Michigan Public Health Institute

Financial Report
with Supplementary Information
December 31, 2025

Michigan Public Health Institute

Contents

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Independent Auditor's Report

To the Board of Directors
Michigan Public Health Institute

Report on the Audits of the Financial Statements

Opinion

We have audited the financial statements of Michigan Public Health Institute (the "Institute") as of and for the years ended December 31, 2025 and 2024 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, 2025 and 2024 and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits 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 audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about 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 Audits 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 audits conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 audits 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 audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

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 audits 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 13, 2026 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.

Plante & Moran, PLLC

July 13, 2026

Our discussion and analysis of Michigan Public Health Institute's (the "Institute" or MPHI) financial performance provides additional narrative of MPHI's financial activities for the fiscal years ended 2025, 2024, and 2023. The following information should be read in conjunction with MPHI's audited financial statements and related notes.

Financial Highlights

MPHI continued to grow as an organization. In 2025, MPHI continued to pursue new partnerships while strengthening relationships with existing partners to expand capacity, provide technical expertise, and advance shared priorities. During the year, the organization operated within a dynamic and evolving federal funding and policy landscape, which required ongoing adaptability and careful reasource management. In this context, our collaborative approach has reinforced the critical role of public health and the importance of advancing understanding of its impact. Despite these external pressures, MPHI maintained strong corporate operating revenue, reflecting the resilience of our partnership model and continued demand for our services reflected by operating revenue of $211,624,506 in 2025. This is an increase of 5 percent from 2024 and is largely due to increases in funding for our Center for Social Change, Business Solutions Group, Education and Communication Services, Center for Diversified Government Solutions, and administrative projects.

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 notes, which explain some of the more significant information contained within the statements and provide more detailed data.

Proprietary Fund Statements

The proprietary fund statements report business-type activities for MPHI using accounting methods similar to those used by private-sector companies, i.e., 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 revenue, expenses, and changes in net position accounts for all of the current year's revenue 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.

Net Position

MPHI's net position as of December 31, 2025, 2024, and 2023 was $33,346,603, $31,076,996, and $27,930,807, respectively. 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 years:

	2023	2024	2025	Change	Percent Change
Assets					
Other assets	$ 48,723	$ 49,417	$ 53,682	$ 4,265	8.6
Capital assets	5,372	4,695	3,730	(965)	(20.6)
Total assets	54,095	54,112	57,412	3,300	6.1
Liabilities					
Current liabilities	21,384	18,691	20,843	2,152	11.5
Long-term liabilities	4,780	4,344	3,222	(1,122)	(25.8)
Total liabilities	26,164	23,035	24,065	1,030	4.5
Net Position					
Net investment in capital assets	542	707	639	(68)	(9.6)
Restricted	6,098	4,253	2,317	(1,936)	(45.5)
Unrestricted	21,291	26,117	30,391	4,274	16.4
Total net position	**$ 27,931**	**$ 31,077**	**$ 33,347**	**$ 2,270**	7.3

Other assets increased from 2024 to 2025 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 from 2024 to 2025 due to the termination of three building leases and the ongoing depreciation and amortization of remaining assets.

Total liabilities increased slightly from 2024 to 2025 due to normal fluctuation in business activity.

Net position increased by 7 percent from a year ago, increasing from $31,076,996 to $33,346,603. In contrast, last year's net position increased by 11 percent. A portion of the overall increase in net position during 2025 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 $4,273,942. This represents an increase of 16 percent. The current level of unrestricted net position for our activities stands at $30,390,475, or about 14 percent of total expenditures.

Changes in Net Position

The following table (in thousands) compares MPHI's statement of revenue, expenses, and changes in net position for the years ended December 31, 2025, 2024, and 2023:

	2023	2024	2025	Change	Percent Change
Operating Revenue					
Grants and contracts	$ 163,649	$ 199,660	$ 210,954	$ 11,294	5.7
Miscellaneous	864	1,137	671	(466)	(41.0)
Total operating revenue	164,513	200,797	211,625	10,828	5.4
Operating Expenses					
Center for Data Management and Translational Research	2,838	-	-	-	-
Center for Healthy Communities	6,576	11,639	7,526	(4,113)	(35.3)
Center for Health Innovation Practice (formerly Center for Health Equity Practice)	2,734	2,757	3,070	313	11.4
Center for National Prevention Initiatives	3,835	6,904	6,040	(864)	(12.5)
Center for Child and Family Health	6,904	7,664	2,186	(5,478)	(71.5)
Center for Social Change	6,070	1,646	2,702	1,056	64.2
Center for Strategic Health Partnerships	2,679	-	-	-	-
Administrative projects	5,650	10,194	19,815	9,621	94.4
Cancer Control Services	2,180	1,896	1,567	(329)	(17.4)
Business Solutions Group	16,358	22,849	33,291	10,442	45.7
Education and Communication Services	3,804	4,448	5,315	867	19.5
Center for Culturally Responsive Engagement	1,198	1,172	-	(1,172)	(100.0)
Center for Social Justice (formerly Center for Racial and Social Justice)	1,823	2,188	3,053	865	39.5
Center for Technology Solutions	3,425	3,396	3,778	382	11.2
Center for Precision Public Health (formerly Center for Data Management and Translational Research and Center for Strategic Health Partnerships)	-	10,369	8,421	(1,948)	(18.8)
Center for Diversified Government Solutions	73,733	87,095	88,385	1,290	1.5
Management and general	20,946	24,516	25,646	1,130	4.6
Total operating expenses	160,753	198,733	210,795	12,062	6.1
Operating Income	3,760	2,064	830	(1,234)	(59.8)
Nonoperating Revenue (Expense)					
Investment gain - Net	1,408	1,383	1,537	154	11.1
Loss on sale of assets	-	-	(12)	(12)	-
Interest expense on building and subscription-based information technology agreement leases	(354)	(301)	(229)	72	(23.9)
Gain on building leases termination	-	-	144	144	-
Total nonoperating revenue	1,054	1,082	1,440	358	33.1
Change in Net Position	4,814	3,146	2,270	(876)	(27.8)
Net Position - Beginning of year	23,117	27,931	31,077	3,146	11.3
Net Position - End of year	**$ 27,931**	**$ 31,077**	**$ 33,347**	**$ 2,270**	7.3

MPHI's total revenue increased by 5 percent, or $10,827,433, over prior year. The change was driven by an increase in funding for the Center for Social Change, Business Solutions Group, Education and Communication Services, Center for Diversified Government Solutions, and administrative projects.

Expenses increased by $12,062,367 during the year, a 6 percent increase. This net change is primarily the result of increased work in our Center for Social Change, Business Solutions Group, Education and Communication Services, Center for Diversified Government Solutions, and administrative projects.

Capital Assets

At December 31, 2025, 2024, and 2023, MPHI's investment in capital assets was as follows (in thousands):

	2023	2024	2025	Change	Percent Change
Building improvements	$ 44	$ 146	$ 135	$ (11)	(7.5)%
Computer software	2,225	2,225	2,225	-	-
Computer hardware	1,949	2,201	989	(1,212)	(55.1)
Computer-related furniture and fixtures	52	52	52	-	-
Equipment	831	831	1,011	180	21.7
Right-of-use lease assets - Building	5,544	5,544	4,172	(1,372)	(24.7)
Right-of-use assets - Subscription-based information technology arrangements	1,148	1,644	2,281	637	38.7
Less accumulated depreciation and amortization	(6,421)	(7,948)	(7,135)	813	10.2
Net capital assets	**$ 5,372**	**$ 4,695**	**$ 3,730**	**$ (965)**	(20.6)%

The decrease in net capital assets is due to the termination of three building leases and the ongoing depreciation and amortization of remaining assets.

Budgets and Rates

In 2025, our work remained focused on supporting the people and organizations who carry out public-serving work every day, strengthening safety and quality, and making it easier for people to access the services they rely on. Across projects, our teams stayed grounded in practical problem-solving, even as funding conditions and requirements continued to shift.

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.

Michigan Public Health Institute

Statement of Net Position

December 31, 2025 and 2024

	2025	2024
Assets		
Current assets:		
Cash (Note 3)	$ 28,303,912	$ 30,883,550
Investments (Note 3)	6,471,013	5,713,463
Grants and contracts receivable	15,195,937	9,658,065
Prepaid expenses	3,710,940	3,161,932
Total current assets	53,681,802	49,417,010
Noncurrent assets - Net capital assets subject to depreciation (Note 4)	3,729,922	4,695,272
Total assets	57,411,724	54,112,282
Liabilities		
Current liabilities:		
Accounts payable	9,168,507	6,289,178
Accrued liabilities and other:		
Accrued salaries and wages	5,590,217	5,403,839
Accrued leave and fringe pool	4,351,295	5,723,323
Unearned revenue	744,541	488,506
Current portion of building lease and subscription-based information technology agreements liabilities (Note 6)	988,728	786,570
Total current liabilities	20,843,288	18,691,416
Noncurrent liabilities:		
Compensated absences - Greater than one year	1,120,019	1,142,050
Noncurrent portion of building lease and subscription-based information technology agreements liabilities (Note 6)	2,101,814	3,201,820
Total noncurrent liabilities	3,221,833	4,343,870
Total liabilities	24,065,121	23,035,286
Net Position		
Net investment in capital assets	639,380	706,882
Restricted - Expendable grant/contract projects	2,316,748	4,253,581
Unrestricted	30,390,475	26,116,533
Total net position	**$ 33,346,603**	**$ 31,076,996**

See notes to financial statements.

Michigan Public Health Institute

Statement of Revenue, Expenses, and Changes in Net Position

Years Ended December 31, 2025 and 2024

	2025	2024
Operating Revenue		
Grants and contracts	$ 210,953,545	$ 199,660,515
Miscellaneous	670,961	1,136,558
Total operating revenue	211,624,506	200,797,073
Operating Expenses		
Center for Healthy Communities	7,526,007	11,638,816
Center for Health Innovation Practice (formerly Center for Health Equity Practice)	3,070,249	2,756,751
Center for National Prevention Initiatives	6,039,780	6,904,307
Center for Child and Family Health	2,185,580	7,664,015
Center for Social Change	2,702,121	1,646,306
Administrative projects	19,815,184	10,193,745
Cancer Control Services	1,566,920	1,896,362
Business Solutions Group	33,290,458	22,849,115
Education and Communication Services	5,315,443	4,447,980
Center for Culturally Responsive Engagement	-	1,171,994
Center for Social Justice (formerly Center for Racial and Social Justice)	3,052,640	2,187,603
Center for Technology Solutions	3,778,245	3,395,740
Center for Precision Public Health	8,421,368	10,368,497
Center for Diversified Government Solutions	88,384,953	87,095,336
Management and general	25,646,237	24,516,251
Total operating expenses	210,795,185	198,732,818
Operating Income	829,321	2,064,255
Nonoperating Revenue (Expense)		
Investment gain - Net	1,538,165	1,383,480
Loss on sale of assets	(12,483)	-
Interest expense on building and subscription-based information technology agreement leases	(229,412)	(301,546)
Gain on building leases termination	144,016	-
Total nonoperating revenue	1,440,286	1,081,934
Change in Net Position	2,269,607	3,146,189
Net Position - Beginning of year	31,076,996	27,930,807
Net Position - End of year	**$ 33,346,603**	**$ 31,076,996**

See notes to financial statements.

Michigan Public Health Institute

Statement of Cash Flows

Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Receipts from grants and contracts	$ 206,342,669	$ 210,113,673
Payments to suppliers	(77,389,027)	(77,351,299)
Payments to employees and fringe benefits	(130,786,157)	(122,683,384)
Net cash (used in) provided by operating activities	(1,832,515)	10,078,990
Cash Flows from Capital and Related Financing Activities		
Purchase of capital assets	(173,212)	(354,127)
Principal and interest paid on building leases and subscription-based information technology agreements liabilities	(1,354,526)	(1,638,734)
Net cash used in capital and related financing activities	(1,527,738)	(1,992,861)
Cash Flows from Investing Activities		
Interest received on investments	907,399	898,002
Purchases of investment securities	(2,139,879)	(5,593,877)
Proceeds from sale and maturities of investment securities	2,013,095	5,121,495
Net cash provided by investing activities	780,615	425,620
Net (Decrease) Increase in Cash	(2,579,638)	8,511,749
Cash - Beginning of year	30,883,550	22,371,801
Cash - End of year	**$ 28,303,912**	**$ 30,883,550**
Reconciliation of Operating Income to Net Cash from Operating Activities		
Operating income	$ 829,321	$ 2,064,255
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation/amortization	1,361,864	1,526,285
Changes in assets and liabilities:		
Grants and contracts receivables	(5,537,872)	9,379,353
Prepaid expenses	(549,008)	(603,718)
Accounts payable	3,014,826	(4,438,262)
Accrued salaries and wages	186,378	1,086,264
Accrued leave and fringe pool	(1,394,059)	1,127,566
Unearned revenue	256,035	(62,753)
Total adjustments	(2,661,836)	8,014,735
Net cash (used in) provided by operating activities	**$ (1,832,515)**	**$ 10,078,990**
Significant Noncash Transactions		
Subscription-based information technology agreement assets	$ 830,313	$ 495,589
Subscription-based information technology agreement liabilities	602,294	526,181
Right-of-use lease assets	(633,763)	-
Right-of-use lease liabilities	114,728	-

See notes to financial statements.

Note 1 - Nature of Business

Michigan Public Health Institute (the "Institute" or MPHI) is a nonprofit corporation, authorized in Public Act 264 of 1989. The Institute's mission is to advance population health through public health innovation and collaboration, working to promote health and advance well-being for all. To assist in carrying out its mission, the Institute may establish a comprehensive support system or science acquisition, data management, and health services research be conducted, in compliance with Part 26 of the Public Health Code, Act 368 of Public Acts of 1978 or the relevant laws of each state in which the Institute operates. 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 Precision Public Health (CPPH) strategically engages patients, families, community leaders, clinicians, researchers, public health specialists, and other partners to develop new research, support data-driven initiatives, facilitate community-led program development, and provide technical assistance that advances public health. CPPH was formed via the consolidation of the Center for Data Management and Translational Research and the Center for Strategic Health Partnerships.

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, large administrative data sets, geographic information systems, data visualization, analysis, and 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 focused communities as they pursue optimal health and well-being for their people.

Center for Health Innovation Practice (CHIP), **formerly Center for Health Equity Practice** helps those who work in public health and related fields understand how to comprehensively address the community and individual health factors. CHIP collaborates with multisector partners to implement programs, conduct research and evaluation, and provides technical assistance, including workshops, training, facilitation, coaching, and consultations. Projects within the Center for Health Innovation Practice speak directly to issues of poverty and improving health for all. The center hosts Detroit Health Innovations (D-HI). D-HI is dedicated to collaborating with community partners to promote health initiatives and implement data-based prevention programs in the Detroit Metropolitan Area.

Note 1 - Nature of Business (Continued)

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.

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) is a diverse team with decades of experience in public health, public policy, and health care systems quality and performance. Our team has direct experience implementing programs in the Medicaid agency, supporting major initiatives in physical/behavioral health integration, policy analysis, housing, public health, consumer engagement, health information technology and exchange, and federal funding requests through the Advanced Planning Document (APD) process. CSC staff support Medicaid in the movement toward health care access for all by leading efforts to report on fair health outcomes and differences within targeted populations served (children with special health care needs, Medicaid/Medicare duals). CSC develops policy, contracts, and program recommendations to drive improvement in a sustainable way. Our team has expertise in policy review and analysis; 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. CSC led MPHI's 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.

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. These listed services support MPHI's external work and internal capacity building.

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 for all. 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 Social Justice (CSJ), formerly Center for Racial and Social Justice (CRSJ) includes a portfolio of work designed to strategically position MPHI to address various health needs. CSJ focuses on the impacts of governmental structures and systems that are harmful to public health. CSJ 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. CSJ engages in work that looks at how policies contribute to differences in social service experiences among those served. Staff are engaged in projects that center public health 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 (CDGS) specializes in developing strategies that strengthen client relations and enhance the capacity of public health organizations. Our team's mission is to deliver expert support and outstanding customer service, helping to build robust infrastructure and foster staff development, ensuring our partners are well-equipped to implement both state and national initiatives for public health improvement. Our work is grounded in the core values of MPHI, which shape everything we do: Servant Leadership, Health & Well Being for All, Authentic Relationship, and Quality & Excellence. Through these principles, we promote effective collaboration and drive positive change within the organizations we serve. By focusing on these values, we ensure that our solutions are not only effective but also sustainable.

Administrative Projects The grants and contracts office provides collaborative program services for federal, state, and local agencies. The Institute serves as the prime contractor on these projects and administers subcontracts to partner agencies with specialized expertise. The Institute acts solely in a fiduciary capacity, providing fiscal oversight and monitoring the financial performance and compliance of collaborative projects with state, federal, and community nonprofit partners to ensure high-quality financial 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; therefore, =only a small provision for uncollectible accounts was considered necessary.

Concentration of Grants

The Institute received greater than 89 and 80 percent of its grant revenue from MDHHS for the years ended December 31, 2025 and 2024, respectively.

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. A leave liability is recognized due to the leave attributable to services already rendered, leave that accumulates, and leave that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

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, without consideration of cancellation provisions related to loss of funding. 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, and lease liabilities are reported in both current and long-term debt 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"). 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 used 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.

Upcoming Accounting Pronouncements

In April 2024, the Governmental Accounting Standards Board issued Statement No. 103, *Financial Reporting Model Improvements*, which establishes new accounting and financial reporting requirements or modifies existing requirements related to the following: management's discussion and analysis; unusual or infrequent items; presentation of the proprietary fund statement of revenue, expenses, and changes in fund net position; information about major component units in basic financial statements; budgetary comparison information; and financial trends information in the statistical section. The provisions of this statement are effective for the Institute's financial statements for the year ending December 31, 2026.

In September 2024, the Government Accounting Standards Board issued Statement No. 104, *Disclosure of Certain Capital Assets*, which requires certain types of capital assets, such as lease assets, intangible right-of-use assets, subscription assets, and other intangible assets, to be disclosed separately by major class of underlying asset in the capital assets note. This statement also requires additional disclosures for capital assets held for sale. The provisions of this statement are effective for the Institute's financial statements for the year ending December 31, 2026.

Note 2 - Significant Accounting Policies (Continued)

In December 2025, the Government Accounting Standards Board issued Statement No. 105, *Subsequent Events*, which improves financial reporting requirements for subsequent events by clarifying the subsequent events time frame and the distinction between recognized and nonrecognized events. This statement also establishes specific note disclosure requirements and requires disclosure of the date through which subsequent events have been evaluated. The provisions of this statement are effective for the Institute's financial statements for the year ending December 31, 2027.

Note 3 - Cash and Investments

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

	2025	2024
Cash	$ 28,303,912	$ 30,883,550
Investments	6,471,013	5,713,463
Total cash and investments	$ 34,774,925	$ 36,597,013

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

	2025	2024
Deposits with financial institutions	$ 28,303,912	$ 30,883,550
Investments - Reported at fair value:		
Debt mutual funds	1,738,440	1,544,745
Equity securities/Equity mutual funds	4,518,862	3,970,587
Money market funds	213,711	198,131
Total	$ 34,774,925	$ 36,597,013

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. For the years ended December 31, 2025 and 2024, the Institute had bank deposits totaling $28,214,891 and $30,648,818, respectively, (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, 2025 and 2024, the Institute had debt mutual fund investments with a weighted-average maturity of 5.14 and 5.26 years, respectively. At December 31, 2025, $1,738,440 of these investments was rated 5/5 by Morningstar. At December 31, 2024, $1,541,171 of these investments was rated 5/5 by Morningstar. Morningstar ratings address performance rather than credit risk. Therefore, these investments are considered unrated in terms of credit risk.

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's investment policy does not further limit its investment choices. The mutual fund investments mentioned in the previous paragraph are not rated for credit risk.

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, 2025 and 2024.

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, 2025 and 2024:

Equity securities, money market funds, equity mutual funds, and debt mutual funds classified in Level 1 are valued using prices quoted in active markets for those securities.

Note 4 - Capital Assets

Major classes of fixed assets consist of the following at December 31, 2025 and 2024:

	Balance January 1, 2025	Additions	Disposals and Terminations	Balance December 31, 2025
Capital assets being depreciated:				
Building improvements	$ 146,001	$ 25,910	$ (37,264)	$ 134,647
Computer software	2,224,838	-	-	2,224,838
Computer hardware	2,201,446	-	(1,212,678)	988,768
Computer-related furniture and fixtures	51,859	-	-	51,859
Equipment	830,502	203,316	(22,354)	1,011,464
Right-of-use lease assets - Buildings	5,544,290	114,728	(1,486,625)	4,172,393
Right-of-use assets - Subscription-based information technology arrangements	1,643,810	912,249	(274,981)	2,281,078
Subtotal	12,642,746	1,256,203	(3,033,902)	10,865,047
Accumulated depreciation:				
Building improvements	47,995	34,380	(8,280)	74,095
Computer software	2,178,554	30,242	-	2,208,796
Computer hardware	1,637,603	156,052	(1,212,399)	581,256
Computer-related furniture and fixtures	28,437	4,074	-	32,511
Equipment	830,502	27,108	(22,354)	835,256
Right-of-use lease assets - Buildings	2,268,015	700,595	(738,134)	2,230,476
Right-of-use assets - Subscription-based information technology arrangements	956,367	409,413	(193,047)	1,172,733
Subtotal	7,947,473	1,361,864	(2,174,214)	7,135,123
Net capital assets	$ 4,695,272	$ (105,661)	$ (859,688)	$ 3,729,923

Note 4 - Capital Assets (Continued)

	Balance January 1, 2024	Additions	Disposals and Terminations	Balance December 31, 2024
Capital assets being depreciated:				
Building improvements	$ 44,097	$ 101,904	$ -	$ 146,001
Computer software	2,224,838	-	-	2,224,838
Computer hardware	1,949,223	252,223	-	2,201,446
Computer-related furniture and fixtures	51,859	-	-	51,859
Equipment	830,502	-	-	830,502
Right-of-use lease assets - Buildings	5,544,290	-	-	5,544,290
Right-of-use lease assets - Subscription-based information technology arrangement	1,148,221	495,589	-	1,643,810
Subtotal	11,793,030	849,716	-	12,642,746
Accumulated depreciation:				
Building improvements	44,097	3,898	-	47,995
Computer software	2,108,623	69,931	-	2,178,554
Computer hardware	1,496,392	141,211	-	1,637,603
Computer-related furniture and fixtures	24,363	4,074	-	28,437
Equipment	827,337	3,165	-	830,502
Right-of-use lease assets - Buildings	1,512,077	755,938	-	2,268,015
Right-of-use assets - Subscription-based information technology arrangements	408,300	548,067	-	956,367
Subtotal	6,421,189	1,526,284	-	7,947,473
Net capital assets	$ 5,371,841	$ (676,569)	$ -	$ 4,695,272

Note 5 - Line of Credit

As of December 31, 2025 and 2024, the Institute had a line of credit ranging from $6,000,000 to $12,000,000 with a local bank. The line of credit amount of $12,000,000 is only available during October 1 through December 31. Interest for the line of credit is charged at the Secured Overnight Financing Rate (SOFR) plus 2.5 percent, an effective rate of 6.37 percent and 6.99 percent at December 31, 2025 and 2024, respectively. The line of credit is collateralized by accounts receivable, furniture and equipment, and other assets of the Institute. The annual fee for the line is $1,000, and the line was renewed in 2025 and now expires on October 31, 2026. No balances were outstanding on the line of credit at December 31, 2025 and 2024.

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.

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

During the years ended December 31, 2025 and 2024, the Institute's lease and subscription-based information technology agreement liabilities activity was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Current Portion
December 31, 2025:					
Building lease liability	$ 3,739,248	$ 114,728	$ (1,523,920)	$ 2,330,056	$ 593,877
Subscription-based information technology agreements	249,142	1,005,043	(493,699)	760,486	394,851
Total	$ 3,988,390	$ 1,119,771	$ (2,017,619)	$ 3,090,542	$ 988,728
December 31, 2024:					
Building lease liability	4,387,160	-	(647,912)	3,739,248	693,748
Subscription-based information technology agreements	442,829	526,181	(719,868)	249,142	92,822
Total	$ 4,829,989	$ 526,181	$ (1,367,780)	$ 3,988,390	$ 786,570

Future principal and interest payment requirements related to the Institute's lease liability at December 31, 2025 are as follows:

Years Ending	Principal	Interest	Total
2026	$ 593,877	$ 140,422	$ 734,299
2027	678,980	97,052	776,032
2028	765,070	48,050	813,120
2029	285,062	5,147	290,209
2030	7,067	81	7,148
Total	$ 2,330,056	$ 290,752	$ 2,620,808

During 2025, MPHI terminated various leases.

Future principal and interest payment requirements related to the Institute's subscription-based information technology agreement liability at December 31, 2025 are as follows:

Years Ending	Principal	Interest	Total
2026	$ 394,851	$ 40,965	$ 435,816
2027	365,635	15,629	381,264
Total	$ 760,486	$ 56,594	$ 817,080

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 with some employees still holding investments in TIAA annuity contracts; however, no new contributions are permitted to these types of investment vehicles.

Note 7 - Pension Plan (Continued)

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 $7,513,748 and $7,524,758 for the years ended December 31, 2025 and 2024, respectively.

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, 2025

Michigan Public Health Institute

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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, 2025 and have issued our report thereon dated July 13, 2026, 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 13, 2026.

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 basic 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Plante & Moran, PLLC

July 13, 2026

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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, 2025 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 13, 2026.

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 13, 2026

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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 OMB *Compliance Supplement* that could have a direct and material effect on the Institute's major federal program for the year ended December 31, 2025. The Institute's major federal program is 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 the major federal program for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 program.

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 13, 2026

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2025

Federal Agency/Pass-through Agency/Program Title	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						
	COMMUNITY-BASED VIOLENCE INTERVENTION AND PREVENTION INITIATIVE					
Direct Program - DOJ/Office of Justice Programs	CVIPI Planning Yr 1	16.045	15PBJA-23-GG-05208-CVIP	23-PA-100095	$ -	$ 795,273
Direct Program - DOJ/Office of Justice Programs	BJA FY24 Field Initiated Year 1	16.045	15PBJA-24-GG-06087-CVIP	24-PA-100170	-	6,296
Total direct program					-	801,569
	EDWARD BRYNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM					
Passed through City of Lansing, Michigan - City of Lansing	Byrne SCIP Yr 1	16.738	None	24-PA-100165	-	194,951
	BYRNE CRIMINAL JUSTICE INNOVATION PROGRAM					
Direct Program - DOJ/Office of Justice Programs	BJA FY 21 Byrne Criminal Justice Innovation Program (BCJI)	16.817	15PBJA-21-GG-04113-BCJI	S-30101	-	14,213
	COMPREHENSIVE OPIOID, STIMULANT, AND SUBSTANCE USE PROGRAM					
Passed through Michigan State Police	Comprehensive Opioid, Stimulant, and Substance Use Program (COSSUP)	16.838	23-COSSUP-02	24-GA-100111	-	380,949
TOTAL U.S. DEPARTMENT OF JUSTICE					-	1,391,682
U.S. DEPARTMENT OF THE TREASURY						
	COVID-19 CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS					
Passed through City of Lansing, Michigan - City of Lansing	COVID-19 - City of Lansing AP Expansion	21.027	None	23-PA-100088	-	47,381
Passed through Michigan Department of Health and Human Services:						
Michigan Department of Health and Human Services	COVID-19 - Community Violence Intervention Initiative - 2025	21.027	E20254126	24-PA-100150	-	153,363
Michigan Department of Health and Human Services	COVID-19 - Community Violence Intervention Evaluation	21.027	E20254168	25-EA-021042	-	103,048
Michigan Department of Health and Human Services	COVID-19 - Nursing Home Infection Control - 2024	21.027	E20245729-00	24-JA-100135	8,265,035	8,888,628
TOTAL U.S. DEPARTMENT OF THE TREASURY					8,265,035	9,192,420
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES						
	ENVIRONMENTAL PUBLIC HEALTH AND EMERGENCY RESPONSE PROGRAM					
Passed through Michigan Department of Health and Human Services:						
Michigan Department of Health and Human Services	Childhood Lead Poisoning Electronic Data Management System	93.070	E20263116	26-HA-021001	-	952
	SPECIAL PROJECTS OF REGIONAL AND NATIONAL SIGNIFICANCE					
Direct Program:	**MATERNAL AND CHILD HEALTH FEDERAL CONSOLIDATED PROGRAMS**					
DHHS/Health Resources and Services Administration	National Data Center for Child Death Review	93.110	5 UG7MC28482-11-00	25-QA-100071	115	1,930,800
DHHS/Health Resources and Services Administration	National Data Center for Child Death Review	93.110	5 UG7MC28482-10-00	24-QA-100071	314,081	3,004,929
DHHS/Health Resources and Services Administration	Partnership for MCH Leadership	93.110	6 U01MC54766-01-00	25-QA-100178	-	217,343
DHHS/Health Resources and Services Administration	Regional Genetics Networks	93.110	5 UH7MC30775-07-00	23-ZA-100062	-	3,686
Total direct program					314,196	5,156,758
Passed through Michigan Department of Health and Human Services:						
Michigan Department of Health and Human Services	Michigan Youth with Epilepsy Transition Program	93.110	E20254778	25-CA-021047	-	7,645
Michigan Department of Health and Human Services	Michigan Youth with Epilepsy Transition Program	93.110	E20263897	26-CA-021047	-	3,207
Michigan Department of Health and Human Services	Epilepsy Care Coordination Training	93.110	E20255061	25-CA-021007	-	5,484
Total passed through Michigan Department of Health and Human Services					-	16,336
Passed through American Academy of Pediatrics:						
American Academy of Pediatrics	Safe Infant Sleep Systems Integration (SISSI) Program	93.110	101936	24-QA-100021	-	17,118
Passed through Michigan Primary Care Association:						
Michigan Primary Care Association	Midwest Network of Oral Health Integration	93.110	MNOHI-404	23-CA-100041	-	16,206
Total maternal and child health federal consolidated programs					314,196	5,206,418
	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	24-CA-100081	-	445,401
DHHS/Center for Disease Control and Prevention	Michigan Essentials for Childhood: Preventing Adverse Childhood Experiences through	93.136	5 NU81CE002073-03-00	25-CA-100081	-	91,575
Total direct program					-	536,976

See notes to schedule of expenditures of federal awards.

Federal Agency/Pass-through Agency/Program Title	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	E20261594	26-GA-021029	$ -	$ 10,157
Michigan Department of Health and Human Services	Overdose Data to Action Opioid Prevention	93.136	E20252765	25-GA-021029	-	30,763
Michigan Department of Health and Human Services	Rape Prevention and Education (RPE) Evaluation	93.136	E20263811	26-XA-021017	-	191,329
Michigan Department of Health and Human Services	Rape Prevention and Education (RPE) Evaluation	93.136	E20254096	25-XA-021017	-	735,205
Total passed through Michigan Department of Health and Human Services					-	967,454
Total injury prevention and control research and state- and community-based programs					-	1,504,430
	IMMUNIZATION RESEARCH, DEMONSTRATION, PUBLIC INFORMATION AND EDUCATION TRAINING AND CLINICAL SKILLS IMPROVEMENT PROJECT					
Passed through Michigan State University - Michigan State University	COVID-19 - Immunization Research, Demonstration, Public Information and Education Training and Clinical Skills Improvement Projects	93.185	RC112853-MPHI	S-24102	-	1,126
	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	E20253133	25-HA-021001	-	12,769
	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	26-HA-021021	-	32,918
Michigan Department of Health and Human Services	Transforming Youth Suicide Prevention in Michigan	93.243	E20253412	25-HA-021021	-	106,990
Total substance abuse and mental health services projects of regional and national significance					-	139,908
	TRANS-NIH RESEARCH SUPPORT					
Passed through Mid-Michigan District Health Department:						
Mid-Michigan District Health Department	MI PC Learning Network	93.310	None	24-CA-100167	-	19,358
	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	E20253413	25-NA-021031	-	46,297
	MULTIPLE APPROACHES TO SUPPORT YOUNG BREAST CANCER SURVIVORS AND METASTATIC BREAST CANCER PATIENTS					
Passed through Michigan Department of Health and Human Services:						
Michigan Department of Health and Human Services	Young Breast Cancer Survivors	93.376	E20263462	26-CA-021023	-	33,272
Michigan Department of Health and Human Services	Young Breast Cancer Survivors	93.376	E20254018	25-CA-021023	-	42,078
Total multiple approaches to support young breast cancer survivors and metastatic breast cancer patients					-	75,350
	STRENGTHENING PUBLIC HEALTH SYSTEMS AND SERVICES THROUGH NATIONAL PARTNERSHIPS TO IMPROVE AND PROTECT THE NATION'S HEALTH					
Passed through Safe States Alliance:						
Safe State Alliance	Safe States Drowning Carryover	93.421	25C.26.PHIC.09.137	25-QA-100164	-	1,297
Safe State Alliance	Safe States Drowning Year 2	93.421	26.PHIC.10.147	25-QA-100189	-	51,953
Safe State Alliance	Implementation of Child Death Review	93.421	None	24-QA-100164	-	469,400
Total strengthening public health systems and services through national partnerships to improve and protect the nation's health					-	522,650

Schedule of Expenditures of Federal Awards (Continued)

Year Ended December 31, 2025

Federal Agency/Pass-through Agency/Program Title	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)						
	THE NATIONAL CARDIOVASCULAR HEALTH PROGRAMS					
Passed through Michigan Department of Health and Human Services:						
Michigan Department of Health and Human Services	Medicaid Analysts	93.426	E20263117	26-CA-021032	$ -	$ 7,759
Michigan Department of Health and Human Services	Medicaid Analysts	93.426	E20254414	25-CA-021032	-	25,594
Total national cardiovascular health programs					-	33,353
	FAMILY TO FAMILY HEALTH INFORMATION CENTERS					
Direct Program - DHHS/Health Resources and Services Administration	Family Professional Partnership/CSHCN	93.504	5 H84MC26214-11-00	24-CA-100057	-	70,336
Direct Program - DHHS/Health Resources and Services Administration	Family Professional Partnership/CSHCN	93.504	5 H84MC26214-12-00	25-CA-100057	-	40,389
Total family to family health information centers					-	110,725
	REFUGEE CASH AND MEDICAL ASSISTANCE PROGRAM AND REFUGEE SUPPORT AND SERVICES PROGRAMS					
Passed through Michigan Department of Labor and Economic Opportunity:						
Michigan Department of Labor and Economic Opportunity	Refugee Integration and Home Visiting	93.566	RS125-3350	24-XA-100058	-	303,677
Michigan Department of Labor and Economic Opportunity	Refugee Integration and Home Visiting	93.566	RS125-3350	25-XA-100058	-	72,556
Total refugee cash and medical assistance program and refugee support and services programs					-	376,233
Passed through Michigan Department of Health and Human Services:	**COMMUNITY-BASED CHILD ABUSE PREVENTION GRANTS**					
Michigan Department of Health and Human Services	Plan of Safe Care	93.590	E20255672	25-HA-021049	-	5,451
Passed through Michigan Department of Health and Human Services:	**CHILD ABUSE AND NEGLECT STATE GRANTS**					
Michigan Department of Health and Human Services	Plan of Safe Care	93.669	E20262829	26-HA-021049	-	4,272
Michigan Department of Health and Human Services	Plan of Safe Care	93.669	E20255672	25-HA-021049	-	12,070
Total plan of safe care					-	16,342
	OPIOID STATE TARGETED RESPONSE					
Passed through Michigan Department of Health and Human Services:						
Michigan Department of Health and Human Services	State Opioid Response 4 Recovery Friendly Workplace	93.788	E20262708	26-MA-021046	-	163,177
Michigan Department of Health and Human Services	State Opioid Response 4 Recovery Friendly Workplace	93.788	E20254551	25-MA-021046	-	552,832
Total opioid state targeted response					-	716,009
	PUBLIC HEALTH RESPONSE, FORECASTING, AND ANALYTIC CAPACITIES RELATED TO DISEASE OUTBREAKS, EPIDEMICS, AND PANDEMICS					
Passed through Regents of the University of Michigan:						
Regents of the University of Michigan	Michigan-Public Integrated Center for Outbreak Analytics	93.823	SUBK00025350	25-IA-100196	-	37,469
	NATIONAL BIOTERRORISM HOSPITAL PREPAREDNESS PROGRAM					
Passed through University Hospitals Cleveland Medical Center:						
University Hospitals Cleveland Medical Center	All Kids Thrive	93.889	None	25-XA-100180	-	25,915
	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	5 NU58DP007704-03-00	25-GA-100000	-	108,132
DHHS/Center for Disease Control and Prevention	Michigan Sudden Unexpected Infant Death and Sudden Death in the Young Case Registries	93.946	5 NU58DP007704-02-00	24-GA-100000	-	306,577
Total cooperative agreements to support state-based safe motherhood and infant health initiative programs					-	414,709
	BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES					
Passed through Michigan Department of Health and Human Services:						
Michigan Department of Health and Human Services	Mental Health Emergency Preparedness Planning	93.958	E20254657	25-CA-021043	100,358	320,160
Michigan Department of Health and Human Services	Mental Health Emergency Preparedness Planning	93.958	E20263461	26-CA-021043	-	44,781

Schedule of Expenditures of Federal Awards (Continued)

Year Ended December 31, 2025

Federal Agency/Pass-through Agency/Program Title	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)						
Michigan Department of Health and Human Services	Children's Fetal Alcohol Spectrum Disorder Initiative	93.958	E20251744	25-IA-021003	$ -	$ 140,756
Michigan Department of Health and Human Services	Children's Fetal Alcohol Spectrum Disorder Initiative	93.958	E20262396	26-IA-021003	-	20,991
Total block grants for community mental health services					100,358	526,688
	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	-	107,142
National Network of Public Health Institutes	Strengthening Public Health Institutes	93.967	G3287 AG-1899	25-CA-100056	-	95,243
National Network of Public Health Institutes	Data Modernization Initiative DASH	93.967	G2615-AG-1261	24-CA-100066	-	2,770
Total centers for disease control and prevention collaboration with academia to strength public health					-	205,155
	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	E20263631	26-CA-021004	-	7,668
Michigan Department of Health and Human Services	Chronic Disease and Injury Control Medicaid Data Analysis	93.988	E20254054	25-CA-021004	-	23,742
Total passed through Michigan Department of Health and Human Services					-	31,410
Direct Program - DHHS/Center for Disease Control and Prevention	Cooperative Agreements for State-Based Diabetes Control Programs and Evaluation of Surveillance Systems	93.988	1 NU58DP007389-01-00	23-MA-100070	363,409	498,239
Direct Program - DHHS/Center for Disease Control and Prevention	The Hospital Collaborative Strategic Approach to Advancing Health Equity for Black Residents with or at Risk for Diabetes in Wayne County, Michigan	93.988	5 NU58DP007389-03-00	25-MA-100070	352,616	484,031
Total cooperative agreements for state-based diabetes control programs and evaluation of surveillance systems					716,025	1,013,680
	PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT					
Passed through Michigan Department of Health and Human Services:						
Michigan Department of Health and Human Services	Neighborhood Solutions for Health	93.991	E20263185	26-MA-021035	-	11,361
Michigan Department of Health and Human Services	Neighborhood Solutions for Health	93.991	E20252766	25-MA-021035	-	274,316
Michigan Department of Health and Human Services	Building Capacity to Meet National Public Health Standards	93.991	E20263639	26-XA-021000	-	43,760
Michigan Department of Health and Human Services	Building Capacity to Meet National Public Health Standards	93.991	E20254097	25-XA-021000	-	192,702
Total preventive health and health services block grant					-	522,139
	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	E20263118	26-HA-021020	-	5,431
Michigan Department of Health and Human Services	Safe Sleep	93.994	E20251750	25-HA-021020	-	19,229
Total maternal and child health services block grant to the states					-	24,660
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES					1,130,579	11,557,786
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-2024-FP-00140	25-QA-100184	-	165,139
TOTAL EXPENDITURES OF FEDERAL AWARDS					**$ 9,395,614**	**$ 22,307,027**

See notes to schedule of expenditures of federal awards.

Notes to Schedule of Expenditures of Federal Awards

Year Ended December 31, 2025

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, 2025. 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 *de minimis* indirect cost rate to recover indirect costs, as allowed under the Uniform Guidance.

Schedule of Findings and Questioned Costs

Michigan Public Health Institute

Schedule of Findings and Questioned Costs

Year Ended December 31, 2025

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified		
Internal control over financial reporting:			
• Material weakness(es) identified?	____ 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
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds	Unmodified

Dollar threshold used to distinguish between type A and type B programs:	$1,000,000		
Auditee qualified as low-risk auditee?	X Yes	____ No	

Section II - Financial Statement Audit Findings

None

Section III - Federal Program Audit Findings

None