



Professionals Resource Network, Inc.

FINANCIAL STATEMENTS

June 30, 2024 and 2023



	Page
REPORT	
Independent Auditor’s Report	1
FINANCIAL STATEMENTS	
Statements of Financial Position	4
Statements of Activities	5
Statements of Functional Expenses	6
Statements of Cash Flows	7
Notes to Financial Statements	8
OTHER REPORTS	
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	20
Independent Auditor’s Report on Compliance for the Major State Project and on Internal Control Over Compliance Required by the Chapter 10.650, <i>Rules of the Auditor General</i>	22
SUPPLEMENTARY INFORMATION	
Schedule of Expenditures of State Financial Assistance	25
Notes to Schedule of Expenditures of State Financial Assistance	26
Schedule of Findings and Questioned Costs	27



REPORT





Carr, Riggs & Ingram, L.L.C.

2633 Centennial Boulevard

Suite 200

Tallahassee, FL 32308

850.878.8777

850.633.6071 (fax)

CRIadv.com

CARR, RIGGS & INGRAM, L.L.C.

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Professionals Resource Network, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Professionals Resource Network, Inc. (a non-profit organization) which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Professionals Resource Network, Inc. as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Professionals Resource Network, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Professionals Resource Network, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Professionals Resource Network, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance, as required by Chapter 10.650, Rules of the Auditor General of the State of Florida, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain 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 state financial assistance is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2025 on our consideration of Professionals Resource Network, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Professionals Resource Network, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Professionals Resource Network, Inc.'s internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited Professionals Resource Network, Inc.'s 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 12, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Tallahassee, FL
February 26, 2025



FINANCIAL STATEMENTS



Professionals Resource Network, Inc.
Statements of Financial Position

<i>June 30,</i>	2024	2023
Assets		
Current assets		
Cash and cash equivalents	\$ 597,244	\$ 666,779
Accounts receivable, net	287,077	271,101
Short-term investments	1,211,518	889,369
Prepaid expenses and other assets	21,087	11,872
Due from related parties	2,728	-
Total current assets	2,119,654	1,839,121
Non-current assets		
Investments	436,336	638,305
Furniture and equipment, net	21,409	28,927
Operating lease right-of-use assets, net	527,745	656,086
Total non-current assets	985,490	1,323,318
Total assets	\$ 3,105,144	\$ 3,162,439
Liabilities and Net Assets		
Current liabilities		
Accounts payable	\$ 17,888	\$ 14,907
Accrued expenses	102,847	94,292
Refundable advances	20,625	24,725
Current portion of operating lease liabilities	134,344	128,341
Total current liabilities	275,704	262,265
Non-current liabilities		
Operating lease liabilities, less current portion	400,668	528,861
Total non-current liabilities	400,668	528,861
Total liabilities	676,372	791,126
Net assets		
Without donor restrictions	2,418,165	2,353,776
With donor restrictions	10,607	17,537
Total net assets	2,428,772	2,371,313
Total liabilities and net assets	\$ 3,105,144	\$ 3,162,439

The accompanying notes are an integral part of these financial statements.

Professionals Resource Network, Inc. Statements of Activities

<i>For the years ended June 30,</i>	Without Donor Restrictions	With Donor Restrictions	2024 Total	2023 Summarized Total
Revenue and Other Support				
Grants and other contracts	\$ 2,307,240	\$ -	\$ 2,307,240	\$ 2,309,737
Contribution revenue	124,883	-	124,883	116,084
Other revenue	83,200	-	83,200	82,825
Investment income	86,631	-	86,631	28,704
Net assets released from restrictions				
Satisfaction of program restrictions	6,930	(6,930)	-	-
Total revenue and other support	2,608,884	(6,930)	2,601,954	2,537,350
Expenses				
<i>Program services</i>				
FL Dept of Health	2,125,782	-	2,125,782	2,076,038
FL Dept of Business and Professional Regulation	95,180	-	95,180	95,062
Universities	129,182	-	129,182	76,981
Total program services	2,350,144	-	2,350,144	2,248,081
<i>Supporting services</i>				
General and administrative	194,351	-	194,351	186,233
Total supporting services	194,351	-	194,351	186,233
Total expenses	2,544,495	-	2,544,495	2,434,314
Change in net assets	64,389	(6,930)	57,459	103,036
Net assets at beginning of year	2,353,776	17,537	2,371,313	2,268,277
Net assets at end of year	\$ 2,418,165	\$ 10,607	\$ 2,428,772	\$ 2,371,313

The accompanying notes are an integral part of these financial statements.

Professionals Resource Network, Inc.
Statements of Functional Expenses

<i>For the year ended June 30,</i>	Program Services				Supporting Services		Total 2024	Summarized Total 2023
	FL Dept of Health	FL Dept of Business and Professional Regulation	Universities	Total Program Subtotal	General and administrative			
Salaries and benefits	\$ 1,453,602	\$ 81,319	\$ 110,305	\$ 1,645,226	\$ 3,329	\$ 1,648,555	\$ 1,605,722	
Rent	170,247	4,423	5,765	180,435	6,151	186,586	144,492	
Meetings and conferences	117,077	-	-	117,077	50,248	167,325	150,141	
Professional fees	66,434	1,702	2,301	70,437	16,346	86,783	67,769	
Management services	75,498	1,974	2,528	80,000	-	80,000	80,000	
Data analysis	68,837	1,189	2,495	72,521	-	72,521	64,518	
Other	6,349	166	213	6,728	53,994	60,722	51,162	
Travel	40,005	1,015	1,407	42,427	10,015	52,442	52,590	
Office expenses	45,445	1,181	1,538	48,164	-	48,164	48,044	
Utilities	26,908	700	909	28,517	-	28,517	26,575	
Consultants	7,722	195	273	8,190	20,000	28,190	37,440	
Student hardship evaluations	-	-	-	-	26,750	26,750	40,942	
Insurance	24,840	725	671	26,236	-	26,236	25,940	
Software and communications	22,818	591	777	24,186	-	24,186	27,696	
Depreciation	-	-	-	-	7,518	7,518	11,183	
Credit losses	-	-	-	-	-	-	100	
Total	\$ 2,125,782	\$ 95,180	\$ 129,182	\$ 2,350,144	\$ 194,351	\$ 2,544,495	\$ 2,434,314	

The accompanying notes are an integral part of these financial statements.

Professionals Resource Network, Inc.
Statements of Cash Flows

<i>For the years ended June 30,</i>	2024	2023
Operating Activities		
Change in net assets	\$ 57,459	\$ 103,036
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Credit losses	-	100
Depreciation	7,518	11,183
Amortization of right-of-use asset	128,341	97,181
Changes in operating assets and liabilities:		
Accounts receivable, net	(15,976)	137,913
Prepaid expenses and other assets	(9,215)	3,325
Due from related parties	(2,728)	10,800
Accounts payable	2,981	(29,479)
Accrued expenses	8,555	(9,478)
Refundable advances	(4,100)	(1,050)
Operating lease liabilities	(122,190)	(96,065)
Net cash provided by (used in) operating activities	50,645	227,466
Investing Activities		
Purchases of furniture and equipment	-	(13,286)
Proceeds from sale of investments	876,848	423,691
Purchases of investments	(997,028)	(1,195,000)
Net cash provided by (used in) investing activities	(120,180)	(784,595)
Net change in cash and cash equivalents	(69,535)	(557,129)
Cash and cash equivalents at beginning of year	666,779	1,223,908
Cash and cash equivalents at end of year	\$ 597,244	\$ 666,779
Schedule of Noncash Transactions		
Lease liabilities arising from obtaining right-of-use assets		
Operating leases	\$ -	\$ 642,738

The accompanying notes are an integral part of these financial statements.

Professionals Resource Network, Inc. Notes to Financial Statements

Note 1: DESCRIPTION OF THE BUSINESS

The Professionals Resource Network, Inc. (the Corporation) is a not-for-profit organization created in June 2006 to administer the Impaired Practitioner Program (the Program) pursuant to Florida Statutes. Historically, the Program was administered by the Florida Medical Foundation. In October 2006, the State of Florida, Department of Health approved the assignment of the Program contract to the Corporation, and the Corporation began administering the Program in November 2006.

The Program provides for the evaluation, referral, and case management of certain Florida professional licensees who may be suffering from mental or physical disability or abuse of chemical substances with dependency. The Corporation has a contract with the State of Florida, Department of Health (DOH) to provide the Program to licensed Florida physicians. The Corporation also has a contract with the Florida Department of Business and Professional Regulation (DBPR) to provide the Program to licensed Florida harbor pilots and veterinarians.

The Corporation's program services consist of the following:

FL Department of Health – The Corporation provides evaluation, referral, and case management services to licensed Florida physicians who may be suffering from mental or physical disability or abuse of chemical substances with dependency.

FL Department of Business and Professional Regulation – The Corporation provides evaluation, referral, and case management services to licensed Florida harbor pilots and veterinarians who may be suffering from mental or physical disability or abuse of chemical substances with dependency.

Universities – The Corporation provides evaluation, referral, and case management services to medical students who may be suffering from mental or physical disability or abuse of chemical substances with dependency.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

Professionals Resource Network, Inc. Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, 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 year. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to allocation of functional expenses.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Corporation's financial statements for the year ended June 30, 2023, from which the summarized information was derived.

Cash and Cash Equivalents

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of 90 days or less.

Receivables

Accounts receivable consists of revenues earned for services under state contracts, accrued interest, and other trade receivables. PRN Program loans receivable consists of loans that are made to admitted licensees for their initial treatment programs. Receivables are stated at unpaid balances, less an allowance for credit losses.

Allowance for Credit Losses

Management evaluates its receivables on an ongoing basis by analyzing customer relationships and previous payment histories. The allowance for credit losses is management's best estimate of the amount of expected credit losses in the existing accounts based on current market conditions. Historically, losses on uncollectible accounts have been within management's expectations. The allowance for credit losses is reviewed on a periodic basis to ensure there is sufficient reserve to cover any potential credit losses. When receivables are considered uncollectible, they are charged against the allowance for credit losses. Collections on accounts previously written off are included in the change in net assets as received. The allowance for credit losses was \$2,900 and \$10,896 at June 30, 2024 and 2023, respectively.

Professionals Resource Network, Inc. Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

Investments consist of certificates of deposit. Investments maturing in less than one year are classified as short-term investments. Certificates of deposit are stated at cost, which approximate fair value. Investment income consists of interest earned on demand deposits and certificates of deposit.

Furniture and Equipment, Net

All acquisitions of furniture and equipment in excess of \$1,000 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Repairs and maintenance are expensed as incurred. Furniture and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method.

Leases

The Corporation leases its office facility and certain equipment under various operating leases. The Corporation determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets and operating lease liabilities in the statements of financial position.

ROU assets represent the Corporation's right to use an underlying asset for the lease term and lease liabilities represent the Corporation's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. As most of the leases do not provide an implicit rate, the Corporation uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Corporation will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The Corporation's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Net Assets

The Corporation reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Professionals Resource Network, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets (continued)

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Corporation, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. The governing board has designated, from net assets without donor restrictions, net assets for a liquidity reserve.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Revenue Recognition

Fee-for-service state contracts and conference income are recognized as revenue when performance obligations under the terms of the contracts with customers are satisfied.

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets without donor restrictions.

The Corporation performs administrative services for specified agencies under state grant agreements, primarily with DOH and DBPR. These services are provided by the Corporation under a fixed price agreement. The contracts are performance-based with specified program outputs and evaluation measures. No commensurate value is received by DOH or DBPR in return as the Corporation's services are provided to the agencies and ultimately the general public. Based on these factors, grants are considered conditional contributions and revenues are recognized as allowable costs for services are provided.

Professionals Resource Network, Inc. Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Allocation of Expenses

Directly identifiable expenses are charged to programs and supporting services. Expenses which relate to multiple programs are allocated based on number of participants served within each program.

Income Taxes

Pursuant to a determination letter received from the Internal Revenue Service, the Corporation is exempt from federal income tax under Section 501 (c)(3) of the Internal Revenue Code (IRC), and as such, is liable for tax only on business income unrelated to the purpose for which it is exempt. No provision for income taxes has been recorded in the accompanying financial statements.

Reclassifications

Certain reclassifications were made to prior year balances to conform with current year presentation.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, February 26, 2025. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Recent Accounting Pronouncements

Accounting Standards Update 2016-13

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments-Credit Losses* (Topic 326): *Measurement of Credit Losses on Financial Instruments*, which is often referred to as the CECL model, or current expected credit losses. Among other things, the amendments in this ASU require the measurement of all expected credit losses for financial statements held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. Financial institutions and other organizations will now use forward-looking information to better inform their credit loss estimates. Many of the loss estimation techniques applied today will still be permitted, although the inputs to those techniques will change to reflect the full amount of expected credit losses. In addition, the ASU amends the accounting for credit losses on available-for-sale debt securities and purchased financial assets with credit deterioration.

The Corporation adopted ASU 2016-13 on July 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in enhanced disclosures only.

Professionals Resource Network, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Guidance Not Yet Adopted

Accounting Standards Update 2023-01

In March 2023, the FASB issued ASU 2023-01, Leases (Topic 842): *Common Control Arrangements*. This guidance is effective for fiscal years (including interim periods within those fiscal years) beginning after December 15, 2023. The guidance provides a practical expedient for private companies and not-for-profit entities that are not conduit bond obligors to use the written terms and conditions of a common control arrangement to determine (1) whether a lease exists and, if so, (2) the classification of and accounting for that lease. The guidance also requires that leasehold improvements associated with common control leases be (1) amortized by the lessee over the useful life of the leasehold improvements to the common control group (regardless of the lease term) as long as the lessee controls the use of the underlying asset through a lease, and (2) accounted for as a transfer between entities under common control through an adjustment to equity if, and when, the lessee no longer controls the use of the underlying asset. The Corporation is currently evaluating the impact of the guidance on its financial statements.

Note 3: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY

The Corporation maintains its financial assets primarily in cash, cash equivalents, and investments to provide liquidity to ensure funds are available as the Corporation's expenditures come due. The following reflects the Corporation's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions.

<i>June 30,</i>	2024	2023
Total assets at year end	\$ 3,105,144	\$ 3,162,439
Less non-financial assets:		
Prepaid expenses and other assets	(21,087)	(11,872)
Furniture and equipment, net	(21,409)	(28,927)
Operating lease right-of-use assets, net	(527,745)	(656,086)
Financial assets at year-end	2,534,903	2,465,554
Less those not available for general expenditures within one year, due to contractual or donor-imposed restrictions		
Restricted by donor with time or purpose restrictions	(10,607)	(17,537)
Board designations	(210,244)	(231,994)
Financial assets available to meet cash needs for general expenditures within one year	\$ 2,314,052	\$ 2,216,023

Professionals Resource Network, Inc.
Notes to Financial Statements

Note 3: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY (Continued)

As part of the Corporation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The board designated net assets may be drawn upon, after board authorization, in the event of financial distress or an immediate need resulting from events outside the typical life cycle of converting financial assets to cash or settling financial liabilities.

Note 4: ACCOUNTS RECEIVABLE

Accounts receivable consists of the following:

<i>June 30,</i>	2024	2023
State contracts receivable	\$ 184,687	\$ 184,687
Other trade receivables	102,390	86,414
Accounts receivable, net	\$ 287,077	\$ 271,101

Credit losses related to accounts receivable for the years ended June 30, 2024 and 2023 were \$0 and \$100, respectively.

Note 5: PRN PROGRAM LOANS RECEIVABLE

PRN Program loans receivable consists of the following:

<i>June 30,</i>	2024	2023
Loans receivables	\$ 2,900	\$ 10,896
Less allowance for credit losses	(2,900)	(10,896)
Total PRN program loans receivable, net	\$ -	\$ -

Credit losses related to the PRN program loans for the years ended June 30, 2024 and 2023 were \$0.

Note 6: INVESTMENTS

Due to the nature of the certificates of deposit, they are not subject to the disclosure requirements under the Fair Value Measurement and Disclosure Topic of the FASB Accounting Standards Codification.

Professionals Resource Network, Inc.
Notes to Financial Statements

Note 6: INVESTMENTS (Continued)

Investments consist of the following:

<i>June 30, 2024</i>	Cost	Market Value
Certificates of deposit, current	\$ 1,211,518	\$ 1,211,518
Certificates of deposit, noncurrent	436,336	436,336
Total investments	\$ 1,647,854	\$ 1,647,854

<i>June 30, 2023</i>	Cost	Market Value
Certificates of deposit, current	\$ 889,369	\$ 889,369
Certificates of deposit, noncurrent	638,305	638,305
Total investments	\$ 1,527,674	\$ 1,527,674

Note 7: FURNITURE AND EQUIPMENT

Furniture and equipment consist of the following:

<i>June 30,</i>	Estimated Useful Lives (in years)	2024	2023
Furniture and equipment	5 - 10	\$ 157,569	\$ 157,569
Leasehold improvements	5 - 10	46,027	46,027
Total furniture and equipment		203,596	203,596
Less accumulated depreciation		(182,187)	(174,669)
Total furniture and equipment, net		\$ 21,409	\$ 28,927

Depreciation expense for the years ended June 30, 2024 and 2023 was \$7,518 and \$11,183, respectively.

Note 8: LEASES

The Corporation has operating leases for office space and various equipment. The leases have remaining lease terms of 3 to 5 years.

Professionals Resource Network, Inc.
Notes to Financial Statements

Note 8: LEASES (Continued)

The components of lease expense consist of the following:

<i>For the years ended June 30,</i>	2024	2023
Operating lease cost	\$ 156,931	\$ 105,675

Weighted average remaining lease term and discount rates consist of the following:

<i>For the years ended June 30,</i>	2024	2023
Weighted average remaining lease term		
Operating leases	3.76 years	5 years
Weighted average discount rate		
Operating leases	4.75%	4.75%

Future minimum lease payments under non-cancellable leases as of June 30, 2024, were as follows:

<i>For the years ending June 30,</i>	Operating Leases	
2025	\$	154,041
2026		156,407
2027		148,927
2028		126,570
Total future minimum lease payments		585,945
Less imputed interest		(50,933)
Present value of lease liabilities	\$	535,012

Operating lease liabilities are presented in the statements of financial position as follows:

<i>June 30,</i>	2024	2023
Current portion of operating lease liabilities	\$ 134,344	\$ 128,341
Operating lease liabilities, less current portion	400,668	528,861
Present value of lease liabilities	\$ 535,012	\$ 657,202

Professionals Resource Network, Inc.
Notes to Financial Statements

Note 9: NET ASSETS

Net assets without donor restrictions consist of the following:

<i>June 30,</i>	2024	2023
Undesignated	\$ 2,207,921	\$ 2,121,782
Board designated	210,244	231,994
Total net assets without donor restrictions	\$ 2,418,165	\$ 2,353,776

Net assets with donor restrictions consist of the following:

<i>June 30,</i>	2024	2023
Purpose restricted		
Loans to participants fund	\$ 10,607	\$ 17,537
Total net assets with donor restrictions	\$ 10,607	\$ 17,537

Note 10: REVENUE

The Corporation's primary revenue source is from state grants. The Corporation's revenue from contracts with customers primarily relates to fees received from state universities.

Revenue from contracts with state universities consists of annual access fees and student fees, where revenue is recognized over time during the fiscal year.

Revenue from conference income is recognized at the point when the related event occurs.

The Corporation recognizes revenue at the time the performance obligations are met and at the time contributions are received.

Professionals Resource Network, Inc.
Notes to Financial Statements

Note 10: REVENUE (Continued)

A summary of disaggregated revenue information follows:

<i>For the years ended June 30,</i>	2024	2023
Revenue from contracts with customers		
<i>Recognized over time</i>		
Contracts with universities	\$ 91,000	\$ 91,000
<i>Recognized at a point in time</i>		
Conference income	42,200	44,325
Other revenue and support		
Grants	2,216,240	2,218,737
Contributions	124,883	116,084
Conference sponsorships	41,000	38,500
Investment income	86,631	28,704
Total revenue and other support	\$ 2,601,954	\$ 2,537,350

Contract balances for contracts with customers include the following:

<i>June 30,</i>	2024	2023
Receivable from contracts, beginning of year	\$ 57,000	\$ 28,000
Receivable from contracts, end of year	\$ 81,000	\$ 57,000

Receivable from contracts is included in accounts receivable, net in the statements of financial position.

Note 11: CONCENTRATIONS OF RISK

The Corporation maintains cash with a financial institution which exceeded the FDIC limit of \$250,000 by \$99,432 and \$178,445 at June 30, 2024 and 2023, respectively. The Corporation manages these risks by maintaining deposits in high quality financial institutions.

The Corporation received approximately 83% and 86% of its revenues from a Florida Department of Health contract for the fiscal years ended June 30, 2024 and 2023, respectively. At June 30, 2024 and 2023, approximately 63% and 67%, respectively, of accounts receivable relate to this contract.

Professionals Resource Network, Inc. Notes to Financial Statements

Note 12: PENSION PLAN

Eligible Corporation employees may participate in a safe harbor matching contribution plan equal to 100% of the participant's salary deferrals that do not exceed 3% of the participant's compensation plus 50% of the participant's salary deferrals between 3% and 5% of the participant's compensation. The safe harbor matching contribution is 100% vested. The Corporation also provides another 4% profit sharing match. Total employer contributions charged to expense for the years ended June 30, 2024 and 2023, were \$79,173 and \$60,633, respectively.

Note 13: RELATED PARTY TRANSACTIONS

The Corporation has an agreement with the Florida Medical Association (FMA) for FMA to perform certain administrative services. The FMA President, with the approval of the FMA board, appoints the members of the Corporation's board of directors. The Corporation paid FMA \$80,000 for services for each of the years ended June 30, 2024 and 2023, respectively.

The Corporation made contributions of \$20,000 to the Foundation for Healthy Floridians during each of the years ended June 30, 2024 and 2023. The Foundation for Healthy Floridians is considered a related party of FMA due to FMA's control and economic interest in the Foundation for Healthy Floridians. As of June 30, 2024 and 2023, the Corporation had a payable due to Foundation for Healthy Floridians in the amount of \$-0- for each of the years then ended. There were no contributions to or receivables due from Foundation for Healthy Floridians for the years ended June 30, 2024 and 2023.



OTHER REPORTS



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

The Board of Directors
Professionals Resource Network, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Professionals Resource Network, Inc. (a nonprofit organization) which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 26, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Professionals Resource Network, Inc.'s internal control over financial reporting (internal control) as a basis for designing the 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 Professionals Resource Network, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Professionals Resource Network, Inc.'s internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Carr, Riggs & Ingram, L.L.C.

Carr, Riggs & Ingram, L.L.C.

Tallahassee, Florida
February 26, 2025



CARR, RIGGS & INGRAM, L.L.C.

Carr, Riggs & Ingram, L.L.C.
2633 Centennial Boulevard
Suite 200
Tallahassee, FL 32308

850.878.8777
850.633.6071 (fax)
CRLadv.com

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR THE
MAJOR STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY CHAPTER 10.650, RULES OF THE AUDITOR GENERAL**

The Board of Directors
Professionals Resource Network, Inc.

Report on Compliance for Each Major State Project

Opinion on Each Major State Project

We have audited Professionals Resource Network, Inc.’s compliance with the types of compliance requirements identified as subject to audit in the Department of Financial Service’s State Projects *Compliance Supplement* that could have a direct and material effect on Professionals Resource Network, Inc.’s major state project for the year ended June 30, 2024. Professionals Resource Network’s major state project is identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, Professionals Resource Network, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major state project for the year ended June 30, 2024.

Basis for Opinion on Each Major State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.650, *Rules of the Auditor General*. Our responsibilities under those standards and Chapter 10.650, *Rules of the Auditor General*, are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Professionals Resource Network Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state project. Our audit does not provide a legal determination of Professionals Resource Network, Inc.’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Professionals Resource Network, Inc.'s state projects.

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 Professionals Resource Network's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Chapter 10.650, *Rules of the Auditor General*, 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 Professionals Resource Network, Inc.'s compliance with the requirements of each major state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Chapter 10.650, *Rules of the Auditor General*, 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 Professionals Resource Network, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Professionals Resource Network, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Chapter 10.650, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of Professionals Resource Network, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state project 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 state project 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 state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Chapter 10.650, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

Carr, Riggs & Ingram, L.L.C.

Tallahassee, Florida
February 26, 2025



SUPPLEMENTARY INFORMATION



**Professionals Resource Network, Inc.
 Schedule of Expenditures of State Financial Assistance
 Year Ended June 30, 2024**

Grantor/Project Title	CSFA	Award Amount	Contract Number	Expenditures	Amount Provided to Subrecipients
STATE					
<u>Florida Department of Health</u>					
Impaired Practitioner Program	64.046	\$ 2,169,907	COMX7	\$ 2,125,782	\$ -
Total expenditures of state financial assistance				\$ 2,125,782	\$ -

*See Independent Auditor's Report.
 See accompanying notes to the schedule of expenditures of state financial assistance.*

Professionals Resource Network, Inc.
Notes to Schedule of Expenditures of State Financial Assistance
Year Ended June 30, 2024

Note 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of state financial assistance includes the state grant activity of the Professionals Resource Network, Inc. (the Corporation). The information in the schedule is presented in accordance with the requirements of Chapter 10.650, *Rules of the Auditor General*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of, the financial statements.

Note 2: BASIS OF ACCOUNTING

The schedule was prepared on the accrual basis of accounting.

Note 3: CONTINGENCIES

Grant monies received and disbursed by the Corporation are subject to review by the grantor agency. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the Corporation does not believe that such disallowance, if any, would have a material effect on the financial position of the Corporation. As of June 30, 2024, there were no material questioned or disallowed costs as a result of grant audits in process or completed.

Note 4: NONCASH ASSISTANCE

The Corporation did not receive any state noncash assistance for the year ended June 30, 2024.

Professionals Resource Network, Inc.
Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

SECTION I - SUMMARY OF AUDIT RESULTS

Financial Statements:

- | | | |
|----|---|------------|
| 1. | Type of auditor’s report issued | Unmodified |
| 2. | Internal control over financial reporting: | |
| a. | Material weaknesses identified? | No |
| b. | Significant deficiencies identified not considered to be material weaknesses? | None noted |
| c. | Noncompliance material to the financial statements noted? | No |

State Financial Assistance:

- | | | |
|----|--|---|
| 1. | Type of auditor’s report issued on compliance for major projects | Unmodified |
| 2. | Internal control over major projects: | |
| a. | Material weaknesses identified? | No |
| b. | Significant deficiencies identified not considered to be material weaknesses? | None noted |
| 3. | Any audit findings disclosed that are required to be reported in accordance with Chapter 10.650, <i>Rules of Auditor General</i> ? | No |
| 4. | Identification of major projects: | |
| | <u>CSFA Number</u>
64.046 | <u>State Project</u>
Impaired Practitioner Program |
| 5. | Dollar threshold used to distinguish between type A and type B projects: | \$637,735 |

SECTION II – FINANCIAL STATEMENT FINDINGS

None noted

SECTION III – STATE FINANCIAL ASSISTANCE FINDINGS

None noted

Professionals Resource Network, Inc.
Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

SECTION IV – SUMMARY OF PRIOR YEAR FINDINGS

None noted

SECTION V – OTHER MATTERS

- (a) No management letter is required because there were no findings required to be reported in the management letter (see AG Rule Section 10.656(3)(e)).