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# Colorado Access Foundation

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**Financial Report**  
**December 31, 2024**

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## **Independent Auditor's Report**

To the Board of Directors  
Colorado Access Foundation

### ***Opinion***

We have audited the financial statements of Colorado Access Foundation (the "Foundation"), which comprise the statement of financial position as of December 31, 2024 and the related statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of December 31, 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 (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Foundation and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Emphasis of Matter***

As discussed in Note 3 to the financial statements, the beginning of year net assets has been restated to correct a misstatement. Our opinion has not been modified with respect to this matter.

### ***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 Foundation's ability to continue as a going concern within one year after the date that the financial statements are issued or 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

To the Board of Directors  
Colorado Access Foundation

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Foundation'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 Foundation'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.

*Plante & Moran, PLLC*

July 23, 2025

## Colorado Access Foundation

### Statement of Financial Position

December 31, 2024

Assets	
Cash and cash equivalents	\$ 20,481,541
Receivables:	
Loan receivable (Note 8)	231,159
Contributions receivable (Note 5)	<u>148,371</u>
Total receivables	379,530
Accrued interest	61,517
Prepaid expenses	<u>37,238</u>
Total assets	<u><u>\$ 20,959,826</u></u>
Liabilities and Net Assets	
<b>Liabilities</b>	
Accounts payable	\$ 712
Grants payable (Note 9)	4,193,000
<b>Net Assets</b> - Without donor restrictions - Undesignated	<u>16,766,114</u>
Total liabilities and net assets	<u><u>\$ 20,959,826</u></u>

## Colorado Access Foundation

### Statement of Activities and Changes in Net Assets

Year Ended December 31, 2024

	Without Donor Restrictions
<b>Revenue, Gains, and Other Support</b>	
Contributions (Note 5)	\$ 975,946
In-kind contribution (Note 6)	842,286
Interest income	198,455
Investment income (Note 10)	800,698
Total revenue, gains, and other support	2,817,385
<b>Expenses</b>	
Program donations (Note 7)	4,939,752
Administrative expenses (Note 7)	1,099,586
Total expenses	6,039,338
<b>Decrease in Net Assets</b>	(3,221,953)
<b>Net Assets</b> - Beginning of year (as restated)	19,988,067
<b>Net Assets</b> - End of year	<b>\$ 16,766,114</b>

**Statement of Cash Flows****Year Ended December 31, 2024****Cash Flows from Operating Activities**

Decrease in net assets	\$ (3,221,953)
Adjustments to reconcile decrease in net assets to net cash and cash equivalents from operating activities - Changes in operating assets and liabilities that provided (used) cash and cash equivalents:	
Accrued interest	9,898
Prepaid expenses	49,650
Loan receivable	(48,680)
Contributions receivable	701,400
Accounts payable	(2,476)
Grants payable	<u>2,694,703</u>

**Net Increase in Cash and Cash Equivalents** - Net cash and cash equivalents provided by operating activities 182,542

**Cash and Cash Equivalents** - Beginning of year 20,298,999

**Cash and Cash Equivalents** - End of year \$ 20,481,541

**Significant Noncash Transactions** - In-kind contribution \$ 842,286

December 31, 2024

## Note 1 - Nature of Business

Colorado Access Foundation (the "Foundation") was founded on November 23, 2021 as a Colorado not-for-profit corporation. The mission of the Foundation is to provide monetary resources in the form of grants to companies supporting the mission of providing affordable health care for low-income individuals. The Foundation is primarily funded by Colorado Access, a not-for-profit corporation that provides health insurance to lower-income individuals across Colorado through various state programs.

## Note 2 - Significant Accounting Policies

### ***Basis of Presentation***

The financial statements of the Foundation have been prepared on the basis of generally accepted accounting principles.

### ***Cash and Cash Equivalents***

Cash consists of unrestricted cash on deposit. The Foundation's cash balance exceeds the Federal Deposit Insurance Corporation insurance limits of \$250,000 at December 31, 2024.

For the purpose of the accompanying financial statements, the Foundation considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents. The carrying amount reported in the statement of financial position for cash and cash equivalents approximates fair value due to the short-term nature of these investments.

### ***Contributions and Contributions Receivable***

Unconditional promises to give cash and other assets to the Foundation are reported at fair value on the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value on the date the gift becomes unconditional or is received. The gifts are reported as contributions with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the year in which the gift is received are reported as contributions without donor restrictions in the accompanying financial statements.

### ***Concentration Risk***

All contributions were from Colorado Access for the year ended December 31, 2024.

### ***Grants Payable***

The Foundation makes unconditional promises to give that support the mission of providing affordable health care for low-income individuals. The grant expense is recognized at the time the commitment is made.

### ***Classification of Net Assets***

Net assets of the Foundation are classified based on the presence or absence of donor-imposed restrictions.

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions or for which the donor-imposed restrictions have expired or been fulfilled. Net assets in this category may be expended for any purpose in performing the primary objectives of the Foundation.



December 31, 2024

## Note 2 - Significant Accounting Policies (Continued)

### ***In-kind Contributions***

Contributed nonfinancial assets include donated services and other in-kind contributions, which are recorded at the respective fair values of the goods or services received. For the year ended December 31, 2024, contributed nonfinancial assets consisting of administrative support services from a related party totaled \$842,286. These administrative support services are used for management and general activities and were recognized based on current rates for similar administrative support services.

### ***Functional Allocation of Expenses***

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Costs have been allocated between program and support services based on direct identification as costs are incurred. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts. Costs of providing program and support services have been reported in Note 7 on a functional basis by natural classification.

### ***Income Taxes***

The Foundation is a not-for-profit corporation and is exempt from tax under the provisions of Internal Revenue Code Section 501(c)(3).

### ***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.

### ***Subsequent Events***

The financial statements and related disclosures include evaluation of events up through and including July 23, 2025, which is the date the financial statements were available to be issued.

## Note 3 - Prior Period Adjustment

The accompanying financial statements for 2024 have been restated to correct an error made in 2023 for the misclassification of unconditional grants as conditional grants. The effect of the restatement was to increase total liabilities and expense by \$1,498,297 in 2023. Net assets without donor restrictions at the beginning of 2024 have been adjusted for the effects of the restatement on the prior year financial statements.

## Note 4 - Liquidity and Availability of Resources

The Foundation has \$20,481,541 of financial assets available within one year of December 31, 2024 to meet cash needs for general expenditure consisting of cash and cash equivalents. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date.

The Foundation has a goal to maintain financial assets, which consist of cash and cash equivalents, on hand to meet 60 days of normal operating expenses, which are based upon the budget and can vary from year to year. The Foundation has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The Foundation also realizes there could be unanticipated liquidity needs.

December 31, 2024

## Note 5 - Related Party Transactions

The following is a description of transactions between the Foundation and related parties:

### **Receivables**

At December 31, 2024, the Foundation had contributions receivable from Colorado Access, a related party, totaling \$148,371.

### **Contributions**

For the year ended December 31, 2024, the Foundation received contributions from Colorado Access totaling \$975,946.

## Note 6 - Contributed Nonfinancial Assets

Contributed nonfinancial assets recognized within the statement of activities and changes in net assets consisted of donated materials and services of \$842,286 for the year ended December 31, 2024. Donated services are contributions of nonfinancial assets and services and represent administrative support services used for management and general activities. Donated materials and services were recognized based on current rates for the donated materials and administrative support services.

Contributed nonfinancial assets did not have donor-imposed restrictions.

## Note 7 - Functional Expenses

The Foundation provides support to other organizations that support its mission. Expenses related to providing these services are as follows for the year ended December 31, 2024:

Program donations	\$ 4,939,752
Support services:	
Consulting	198,625
Accounting	43,419
Salaries and wages	579,729
Other	277,813
Total support services	1,099,586
Total	\$ 6,039,338

## Note 8 - Loan Receivable

The Foundation, as part of its mission, has committed to an interest-free advance of \$750,000 over the next several years to an organization providing housing services to certain homeless individuals. Amounts will be repaid in yearly installments by the borrower as the project progresses. As of December 31, 2024, the Foundation paid out \$231,159 of the \$750,000 committed.

## Note 9 - Grants Payable

Unconditional grants are recognized as an expense at the time of formal approval by the board of directors.

The following summarizes the changes in grants payable as of December 31, 2024:

Grants payable - Beginning of year	\$ 1,498,297
Grants approved	4,939,752
Payments made	(2,245,049)
Grants payable - End of year	\$ 4,193,000

December 31, 2024

**Note 9 - Grants Payable (Continued)**

The following schedule provides detail of future grant payments to be made as of December 31, 2024:

Amounts due in:	
Less than one year	\$ 2,735,952
One to five years	<u>1,457,048</u>
Total	<u>\$ 4,193,000</u>

**Note 10 - Investment Income**

Investment income of \$800,698 represents dividend income on cash equivalents that is reinvested.