Ohio Provider Resource Association

Consolidated Financial Statements

For the Year Ended December 31, 2015

BODINE PERRY ROBINSON

an affiliate of

BODINE PERRY LLC

Certified Public Accountants & Business Analysts

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OHIO RESOURCE PROVIDER ASSOCIATION
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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To Management and the Board of Trustees of
Ohio Provider Resource Association

We have reviewed the accompanying consolidated statement of financial position of The Ohio Provider Resource Association (a non-profit organization), as of December 31, 2015, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountants' Responsibility

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Bodine Perry, LLC

Columbus, Ohio
June 8, 2016

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OHIO PROVIDER RESOURCE ASSOCIATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31,

ASSETS

		2015
CURRENT ASSETS		
Cash and cash equivalents	$	23,766
Accounts receivable		4,317
Prepaid expenses		4,020
TOTAL CURRENT ASSETS		32,103
PROPERTY AND EQUIPMENT		
Building		513,087
Furniture and equipment		96,205
Software		19,700
Computers		47,788
Total property and equipment		676,780
Accumulated depreciation		(218,873)
NET PROPERTY AND EQUIPMENT		457,907
OTHER ASSETS		
Investments		2,308,244
TOTAL ASSETS	$	2,798,254

OHIO PROVIDER RESOURCE ASSOCIATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31,

LIABILITIES AND NET ASSETS

	2015
CURRENT LIABILITIES	
Accounts payable	$ 99,578
Credit card payable	1,920
Deferred revenue	19,560
Accrued expenses	89,895
Current portion of capital lease obligation	5,846
TOTAL CURRENT LIABILITIES	216,799
CAPITAL LEASE OBLIGATION	3,059
TOTAL LIABILITIES	219,858
NET ASSETS, UNRESTRICTED	2,578,396
TOTAL LIABILITIES AND NET ASSETS	$ 2,798,254

See accompanying notes and independent accountants' review report

OHIO PROVIDER RESOURCE ASSOCIATION
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31,

		2015
REVENUE		
Member dues	$	1,350,629
Seminars and education		30,414
Conferences		239,206
Grant income		70,100
Consulting and programs		21,236
Royalty, marketing, publication, and other		25,953
Interest income		497
Investment income (loss)		(22,751)
TOTAL REVENUE		1,715,284
EXPENSES		
Seminars and education		19,497
Conference		129,103
Grant		103,573
Consulting and programs		58,847
Employee wages, taxes and benefits		851,272
Professional fees		424,310
Office		67,887
IT		79,829
Insurance		4,724
Committee		6,991
Dues and subscriptions		17,309
Travel, meals and entertainment		56,353
Bank and credit card fees		10,317
PAC		4,112
Interest		841
Depreciation		31,024
Real estate tax		14,911
TOTAL EXPENSES		1,880,900
DECREASE IN UNRESTRICTED NET ASSETS		(165,616)
NET ASSETS, BEGINNING OF YEAR, UNRESTRICTED		2,744,012
NET ASSETS, END OF YEAR, UNRESTRICTED	$	2,578,396

See accompanying notes and independent accountants' review report

OHIO PROVIDER RESOURCE ASSOCIATION
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31,

	2015
CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	$ (165,616)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	31,024
Realized gain on investments	(22,364)
Unrealized loss on investments	82,836
(Increase) Decrease in assets:	
Accounts receivable	3,611
Prepaid expenses	24,110
Increase (Decrease) in liabilities:	
Accounts payable	59,239
Credit card payable	(3,553)
Deferred revenue	16,560
Accrued expenses	(13,066)
NET CASH PROVIDED BY OPERATING ACTIVITIES	12,781
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments	(492,168)
Proceeds from sale of investments	481,445
Purchase of property and equipment	(7,422)
NET CASH USED BY INVESTING ACTIVITIES	(18,145)
CASH FLOWS FROM FINANCING ACTIVITIES	
Payments on capital lease obligations	(5,846)
NET CASH USED BY FINANCING ACTIVITIES	(5,846)
NET DECREASE IN CASH	(11,210)
CASH BEGINNING OF YEAR	34,976
CASH END OF YEAR	$ 23,766
SUPPLEMENTARY INFORMATION	
Cash paid for interest	$ 841

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Ohio Provider Resource Association (OPRA) is a non-profit charitable organization in Columbus, Ohio. OPRA's purpose is to address the concerns of private providers of services for the developmentally disabled population across the state of Ohio, serving as a resource for information affecting the state budget and laws, departmental rules, and practices. OPRA represents over 100 providers, which in turn, provide support for over 15,000 individuals receiving a variety of services: licensed housing, ICF services, supported living, and many different waiver services – like the Individual Options Waiver.

Principles of Consolidation

Generally accepted accounting principles require related nonprofit organizations to present their financial statements on a consolidated basis if certain conditions related to control and economic interests between the organizations are met. The Ohio Provider Resource Association, which includes its wholly owned subsidiary OPRA Properties, LLC, and its sister organization, The OPRA Foundation, includes the accounts OPRA, OPRA Properties, LLC and The OPRA Foundation (collectively known as "The Organization"). All material inter-company accounts and transactions have been eliminated in consolidation.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all unrestricted cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

Revenue Recognition

The Organization's primary sources of revenue are from membership dues, grants, semi-annual conferences and educational seminars. The Organization has adopted the following account policies with respect to revenues:

Membership dues are recognized as revenue ratably over the year to which they apply. Cash receipts on subsequent year dues are reported as deferred revenue in the statement of financial position.

Conference and training revenue and the related expenses are recognized in the year in which the event is held. Cash receipts on subsequent year's events are reported as deferred revenue in the statement of financial position.

Basis of Presentation

Pursuant to Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958-210, the Organization is required to report information regarding its financial position and activities according to three classes of net assets (unrestricted, temporarily restricted, and permanently restricted net assets) based upon the existence or absence of donor imposed restrictions. For the year ended December 31, 2015, all net assets were classified as unrestricted.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounts Receivable

Accounts Receivable, which is stated at the unpaid balances less an allowance for doubtful accounts, consists of amounts due to the Association for membership dues, fees for conferences and training, and sponsorships of conferences. Credit is generally extended on a short-term basis thus accounts receivable do not bear interest. The allowance is reviewed and updated by management each year based on historical experience and knowledge of individual circumstances of the organizations with outstanding balances. The allowance for doubtful accounts and bad debt expense were zero as of December 31, 2015.

Investments

The Organization accounts for investments in accordance with FASB ASC 958-320 and subsections. This standard requires that investments in equity securities with readily determinable fair values and all investments in debt securities be measured at fair value in the consolidated statement of financial position. Fair value of marketable equity and debt securities is based on quoted market prices. The realized and unrealized gain or loss on investments is reflected in the consolidated statement of changes in net assets.

Deferred Revenue

Deferred revenue is the receipt of payment for conferences, training, or membership dues which had not yet been provided thus not earned as of the end of the year.

Property and Equipment

Property and equipment are stated at cost. Depreciation is computed on the straight-line method over the estimated useful lives of the assets which range from 3 to 39 years. Maintenance and repairs are charged to expense when incurred. Assets with a useful life beyond one year are capitalized and depreciated over the asset's useful life.

Income Tax Status

The Organization is a nonprofit organization and is exempt from federal income taxes under section 501(c)(3) and 501(c)(6) of the Internal Revenue Code; therefore no provision for federal income taxes has been made in the financial statement.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements. Accordingly, actual results could vary from those estimates.

Date of Management's Review

Management has evaluated subsequent events through June 8, 2016, which is the date the financial statements were available to be issued.

NOTE B – INVESTMENTS

The investments held at December 31, 2015 consisted of the following:

	Cost	Fair Value	Unrealized Appreciation (Depreciation)
Cash and Equivalents	$ 247,302	$ 247,302	$ (0)
Common Stocks	5,094	5,699	605
Mutual Funds	1,622,190	1,558,102	(64,088)
Fixed Income	497,343	497,141	(202)
Total Investments	$ 2,371,929	$ 2,308,244	$ (63,685)

The fair market value of investments held by the Association and the Foundation at December 31, 2015 totaled $2,023,948 and $284,296, respectively.

Investment income consisted of the following for the year ended December 31, 2015:

Interest and dividends	$ 51,738
Realized gain (loss) on investments	22,364
Unrealized gain (loss) on investments	(82,836)
Investment advisor fees	(14,017)
Total	$ (22,751)

NOTE C – FAIR VALUE MEASUREMENTS

FASB ASC 820-10, Fair Value Measurement, defines fair value, establishes a framework for measuring fair value, establishes a three-level valuation hierarchy for disclosure of fair value measurement and enhances disclosure requirements for fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of the fair value of an asset or liability as of the measurement date. The three levels are defined as follows:

Level 1 – Represented by quoted prices that are available in an active market. Level 1 securities include highly liquid government bonds, treasury securities, mortgage products and exchange traded equities.

Level 2 – Represented by assets and liabilities similar to Level 1 where quoted prices are not available, but are observable, either directly or indirectly through corroboration with observable market date and estimated using pricing models or discounted cash flows.

NOTE C – FAIR VALUE MEASUREMENTS (CONTINUED)

Level 3 – Represented by financial instruments where there is limited activity or unobservable market prices and pricing models significant to determining the fair value measurement include the reporting entity's own assumptions about the market risk.

All of the Organization's investments in securities are recorded at fair market values defined under Level 1.

NOTE D – CAPITAL LEASE OBLIGATION

In June 2012, the Organization entered into a capital lease to acquire a copier. The agreement requires sixty monthly payments of $687 including maintenance of $139 and principal and interest of $548. The fair market value of the equipment, $28,326, was capitalized and the corresponding liability recorded at the inception of the lease using a stated interest rate of 6%. The equipment is being amortized over five years and the related amortization expense is included in depreciation expense in the consolidated statement of activities.

Future lease payments are as follows:

2016	$ 8,240
2017	3,434
Total	11,674
Less: maintenance	(2,363)
Less: amount representing interest	(406)
Present value of net lease payments	$ 8,905

NOTE E – LEASE COMMITMENTS

The Organization leases its administrative office equipment under non-cancellable agreements that expire at various dates through the year 2018.

Rent expense under the operating lease was $645 for the year ended December 31, 2015 and is included in office expense on the consolidated statement of activities.

Future minimum rental payments due through expiration are:

2016	$ 600
2017	600
2018	150
	$ 1,350

NOTE F – RETIREMENT PLAN

The Organization maintains a defined contribution retirement plan, under which all full-time employees over age 21 with 1,000 hours of service are eligible to participate after one year of employment. Participants become 100% vested after three years of service. Eligible employees may make elective deferrals of up to 20% of their wages subject to an annual limit specified by law. Under the plan, the Organization makes a mandatory safe-harbor contribution of 3% of wages and may make additional discretionary contributions to the plan. The Organization contributed $33,044 into the plan for 2015.

NOTE G – CONCENTRATIONS OF CREDIT RISK

The Organization maintains their cash and cash equivalent balances in a financial institution in Ohio. The accounts are insured by the Securities Investor Protection Corporation up to $500,000.