice, Center for Child and Family Health, and Business Solutions Group programs.

Management's Discussion and Analysis (Continued)

Capital Assets

At December 31, 2023 and 2022, MPHI's investment in capital assets were as follows:

	2022	2023	Change	Percent Change
Building Improvements	\$44	\$44	\$0	0%
Computer Software	\$2,167	\$2,225	\$58	3%
Computer Hardware	\$1,652	\$1,949	\$297	18%
Computer Related furniture and fixtures	\$23	\$52	\$29	126%
Equipment	\$831	\$831	\$0	0%
Right-of-use lease assets - Building	\$5,544	\$5,544	\$0	0%
Right-of-use assets - Subscription-based information technology arrangements	\$0	\$1,148	\$1,148	100%
Less: accumulated depreciation and amortization	(\$4,764)	(\$6,421)	(\$1,657)	35%
Net Capital Assets	\$5,497	\$5,372	-\$125	-2%

The slight decrease in net capital assets is due to ongoing depreciation of capital assets and amortization of the right-of-use asset for our leased buildings. Although the implementation of GASB 96 related to subscription-based information technology arrangements increased the total book value of capital assets, the cumulative depreciation and amortization still exceeded the impact of that accounting change.

Budgets and Rates

In 2023, MPHI continued to focus attention on public health crises such as the impact of maternal and pregnancy mortality, behavioral health and opioid addiction, water quality, racism, and gun violence as a public health problem. We strive to find strategies to promote and support public health by applying MPHI's ability to navigate the complex public health landscape.

Contacting MPHI's Financial Management

This financial report is intended to provide MPHI funders, customers, and other interested parties with a general overview of MPHI's finances and to demonstrate MPHI's accountability for the funding it receives. If you have questions about this report or need additional information, we welcome you to contact MPHI at 2436 Woodlake Circle, Okemos, MI 48864.

December 31, 2023

Assets

Current assets:	
Cash	\$ 22,371,801
Investments	4,755,603
Grants and contracts receivable	19,037,418
Prepaid expenses	<u>2,558,214</u>
Total current assets	48,723,036
Noncurrent assets - Net capital assets subject to depreciation	<u>5,371,841</u>
Total assets	54,094,877

Liabilities

Current liabilities:	
Accounts payable	10,727,440
Accrued liabilities and other:	
Accrued salaries and wages	4,317,575
Accrued leave and fringe pool	5,737,807
Unearned revenue	551,259
Current portion of building lease and subscription-based information technology agreements liabilities	<u>1,054,711</u>
Total current liabilities	22,388,792
Noncurrent liabilities - Building lease and subscription-based information technology agreements liabilities	<u>3,775,278</u>
Total liabilities	26,164,070

Net Position

Net investment in capital assets	541,852
Restricted - Expendable grant/contract projects	6,098,442
Unrestricted	<u>21,290,513</u>
Total net position	<u>\$ 27,930,807</u>

Michigan Public Health Institute

Statement of Revenue, Expenses, and Changes in Net Position

Year Ended December 31, 2023

Operating Revenue	
Grants and contracts	\$ 163,648,757
Miscellaneous	863,882
Total operating revenue	<u>164,512,639</u>
Operating Expenses	
Center for Data Management and Translational Research	2,838,344
Center for Healthy Communities	6,575,839
Center for Health Equity Practice	2,733,548
Center for National Prevention Initiatives	3,835,364
Center for Child and Family Health	6,903,926
Center for Social Change (formerly Strategy Services Division)	6,070,085
Center for Strategic Health Partnerships	2,678,611
Administrative Projects	5,650,480
Cancer Control Services	2,179,892
Business Solutions Group	16,358,270
Education and Communication Services	3,803,773
Center for Culturally Responsive Engagement	1,197,688
Center for Racial and Social Justice (formerly Strategy Services Division)	1,822,530
Center for Technology Solutions (formerly Strategy Services Division)	3,424,765
Center for Diversified Government Solutions	73,733,226
Management and general	20,946,085
Total operating expenses	<u>160,752,426</u>
Operating Income	3,760,213
Nonoperating Revenue (Expense)	
Investment gain - Net	1,408,047
Interest expense on building and subscription-based information technology agreement leases	(354,275)
Total nonoperating revenue	<u>1,053,772</u>
Change in Net Position	4,813,985
Net Position - Beginning of year	<u>23,116,822</u>
Net Position - End of year	<u><u>\$ 27,930,807</u></u>

Year Ended December 31, 2023

Cash Flows from Operating Activities

Receipts from customers	\$ 145,054,853
Payments to suppliers	(46,289,150)
Payments to employees and fringes	<u>(106,659,108)</u>

Net cash used in operating activities (7,893,405)

Cash Flows from Capital and Related Financing Activities

Purchase of capital assets	(383,835)
Principal and interest paid on building leases and subscription-based information technology agreements liabilities	<u>(1,402,682)</u>

Net cash used in capital and related financing activities (1,786,517)

Cash Flows from Investing Activities

Interest received on investments	863,110
Purchases of investment securities	(1,452,392)
Proceeds from sale and maturities of investment securities	<u>1,105,605</u>

Net cash provided by investing activities 516,323

Net Decrease in Cash

(9,163,599)

Cash - Beginning of year

31,535,400

Cash - End of year

\$ 22,371,801

Reconciliation of Operating Income to Net Cash from Operating Activities

Operating income	\$ 3,760,213
Adjustments to reconcile operating income to net cash from operating activities:	
Depreciation	1,656,827
Changes in assets and liabilities:	
Grants and contracts receivables	(13,310,861)
Prepaid expenses	(169,561)
Accounts payable	6,109,122
Accrued salaries and wages	537,127
Accrued leave and fringe pool	(329,347)
Unearned revenue	<u>(6,146,925)</u>

Total adjustments (11,653,618)

Net cash used in operating activities **\$ (7,893,405)**

Significant Noncash Transactions

Subscription-based information technology agreement assets	\$ 1,411,574
Subscription-based information technology agreement liabilities	884,868

December 31, 2023

Note 1 - Nature of Business

Michigan Public Health Institute (the "Institute" or MPHI) is a nonprofit corporation, authorized in Public Act 264 of 1989. It is a cooperative venture of Michigan Department of Health and Human Services (MDHHS), University of Michigan, Michigan State University, and Wayne State University. Each of the aforementioned organizations has designated board of director positions. The Institute's mission is working together to center equity to promote health and advance well-being. Michigan Public Health Institute is a nonprofit corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Substantially all revenue arises from grants from governmental units, other nonprofit organizations, and foundations.

Program expenses relate to the Institute's aforementioned mission and are described as follows:

Center for Data Management and Translational Research (CDMTR) works with partners to collect, analyze, and use data and information for health system and population health improvement. The team, composed of evaluators, researchers, statisticians, and health information specialists, can design a project from start to finish or contribute specific roles. CDMTR's expertise includes grant writing, evaluation design, survey research, focus groups, using large administrative data sets, geographic information systems, data visualization, analysis, and provision of technical assistance. The work of CDMTR is interdisciplinary and intersectoral, grounded in the understanding that health and well-being are products of interacting social systems, community collaboration, policy, economics, relationships, and behavior. CDMTR also supports the advancement of the nursing field and works to address Michigan's nursing shortage. The team provides evaluation, technical assistance, and consultation on issues and programs related to the health care workforce and policy, with focus on the nursing workforce and its regulation, education, and practice.

Center for Healthy Communities (CHC) works collaboratively with partners to improve public health systems and the health of communities. CHC specializes in community-based research and evaluation and provides capacity-building assistance in performance management, quality improvement, and community health assessment, as well as health improvement planning, strategic planning, and workforce development. With rich experience in a wide range of topic areas, a majority of CHC's approach is community based and participatory, ensuring that processes and products align with partners' values, needs, and priorities. CHC houses MPHI's Center for Native Health & Wellness, which serves native communities as they pursue optimal health and well-being for their people.

Center for Health Equity Practice (CHEP) helps those who work in public health and related fields understand health equity and social justice to address the social determinants of health and reduce the likelihood that people are disadvantaged because of their race, class, or gender. CHEP collaborates with multisector partners to implement programs, conduct research and evaluation, and support strategies that address the root causes of inequities, including workshops, technical assistance, training, facilitation, coaching, and consultations, all centered around the practice of equity and social justice. Projects within the Center for Health Equity Practice speak directly to issues of poverty, inequality, and the social systems that contribute to them. The Center hosts Detroit Health Innovations (D-HI). D-HI is dedicated to collaborating with community partners to promote health initiatives and implement prevention programs while addressing health inequities and social determinants of health in the Detroit metropolitan area.

Center for National Prevention Initiatives (CNPI) provides resources to improve and sustain local, state, and national efforts to reduce infant and child mortality by delivering data support, training, and technical assistance to fatality review programs throughout the U.S. CNPI houses the Health Resources and Services Administration (HRSA)-funded National Center for Fatality Review and Prevention, the Data Coordinating Center for the Centers for Disease Control and Prevention (CDC), and the National Institutes of Health's (NIH) Sudden Unexpected Infant Death Case Registry and Sudden Death in the Young Case Registry. CNPI also receives funding from the Federal Emergency Management Agency (FEMA) to implement a fire education and safety program in high-risk communities across the U.S. CNPI's collaborators include national, tribal, state, and local partners on a wide range of strategies that strengthen existing maternal child health and injury programs. The goal of all CNPI programs is to learn from child deaths to prevent future deaths and ultimately reduce risks to children and families.

Note 1 - Nature of Business (Continued)

Center for Child and Family Health (CCFH) collaborates with multidisciplinary stakeholders to prevent infant and child mortality, improve pregnancy outcomes, promote oral health, strengthen support to vulnerable populations, and increase the health and well-being of children and families. The CCFH team works on surveillance and data management systems, policy compliance monitoring, program evaluation, needs assessments, training and technical assistance, and quality improvement projects. They are experts in facilitation, focus groups, and qualitative and quantitative methods to guide program and policy strategies.

Center for Social Change (CSC) applies an entrepreneurial focus in the field of public health and human services with the goal of helping its clients fulfill their diverse missions to deliver high-value services. CSE has a primary focus of serving the health care and health coverage sector of state government. Our team has direct experience implementing programs in the Medicaid agency, supporting major initiatives in physical/behavioral health integration, policy analysis, consumer engagement, health information technology and exchange, and federal funding requests through the Advanced Planning Document (APD) process. CSE staff support Medicaid in the movement toward equity in health care and outcomes by leading efforts to not only report on disparities within key vulnerable populations (children with special health care needs, Medicaid/Medicare duals), but develop policy, contract, and program recommendations to drive improvement in a sustainable way. Our team has expertise in project management; Technology of Participation (ToP) facilitation; and qualitative data collection methods, including interviews, surveys, focus groups, and quantitative data analytics, such as claims analysis and quality measurement/performance assessment. The CSE led the MPH I effort to become a Qualified Entity (QE) through the Centers for Medicare & Medicaid Services (CMS), one of only two entities in Michigan to receive that designation.

Center for Strategic Health Partnerships (CSHP) operates at the interface of patients, families, clinicians, public health, researchers, communities, and other stakeholders to engage multicollaborative partnerships in supporting better health outcomes for underserved populations. CSHP provides project management for national, state, and local level projects. Services include: project development and management, strategic planning, education and training, leadership development, and workforce development. CSHP houses the MI ACE Initiative, a statewide collective impact network designed to promote evidence-based, data-driven prevention strategies to reduce adverse childhood experiences.

Administrative Projects The grants and contracts office provides collaborative program services for federal, state, and local agencies. The Institute is the prime contractor on these projects and issues subcontracts to a variety of agencies whose specialized expertise is unique to the agency. The Institute manages collaborative projects with state, federal, and community nonprofit agencies and works in partnership to monitor progress of projects in order to provide high-quality fiscal management.

Cancer Control Services provides evaluation expertise to the State of Michigan's cancer control programs. It offers technical assistance in such areas as cancer prevention, patient navigation, referral, tracking and follow up; strategic planning, partnership, and event coordination; administration and fiduciary responsibilities; quality assurance and improvement in cancer-related services; and database management. Expertise is also provided in statistics, financial analysis, and hiring support.

Business Solutions Group (BSG) provides expertise to ensure successful implementation of local, state, and national initiatives. We focus on projects and programs designed to improve health outcomes. Our dynamic team melds together practical hands-on experience with specialized skills, training, and education to offer high-quality services. We view our clients as partners in creating positive change for the communities we serve.

Note 1 - Nature of Business (Continued)

Education and Communication Services (ECS) works with multiple partners both in person and virtually to expand the knowledge and capacity to promote public health. ECS offers event management for learning events, ranging from one-day workshops to multiday conferences; creates communication strategies and products while helping brand overall messages; facilitates processes to support productive brainstorming, strategic planning, and process improvement; and builds custom online training courses and multimedia presentations with a focus on outcomes-based education and real-world application. In addition, ECS manages the Interactive Learning Center (ILC) at MPHI, where a number of these planning and educational events occur, and offers continuing education services for many events throughout the year.

Center for Culturally Responsive Engagement (CCRE) ensures the people who are most impacted are at the center of conversations that seek to find solutions to problems affecting them. CCRE engages with its clients using culturally responsive approaches for evaluation, learning, research, training, facilitation, and strategic planning. Its services are developed around culturally defined values, knowledge, and beliefs of the population served and the context in which they occur. Through its work, CCRE offers tenets to help its partners adopt engagement processes that are culturally responsive and utilize a racial equity lens. CCRE systematically identifies and addresses racism, cultural stereotypes, and other forms of intolerance, injustice, and oppression. Its partners are philanthropic, governmental, nonprofit, and academic institutions, as well as historically marginalized groups driving social processes where their voices have previously been silenced.

Center for Racial and Social Justice (formerly Strategy Services Division) (CRSJ) includes a portfolio of work designed to strategically position MPHI to address various social determinants of health through social justice. CRSJ focuses on the impacts of governmental structures and systems that are harmful to public health. CRSJ works to understand how individual, family, and community health is influenced by exposure to the child welfare, juvenile justice, criminal justice, and other institutionalized systems. CRSJ engages in work that looks at how policies contribute to racial and social injustice in America. Staff are engaged in projects that center public health and social justice in the child protection, juvenile justice, criminal justice, and educational systems. Our team works to develop strategies for prevention, intervention, reduction of justice involvement, and reentry and well-being.

Center for Technology Solutions (CTS) strives to create innovative and strategic technology solutions to address public health challenges. Our experienced team of developers and technical staff work together with our partners to design, develop, test, host, and support complex and secure websites and applications. Our goal is to connect people to data that supports public health decision making and increases efficiency. We have been a trusted health data partner since 2004 and continue to innovate and evolve to support the changing needs of our clients and the changing face of technology.

Center for Diversified Government Solutions provides strategies to strengthen client relations in the public health workforce. We provide expertise to build infrastructure and staff capacity to successfully implement state and national initiatives designed to improve public health through the core values of MPHI: Servant Leadership, Health Equity & Social Justice, Authentic Relationships, and Quality & Excellence.

Administrative Projects grants and contracts office provides collaborative program services for federal, state, and local agencies. The Institute is the prime contractor on these projects and issues subcontracts to a variety of agencies whose specialized expertise is unique to the agency. The Institute manages collaborative projects with state, federal, and community nonprofit agencies and works in partnership to monitor progress of projects in order to provide high-quality fiscal management.

Note 2 - Significant Accounting Policies

Accounting and Reporting Principles

The Institute follows accounting principles generally accepted in the United States of America (GAAP), as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board (GASB). Based on these criteria, there are no component units of the Institute that are to be included in the reporting entity. Other organizations, including not-for-profit organizations, are considered governmental and required to comply with GASB if one or more of the following characteristics are met: (i) popular election of officers or appointment (or approval) of a controlling majority of the members of the organization's governing body by officials of one or more state or local governments, (ii) the potential for unilateral dissolution by a government with the net assets reverting to a government, or (iii) the power to enact and enforce a tax levy. The following is a summary of the significant accounting policies used by the Institute:

Basis of Accounting

The Institute follows the business-type activities requirements of GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. The Institute meets the grandfather provisions under GASB 34, paragraph 147, for entities that were reporting under the American Institute of Certified Public Accountants (AICPA) not-for-profit model as of the date of Statement No. 34. The Institute uses the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Report Presentation

In accordance with government accounting principles, a government-wide presentation with program and general revenue is not applicable to special purpose governments engaged only in business-type activities.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposit, and short-term investments with a maturity date of three months or less when acquired.

Investments

Debt and equity securities are reported at fair value, with unrealized gains and losses included in earnings.

Grants and Contracts Receivable

The Institute's grants and contracts receivable are composed primarily of receivables from federal and nonfederal granting agencies. Grants and contracts receivable are stated at billed amounts. The receivables are deemed fully collectible, and no provision for uncollectible accounts was considered necessary.

Concentration of Grants

The Institute received approximately 86 percent of its grant revenue from MDHHS for 2023.

Prepaid Expenses

Certain payments to vendors reflect payments made by the Institute that are applicable to future fiscal years.

Note 2 - Significant Accounting Policies (Continued)

Capital Assets

Capital assets, which include property and equipment, are reported on the statement of net position. Capital assets are defined by the Institute as assets with an initial cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost and depreciated principally using the straight-line method over their estimated useful lives. Lease and subscription-based information technology agreement assets are amortized using the straight-line method over the shorter of the lease term or the useful life of the asset. Donated capital assets are recorded at estimated acquisition value at the date of donation. Costs of maintenance and repairs are charged to expense when incurred.

	Depreciable Life - Years
Building improvements	3
Computer software	3-5
Computer hardware	5
Computer-related furniture and fixtures	7
Equipment	5

Accrued Leave and Fringes

It is the Institute's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. Sick pay and vacation pay is accrued for the estimated amount that the Institute will pay upon employment termination.

A liability for fringes is recorded when amounts reimbursed by the Institute's funders for fringe benefits exceed actual expenditures. This balance is monitored by management, and the aim is to have no more than 60 days of expenses in the liability. Over-/undercollections are adjusted in the following year, as permitted by the Institute's federally approved cost allocation plan and indirect cost rate approval.

Unearned Revenue

Unearned revenue consists of amounts received from grant funding sources in advance. Funds received and unexpended at December 31 are accounted for as unearned revenue on the statement of net position. When eligibility requirements of GASB 33 are met, revenue is recorded and unearned revenue is reduced.

Leases and Subscription-based Information Technology Agreements

Leases

The Institute is a lessee for noncancelable leases of buildings. The Institute recognizes a lease liability and an intangible right-of-use lease asset (the "lease asset") in the financial statements. The Institute recognizes lease assets and liabilities with an initial value of \$100,000 or more.

At the commencement of a lease, the Institute initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Institute determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Institute uses the interest rate charged by the lessor as the discount rate, if stated. When the interest rate charged by the lessor is not provided, the Institute generally uses its estimated incremental borrowing rate as the discount rate for leases.

Note 2 - Significant Accounting Policies (Continued)

- The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Institute is reasonably certain to exercise.

The Institute monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets on the statement of net position.

Subscriptions

The Institute obtains the right to use vendors' information technology software through various long-term contracts. The Institute recognizes a subscription liability and an intangible right-of-use subscription asset (the "subscription asset") in the applicable governmental or business-type activities column in the government-wide financial statements. The Institute recognizes subscription assets and liabilities with an initial value of \$10,000 or more.

At the commencement of a subscription, the Institute initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus initial implementation costs. Subsequently, the subscription asset is depreciated on a straight-line basis over its useful life.

Key estimates and judgments related to subscriptions include how the Institute determines the discount rate it uses to discount the expected subscription payments to present value and the subscription term.

- The Institute uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the Institute generally uses its estimated incremental borrowing rate as the discount rate for subscriptions.
- The subscription term includes the noncancelable period of the subscription.

The Institute monitors changes in circumstances that would require a remeasurement of its subscriptions and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Subscription assets are reported with other capital assets, and subscription liabilities are reported in both current and long-term debt on the statement of net position.

Grants and Contracts

The Institute receives federal, state, and local grants and contracts, which are classified as exchange or nonexchange, depending on the contract or grant requirements. Revenue from nonexchange grants and contracts is recognized when all eligibility requirements, including time requirements, are met. Grants and contracts may be restricted for specific operating purposes. Revenue from exchange grants and contracts is recognized when the service is provided.

Functional Allocation of Expenses

Costs of providing the program and support services have been summarized on a functional basis in the statement of revenue, expenses, and changes in net position. Costs have been allocated between the various program and support services based on time.

Note 2 - Significant Accounting Policies (Continued)

Operating Classification

The Institute distinguishes operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services in connection with the Institute's principal ongoing operations. The principal operating revenue of the Institute is charges for grants and contracts activity. Operating expenses for these activities include the cost of services and administrative expenses and may include depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses. In the statement of revenue, expenses, and changes in net position, operating expenses are reported as program expenses.

Net Position

Net position of the Institute is classified in three components. Net investment in capital assets consists of capital assets net of accumulated depreciation and is reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. Expendable restricted net position use by the Institute is subject to externally imposed constraints that can be fulfilled by actions of the Institute pursuant to those constraints or that expire by the passage of time. Unrestricted net position is the remaining net position that is not subject to externally imposed constraints. Unrestricted net position may be designated for specific purposes by action of management or the board of directors.

Net Position Flow Assumption

The Institute will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the statement of net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Institute's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Adoption of New Accounting Pronouncement

During the current year, the Institute adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*. As a result, the statement of net position now includes a liability for the present value of payments expected to be made and subscription assets. The subscription liabilities and assets have been added to Note 4 as of the beginning of the year. Subscription activity is further described in Note 6.

The effect of this new standard was to record a SBITA asset of \$996,037, reduction of prepaids \$263,353, and liability of \$732,684 as of January 1, 2023.

Upcoming Accounting Pronouncements

In June 2022, the Governmental Accounting Standards Board issued Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences under a unified model. This statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means and establishes guidance for measuring a liability for leave that has not been used. It also updates disclosure requirements for compensated absences. The provisions of this statement are effective for the Institute's financial statements for the year ending December 31, 2024.

Note 2 - Significant Accounting Policies (Continued)

In December 2023, the Government Accounting Standards Board issued Statement No. 102, *Certain Risk Disclosures*, which requires governments to assess whether a concentration or constraint makes the government vulnerable to the risk of a substantial impact. It also requires governments to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If certain criteria are met for a concentration or constraint, disclosures are required in the notes to the financial statements. The provisions of this statement are effective for the Institute's financial statements for the year ending December 31, 2025.

In April 2024, the Government Accounting Standards Board issued Statement No. 103, *Financial Reporting Model Improvements*, which requires governments to make changes to key components of the financial reporting model, including the management's discussion and analysis; unusual or infrequent items; and presentation components of the statement of revenue, expenses, and changes in fund net position. The provisions of this statement are effective for the Institute's financial statements for the year ending December 31, 2026.

Note 3 - Cash and Investments

Cash and investments are reported in the financial statements as follows:

Cash	\$ 22,371,801
Investments	<u>4,755,603</u>
Total cash and investments	<u><u>\$ 27,127,404</u></u>

These amounts are classified into the following cash and investment categories:

Deposits with financial institutions	\$ 22,371,801
Investments - Reported at fair value:	
Debt securities/Debt mutual funds	1,305,237
Equity securities/Equity mutual funds	3,266,100
Money market funds	<u>184,266</u>
Total	<u><u>\$ 27,127,404</u></u>

The Institute's cash and investments are subject to several types of risk, which are examined in more detail below:

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Institute's deposits may not be returned to it. The Institute does not have a deposit policy for custodial credit risk. At year end, the Institute had bank deposits totaling \$22,458,114 (certificates of deposit and checking and savings accounts) that were uninsured and uncollateralized. The Institute believes that, due to the dollar amounts of cash deposits and the limits of Federal Deposit Insurance Corporation (FDIC) insurance, it is impractical to insure all deposits.

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Institute's investment policy does not restrict investment maturities.

At December 31, 2023, the Institute had debt security and debt mutual fund investments with a weighted-average maturity of 3.61 years. At December 31, 2023, \$1,166,097 of these investments were rated 5/5 by Morningstar, and \$135,504 of these investments were rated 3/5 by Morningstar.

December 31, 2023

Note 3 - Cash and Investments (Continued)

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Institute has no investment policy that would further limit its investment choices.

Fair Value Measurements

The Institute categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets or liabilities, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below. There were no Level 2 or Level 3 investments at December 31, 2023.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Institute's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The Institute has the following recurring fair value measurement as of December 31, 2023:

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities.

December 31, 2023

Note 4 - Capital Assets

Major classes of fixed assets consist of the following at December 31, 2023:

	Balance January 1, 2023	Additions	Disposals and Terminations	Balance December 31, 2023
Capital assets being depreciated:				
Building improvements	\$ 44,097	\$ -	\$ -	\$ 44,097
Computer software	2,166,735	58,103	-	2,224,838
Computer hardware	1,651,647	297,576	-	1,949,223
Computer-related furniture and fixtures	23,345	28,514	-	51,859
Equipment	830,502	-	-	830,502
Right-of-use lease assets - Buildings	5,544,290	-	-	5,544,290
Right-of-use assets - Subscription-based information technology arrangements	996,037	152,184	-	1,148,221
Subtotal	11,256,653	536,377	-	11,793,030
Accumulated depreciation:				
Building improvements	44,097	-	-	44,097
Computer software	1,976,024	132,599	-	2,108,623
Computer hardware	1,156,512	339,880	-	1,496,392
Computer-related furniture and fixtures	23,345	1,018	-	24,363
Equipment	808,343	18,994	-	827,337
Right-of-use lease assets - Buildings	756,041	756,036	-	1,512,077
Right-of-use assets - Subscription-based information technology arrangements	-	408,300	-	408,300
Subtotal	4,764,362	1,656,827	-	6,421,189
Net capital assets	\$ 6,492,291	\$ (1,120,450)	\$ -	\$ 5,371,841

Note 5 - Line of Credit

As of December 31, 2023, the Institute had a line of credit ranging from \$6,000,000 to \$12,000,000 with a local bank. Interest for the line of credit is charged at the Secured Overnight Financing Rate (SOFR) plus 2.5 percent, an effective rate of 7.88 percent at December 31, 2023. The line of credit is collateralized by furniture and equipment of the Institute. The annual fee for the line is \$1,000, and the line was renewed in 2023 and now expires on October 31, 2024. No balances were outstanding on the line of credit at December 31, 2023.

Note 6 - Leases and Subscription-based Information Technology Agreements

The Institute leases certain assets from various third parties for buildings. Payments are fixed monthly based on rent schedules in the lease agreements.

The Institute obtains the right to use vendors' information technology software through various long-term contracts. Payments are generally fixed monthly based on schedules in the agreements.

Lease asset activity of the Institute is included in Note 4.

December 31, 2023

**Note 6 - Leases and Subscription-based Information Technology Agreements
(Continued)**

During the year ended December 31, 2023, the Institute's lease and subscription-based information technology agreements liabilities activity was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Current Portion
Building lease liability	\$ 4,993,528	\$ -	\$ (606,368)	\$ 4,387,160	\$ 648,589
Subscription-based information technology agreements	732,684	53,438	(343,392)	442,829	406,122
Total	<u>\$ 5,726,212</u>	<u>\$ 53,438</u>	<u>\$ (949,760)</u>	<u>\$ 4,829,989</u>	<u>\$ 1,054,711</u>

Future principal and interest payment requirements related to the Institute's lease liability at December 31, 2023 are as follows:

Years Ending	Principal	Interest	Total
2024	\$ 648,589	\$ 277,435	\$ 926,024
2025	693,748	232,276	926,024
2026	784,424	183,155	967,579
2027	895,446	125,935	1,021,381
2028	1,012,144	61,202	1,073,346
2029	352,809	4,975	357,784
Total	<u>\$ 4,387,160</u>	<u>\$ 884,978</u>	<u>\$ 5,272,138</u>

Future principal and interest payment requirements related to the Institute's subscription-based information technology agreement liability at December 31, 2023 are as follows:

Years Ending	Principal	Interest	Total
2024	\$ 406,122	\$ 18,157	\$ 424,279
2025	18,880	2,520	21,400
2026	17,827	1,073	18,900
Total	<u>\$ 442,829</u>	<u>\$ 21,750</u>	<u>\$ 464,579</u>

Note 7 - Pension Plan

The Institute has adopted a defined contribution retirement plan for its employees. It is authorized under Internal Revenue Code Section 403(b) and is called the Michigan Public Health Institute 403(b) Retirement Savings Plan. Contributions are applied to group or individual annuity contracts or custodial contracts.

All employees who work more than 20 hours per week are generally eligible to participate in the plan. The employees enter into salary reduction agreements, which determine the amount of their contribution to the plan. Employer contributions vest immediately. The Institute also contributes to the plan an amount equal to 6 percent of the employee's compensation. Beginning on October 1, 2001, the Institute adopted an employer matching contribution on behalf of each participant who is eligible and who made their own salary deferral contribution. The employer matching contribution is not to exceed 2 percent of the participant's compensation.

Employer contributions to the 403(b) plan amount totaled \$6,275,192 for the year ended December 31, 2023.

December 31, 2023

Note 8 - Risk Management

The Institute is exposed to various risks of loss related to property loss, torts, errors and omissions, employee injuries (workers' compensation), and medical benefits provided to employees. The Institute has purchased commercial insurance for these claims, as well as an umbrella policy. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

Note 9 - Contingent Liabilities

The Institute is subject to various legal proceedings and claims that arise in the ordinary course of its business. The Institute believes that the amount, if any, of ultimate liability with respect to legal actions will be insignificant or will be covered by insurance.

Michigan Public Health Institute

**Federal Awards Supplemental Information
December 31, 2023**

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Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

To the Board of Directors
Michigan Public Health Institute

We have audited the financial statements of Michigan Public Health Institute as of and for the year ended December 31, 2023 and have issued our report thereon dated July 16, 2024, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. We have not performed any procedures with respect to the audited financial statements subsequent to July 16, 2024.

The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis, as required by the Uniform Guidance, 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 additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Plante & Moran, PLLC

July 16, 2024

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*

Independent Auditor's Report

To Management and the Board of Directors
Michigan Public Health Institute

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Michigan Public Health Institute (the "Institute"), which comprise the statement of net position as of December 31, 2023 and the related statements of revenue, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated July 16, 2024.

Report on Internal Control Over Financial Reporting

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

To Management and the Board of Directors
Michigan Public Health Institute

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

Plante & Moran, PLLC

July 16, 2024

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance
Required by the Uniform Guidance

Independent Auditor's Report

To the Board of Directors
Michigan Public Health Institute

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Michigan Public Health Institute's (the "Institute") compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the Institute's major federal programs for the year ended December 31, 2023. The 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, the Institute complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of the major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "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 the 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 the 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 the Institute's federal programs.

To the Board of Directors
Michigan Public Health Institute

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 the 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 the 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 the 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 the 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 the 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.

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.

To the Board of Directors
Michigan Public Health Institute

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.

Plante & Moran, PLLC

July 16, 2024

Federal Agency/Pass-through Grantor	Federal Grant Description/Internal Grant Description	Federal Assistance Listing Number	Pass-through/Grant Number	MPHI ACCT #	Amount Paid to Subrecipients	Federal Expenditures
U.S. DEPARTMENT OF JUSTICE						
Direct Program - DOJ/Office of Justice Programs	COMMUNITY-BASED VIOLENCE INTERVENTION AND PREVENTION INITIATIVE CVIPI Planning Yr 1	16.045	15PBJA-23-GG-05208-CVIP	23-PA-100095	\$ -	\$ 214
Passed through Michigan State Police - Michigan State Police	HAROLD ROGERS PRESCRIPTION DRUG MONITORING PROGRAM Community Overdose Assessment Teams	16.754	COAP-18-02	22-GA-100019	-	126,075
Direct Program - DOJ/Office of Justice Programs	BYRNE CRIMINAL JUSTICE INNOVATION PROGRAM BJA FY 21 Byrne Criminal Justice Innovation Program (BCJI)	16.817	15PBJA-21-GG-04113-BCJI	S-30101	-	<u>350,598</u>
TOTAL U.S. DEPARTMENT OF JUSTICE					-	476,887
U.S. DEPARTMENT OF THE TREASURY						
Passed through City of Lansing, Michigan - City of Lansing	CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS COVID-19 - City of Lansing AP Expansion	21.027	None	23-PA-100088	-	30,204
U.S. DEPARTMENT OF EDUCATION						
Passed through Michigan Department of Education - Michigan Department of Education	STUDENT SUPPORT AND ACADEMIC ENRICHMENT PROGRAM Title IV - Student Support and Academic Enrichment	84.424	None	22-IA-100008	-	54,600
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES						
MATERNAL AND CHILD HEALTH FEDERAL CONSOLIDATED PROGRAMS						
Direct Program:						
DHHS/Health Resources and Services Administration	National Data Center for Child Death Review	93.110	5 UG7MC28482-09-00	23-QA-100071	-	1,505,751
DHHS/Health Resources and Services Administration	National Data Center for Child Death Review	93.110	6 UG7MC28482-08-03	Q-38856	-	879,341
DHHS/Health Resources and Services Administration	Regional Genetics Networks	93.110	5 UH7MC30775-06-00	Z-38855	-	396,393
DHHS/Health Resources and Services Administration	Regional Genetics Networks	93.110	5 UH7MC30775-07-00	23-ZA-100062	-	<u>365,634</u>
Total direct program					-	3,147,119
Passed through Michigan Department of Health and Human Services:						
Michigan Department of Health and Human Services	Epilepsy Care Coordination Training	93.110	E20232537	22-ZA-021007	-	10,178
Michigan Department of Health and Human Services	Epilepsy Care Coordination Training	93.110	E20240259	23-ZA-021007	-	863
Michigan Department of Health and Human Services	Epilepsy and Telemedicine	93.110	E20243564	23-NA-021006	-	12,326
Michigan Department of Health and Human Services	Epilepsy and Telemedicine	93.110	E20232994	22-NA-021006	-	<u>54,917</u>
Total passed through Michigan Department of Health and Human Services					-	78,284
Passed through American Academy of Pediatrics:						
American Academy of Pediatrics	Safe Infant Sleep Systems Integration (SISSI) Program	93.110	101057	22-QA-100021	-	5,860
American Academy of Pediatrics	Safe Infant Sleep Systems Integration (SISSI) Program	93.110	101452	23-QA-100021	-	<u>3,765</u>
Total passed through American Academy of Pediatrics					-	9,625
Passed through Michigan Primary Care Association - Michigan Primary Care Association	Midwest Network of Oral Health Integration	93.110	MNOHI-404	23-CA-100041	-	<u>46,460</u>
Total maternal and child health federal consolidated programs					-	3,281,488
ENVIRONMENTAL HEALTH						
Passed through Emory University - Emory University	The Michigan PBB Cohort: A unique, highly exposed community followed for 45 years	93.113	A086952	G-47015	-	16,054
INJURY PREVENTION AND CONTROL RESEARCH AND STATE- AND COMMUNITY-BASED PROGRAMS						
Direct Program:						
DHHS/Center for Disease Control and Prevention	Michigan Essentials for Childhood: Preventing Adverse Childhood Experiences through Data to Action	93.136	1 NU81CE002073-01-00	23-ZA-100081	-	127,581
DHHS/Center for Disease Control and Prevention	Michigan Preventing Adverse Childhood Experiences - Data to Action	93.136	5 NH28CE002755-03-00	Z-30344	-	<u>405,609</u>
Total direct program					-	533,190

Federal Agency/Pass-through Grantor	Federal Grant Description/Internal Grant Description	Federal Assistance Listing Number	Pass-through/Grant Number	MPHI ACCT #	Amount Paid to Subrecipients	Federal Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)						
Passed through Michigan Department of Health and Human Services:						
Michigan Department of Health and Human Services	Overdose Data to Action Opioid Prevention	93.136	E20244580	23-GA-021029	\$ -	\$ 15,547
Michigan Department of Health and Human Services	Michigan Overdose Data to Action (MODA) Overdose Fatality Review Project	93.136	E20233131	22-GA-021013	-	72,117
Michigan Department of Health and Human Services	Rape Prevention and Education (RPE) Evaluation	93.136	E20243721	23-XA-021017	-	214,544
Michigan Department of Health and Human Services	Rape Prevention and Education (RPE) Evaluation	93.136	E20233617	22-XA-021017	-	272,129
Total passed through Michigan Department of Health and Human Services					-	574,337
Total injury prevention and control research and state- and community-based programs					-	1,107,527
IMMUNIZATION RESEARCH, DEMONSTRATION, PUBLIC INFORMATION AND EDUCATION TRAINING AND CLINICAL SKILLS IMPROVEMENT PROJECTS						
Passed through Michigan State University - Michigan State University	COVID-19 - The National Network to Innovate for COVID-19 and Adult Vaccine Equity (NNICE)	93.185	RC112853-MPHI	S-24102	-	170,982
CHILDHOOD LEAD POISONING PREVENTION PROJECTS, STATE AND LOCAL CHILDHOOD LEAD POISONING PREVENTION AND SURVEILLANCE OF BLOOD LEVELS IN CHILDREN						
Passed through Michigan Department of Health and Human Services:						
Michigan Department of Health and Human Services	Childhood Lead Poisoning Electronic Data Management System	93.197	E20243735	23-HA-021001	-	1,981
Michigan Department of Health and Human Services	Childhood Lead Poisoning Electronic Data Management System	93.197	E20233129	22-HA-021001	-	7,516
Total childhood lead poisoning prevention projects, state and local childhood lead poisoning prevention and surveillance of blood levels in children					-	9,497
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES PROJECTS OF REGIONAL AND NATIONAL SIGNIFICANCE						
Passed through Michigan Department of Health and Human Services:						
Michigan Department of Health and Human Services	Transforming Youth Suicide Prevention in Michigan	93.243	E20244541	23-HA-021021	-	32,285
Michigan Department of Health and Human Services	Transforming Youth Suicide Prevention in Michigan	93.243	E20233483	22-HA-021021	-	129,488
Total passed through Michigan Department of Health and Human Services					-	161,773
Passed through National Council for Behavior Health						
National Council for Behavior Health	National Center for Excellence for Integrated Health Solutions (CIHS)	93.243	2652.0015	X-41514	-	20,429
Total substance abuse and mental health services projects of regional and national significance					-	182,202
IMMUNIZATION COOPERATIVE AGREEMENTS						
Passed through Michigan Department of Health and Human Services - Michigan Department of Health and Human Services						
	Maternal and Infant Health Mortality Reduction	93.268	E20233834	22-MA-021010	-	19,553
EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC)						
Passed through Michigan Department of Health and Human Services:						
Michigan Department of Health and Human Services	COVID-19 - Nursing Home Capacity Expansion	93.323	E20245030	23-GA-021037	4,873,559	5,113,617
Michigan Department of Health and Human Services	COVID-19 - Regular Service Program Crisis Counseling Assistance and Training	93.323	E20234047	22-VA-021018	-	582,166
Total epidemiology and laboratory capacity for infectious diseases (ELC)					4,873,559	5,695,783
THE HEALTH BRAIN INITIATIVE: TECHNICAL ASSISTANCE TO IMPLEMENT PUBLIC HEALTH ACTIONS RELATED TO COGNITIVE HEALTH, COGNITIVE IMPAIRMENT, AND CAREGIVING AT THE STATE AND LOCAL LEVELS						
Passed through Michigan Department of Health and Human Services - Michigan Department of Health and Human Services						
	Public Health Programs to Address Alzheimer's Disease and Related Dementias	93.334	E20244603	23-NA-021031	-	3,540
YOUNG BREAST CANCER SURVIVORS						
Passed through Michigan Department of Health and Human Services:						
Michigan Department of Health and Human Services	Young Breast Cancer Survivors	93.376	E20241640	23-ZA-021023	-	22,069
Michigan Department of Health and Human Services	Young Breast Cancer Survivors	93.376	E20232746	22-ZA-021023	-	45,382
Total Young Breast Cancer Survivors					-	67,451

Federal Agency/Pass-through Grantor	Federal Grant Description/Internal Grant Description	Federal Assistance Listing Number	Pass-through/Grant Number	MPHI ACCT #	Amount Paid to Subrecipients	Federal Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)						
ACTIVITIES TO SUPPORT STATE, TRIBAL, LOCAL AND TERRITORIAL (STLT) HEALTH DEPARTMENT RESPONSE TO PUBLIC HEALTH OR HEALTHCARE CRISES						
Passed through Michigan Department of Health and Human Services - Michigan Department of Health and Human Services	Produce Prescription Pilot Programs (P4) with Native American Tribes	93.391	E20235478	22-NA-021030	\$ -	\$ 188,820
STRENGTHENING PUBLIC HEALTH SYSTEMS AND SERVICES THROUGH NATIONAL PARTNERSHIPS TO IMPROVE AND PROTECT THE NATION'S HEALTH						
Passed through National Network of Public Health Institutes:						
National Network of Public Health Institutes	Improving Data for Population-based Review of SUID/SUDC Through Child Death Reviews	93.421	G2412 AG-1042	22-QA-100016	-	754,343
National Network of Public Health Institutes	Improving Data for Population-based Review of SUID/SUDC Through Child Death Reviews	93.421	G2443_AG-1073	22-QA-100017	-	198,845
National Network of Public Health Institutes	Best Practices for COVID-19 Health Equity: TA for OT21-2103 Recipients	93.421	G2102 AG-0723	E-42727	-	103,118
National Network of Public Health Institutes	Best Practices for COVID-19 Health Equity: TA for OT21-2103 Recipients	93.421	G2692-AG-1343	23-EA-100106	-	2,090
National Network of Public Health Institutes	Toxicology/State Unintentional Drug Overdose Reporting System (SUDORS) Fellow	93.421	G2063	Q-42726	-	11,827
National Network of Public Health Institutes	Enhancing Pediatric Disaster Mortality Surveillance	93.421	G2793 AG-1406	23-QA-100027	-	17,485
National Network of Public Health Institutes	Enhancing Pediatric Disaster Mortality Surveillance	93.421	G2407_AG-1038	22-QA-100027	-	778
National Network of Public Health Institutes	Enhancing Pediatric Disaster Mortality	93.421	G2071 AG-0685	Q-42728	-	47,205
Total passed through National Network of Public Health Institutes					-	1,135,691
Passed through Michigan Department of Health and Human Services:						
Michigan Department of Health and Human Services	Diabetes Prevention Program Bright Spot Initiative	93.421	E20244864	23-MA-021024	-	2,197
Michigan Department of Health and Human Services	Diabetes Prevention Program Bright Spot Initiative	93.421	E20234481	22-MA-021024	31,000	147,011
Total passed through Michigan Department of Health and Human Services					31,000	149,208
Total strengthening public health systems and services through national partnerships to improve and protect the nation's health					31,000	1,284,899
IMPROVING THE HEALTH OF AMERICANS THROUGH PREVENTION AND MANAGEMENT OF DIABETES AND HEART DISEASE AND STROKE						
Passed through Michigan Department of Health and Human Services - Michigan Department of Health and Human Services	Chronic Disease and Injury Control Medicaid Data Analysis	93.426	E20233833	22-CA-021004	-	24,472
INNOVATIVE STATE AND LOCAL PUBLIC HEALTH STRATEGIES TO PREVENT AND MANAGE DIABETES AND HEART DISEASE AND STROKE						
Passed through Michigan Department of Health and Human Services - Michigan Department of Health and Human Services	Chronic Disease and Injury Control Medicaid Data Analysis	93.435	E20233833	22-CA-021004	-	14,372
Total passed through Michigan Department of Health and Human Services - Michigan Department of Health and Human Services					-	38,844
FAMILY TO FAMILY HEALTH INFORMATION CENTERS						
Direct Program:						
DHHS/Health Resources and Services Administration	Family Professional Partnership/CSHCN	93.504	5 H84MC26214-10-00	23-ZA-100057	-	48,295
DHHS/Health Resources and Services Administration	Family Professional Partnership/CSHCN	93.504	2 H84MC26214-09-00	Z-38854	-	30,840
Total family to family health information centers					-	79,135
REFUGEE AND ENTRANT ASSISTANCE STATE ADMINISTERED PROGRAMS						
Direct Program - Michigan Department of Labor and Economic Opportunity	Refugee Integration and Home Visiting	93.566	RS123-3350	23-XA-100058	-	158,078
MEDICAID CLUSTER						
MEDICAL ASSISTANCE PROGRAM						
Passed through Michigan Department of Health and Human Services:						
Michigan Department of Health and Human Services	Emergency Department Utilization Measures	93.778	E20244540	23-CA-021005	-	605
Michigan Department of Health and Human Services	Emergency Department Utilization Measures	93.778	E20233095	22-CA-021005	-	7,337
Total Medicaid Cluster					-	7,942

Federal Agency/Pass-through Grantor	Federal Grant Description/Internal Grant Description	Federal Assistance Listing Number	Pass-through/Grant Number	MPHI ACCT #	Amount Paid to Subrecipients	Federal Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)						
STATE TARGETED RESPONSE TO THE OPIOID CRISIS GRANTS						
Passed through Michigan Department of Health and Human Services:						
Michigan Department of Health and Human Services	State Opioid Response 3 Recovery Friendly Workplace Support	93.788	E20242541	23-MA-021025	\$ -	\$ 87,586
Michigan Department of Health and Human Services	State Opioid Response 3 Recovery Friendly Workplace Support	93.788	E20234388	22-MA-021025	-	246,187
Total state targeted response to the opioid crisis grants					-	333,773
COOPERATIVE AGREEMENTS TO SUPPORT STATE-BASED SAFE MOTHERHOOD AND INFANT HEALTH INITIATIVE PROGRAMS						
Direct Program:						
DHHS/Center for Disease Control and Prevention	Michigan Sudden Unexpected Infant Death and Sudden Death in the Young Case Registries	93.946	1 NU58DP007704-01-00	23-GA-100000	-	65,138
DHHS/Center for Disease Control and Prevention	Michigan Sudden Unexpected Infant Death and Sudden Death in the Young Case Registries	93.946	5 NU38DP000010-05-00	22-GA-100000	-	110,967
Total cooperative agreements to support state-based safe motherhood and infant health initiative programs					-	176,105
BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES						
Passed through Michigan Department of Health and Human Services:						
Michigan Department of Health and Human Services	Children's Fetal Alcohol Spectrum Disorder Initiative	93.958	E20240630	23-IA-021003	-	34,313
Michigan Department of Health and Human Services	Children's Fetal Alcohol Spectrum Disorder Initiative	93.958	E20233094	22-IA-021003	-	123,439
Michigan Department of Health and Human Services	Wraparound/Technical Assistance	93.958	E20233096	22-UA-021022	-	16,477
Total block grants for community mental health services					-	174,229
CENTERS FOR DISEASE CONTROL AND PREVENTION COLLABORATION WITH ACADEMIA TO STRENGTHEN PUBLIC HEALTH						
Passed through National Network of Public Health Institutes:						
National Network of Public Health Institutes	Strengthening Public Health Institutes	93.967	G2512 AG-1141	23-CA-100056	-	228,008
National Network of Public Health Institutes	NNPHI Data Management Infrastructure	93.967	G2615-AG-1261	23-CA-100066	-	58,851
Total centers for disease control and prevention collaboration with academia to strengthen public health					-	286,859
COOPERATIVE AGREEMENTS FOR STATE-BASED DIABETES CONTROL PROGRAMS AND EVALUATION OF SURVEILLANCE SYSTEMS						
Passed through Michigan Department of Health and Human Services -						
Michigan Department of Health and Human Services	Chronic Disease and Injury Control Medicaid Data Analysis	93.988	E20244166	23-CA-021004	-	3,382
Direct Program - DHHS/Center for Disease Control and Prevention	The Hospital Collaborative Strategic Approach to Advancing Health Equity for Black Residents	93.988	1 NU58DP007389-01-00	23-MA-100070	256,678	339,901
Total cooperative agreements for state-based diabetes control programs and evaluation of surveillance systems					256,678	343,283
PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT						
Passed through Michigan Department of Health and Human Services:						
Michigan Department of Health and Human Services	Greater Detroit Area Maternal, Perinatal and Infant Adverse Outcome Reduction	93.991	E20233941	22-MA-021008	-	88,868
Michigan Department of Health and Human Services	Detroit Fatherhood Initiative	93.991	E20233957	22-MA-021026	-	115,091
Michigan Department of Health and Human Services	Adverse Childhood Experiences Data Analysis and Visualization Project	93.991	E20234873	22-XA-021027	-	9,529
Michigan Department of Health and Human Services	Building Capacity to Meet National Public Health Standards	93.991	E20243772	23-XA-021000	-	46,889
Michigan Department of Health and Human Services	Building Capacity to Meet National Public Health Standards	93.991	E20233128	22-XA-021000	-	183,188
Total preventive health and health services block grant					-	443,565

Schedule of Expenditures of Federal Awards (Continued)

Year Ended December 31, 2023

Federal Agency/Pass-through Grantor	Federal Grant Description/Internal Grant Description	Federal Assistance Listing Number	Pass-through/Grant Number	MPHI ACCT #	Amount Paid to Subrecipients	Federal Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)						
MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT TO THE STATES						
Passed through Michigan Department of Health and Human Services:						
Michigan Department of Health and Human Services	Safe Sleep	93.994	E20243774	23-HA-021020	\$ -	\$ 5,904
Michigan Department of Health and Human Services	Safe Sleep	93.994	E20233666	22-HA-021020	-	16,638
Michigan Department of Health and Human Services	Maternal and Infant Health Mortality Reduction	93.994	E20233834	22-MA-021010	-	5,587
Michigan Department of Health and Human Services	Childhood Lead Poisoning Program Evaluation	93.994	E20233130	22-XA-021002	-	11,202
Michigan Department of Health and Human Services	Childhood Lead Poisoning Electronic Data Management System	93.994	E20233129	22-HA-021001	-	1,527
Total maternal and child health services block grant to the states					-	40,858
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES					5,161,237	14,110,467
U.S. DEPARTMENT OF HOMELAND SECURITY						
ASSISTANCE TO FIREFIGHTERS GRANT						
Direct Program - DHS/Federal Emergency Management Agency	Fire Prevention and Safety Program	97.044	EMW-2020-FP-00010	Q-30405	-	218,155
TOTAL EXPENDITURES OF FEDERAL AWARDS					\$ 5,161,237	\$ 14,890,313

Notes to Schedule of Expenditures of Federal Awards

Year Ended December 31, 2023

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Michigan Public Health Institute (the "Institute") under programs of the federal government for the year ended December 31, 2023. The information in the 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* (the "Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the Institute, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Institute.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such 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 pass-through entity identifying numbers are presented where available.

The Institute has elected not to use the 10 percent *de minimis* indirect cost rate to recover indirect costs, as allowed under the Uniform Guidance.

Schedule of Findings and Questioned Costs

Schedule of Findings and Questioned Costs

Year Ended December 31, 2023

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? _____ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported
- Noncompliance material to financial statements noted? _____ Yes X None reported

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported
- Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? _____ Yes X No

Identification of major programs:

Assistance Listing Number	Name of Federal Program or Cluster	Opinion
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	Unmodified
93.421	Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? X Yes _____ No

Section II - Financial Statement Audit Findings

None

Section III - Federal Program Audit Findings

None