



A S S U R A N C E D I M E N S I O N S

Financial Statements and Independent
Auditor's Report

**Veterans Health Research Institute of
Central New York, Inc.**

September 30, 2024 and 2023

Veterans Health Research Institute of Central New York, Inc.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Veterans Health Research Institute of Central New York, Inc.

Opinion

We have audited the accompanying financial statements of **Veterans Health Research Institute of Central New York, Inc.** (the "Organization"), a not-for-profit organization, which comprise the statements of financial position as of September 30, 2024 and 2023, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of September 30, 2024 and 2023, and the results of its activities and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Basis of Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("U.S. 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 Organization 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 U.S. GAAP, 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 Organization'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 U.S. 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.

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In performing an audit in accordance with generally accepted auditing standards, we:

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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of Board Designated – Active and Residual Research Funds are presented for purposes of additional analysis and are 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 U.S. GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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.

Assurance Dimensions

Jacksonville, Florida
January 15, 2025

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Veterans Health Research Institute of Central New York, Inc.
Statements of Financial Position
As of September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<u>Assets</u>		
Current assets:		
Cash	\$ 206,207	\$ 302,363
Grants and contracts receivable	130,012	290,656
Investments	216,234	293,884
Other assets	3,846	3,526
Total current assets	<u>556,299</u>	<u>890,429</u>
Total assets	<u>\$ 556,299</u>	<u>\$ 890,429</u>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payables	\$ 38,217	\$ 48,085
Accrued liabilities	72,892	66,561
Total current liabilities	<u>111,109</u>	<u>114,646</u>
Total liabilities	<u>111,109</u>	<u>114,646</u>
Net assets:		
Without donor restrictions	148,174	264,158
Without donor restrictions - Board designated	297,016	511,625
Total net assets	<u>445,190</u>	<u>775,783</u>
Total liabilities and net assets	<u>\$ 556,299</u>	<u>\$ 890,429</u>

Veterans Health Research Institute of Central New York, Inc.
Statement of Activities
For the Year Ended September 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenues:			
Grant and contract revenue - federal	\$ 663,938	\$ -	\$ 663,938
Grant and contract revenue - non-federal	953,622	-	953,622
Total revenue	<u>1,617,560</u>	<u>-</u>	<u>1,617,560</u>
Net assets released from restrictions	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:			
Program	1,535,697	-	1,535,697
Management and general	435,133	-	435,133
Total expenditures	<u>1,970,830</u>	<u>-</u>	<u>1,970,830</u>
Net change in net assets from operating activities	<u>(353,270)</u>	<u>-</u>	<u>(353,270)</u>
Non-operating activities:			
Investment income	15,358	-	15,358
Donations	114	-	114
Unrealized gains on investments	16,542	-	16,542
Realized loss on investments	(9,337)	-	(9,337)
Total non-operating activities	<u>22,677</u>	<u>-</u>	<u>22,677</u>
Changes in net assets	<u>(330,593)</u>	<u>-</u>	<u>(330,593)</u>
Beginning of year	<u>775,783</u>	<u>-</u>	<u>775,783</u>
End of year	<u>\$ 445,190</u>	<u>\$ -</u>	<u>\$ 445,190</u>

Veterans Health Research Institute of Central New York, Inc.
Statement of Activities
For the Year Ended September 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenues:			
Grant and contract revenue - federal	\$ 698,980	\$ -	\$ 698,980
Grant and contract revenue - non-federal	885,620	-	885,620
Total revenue	<u>1,584,600</u>	<u>-</u>	<u>1,584,600</u>
Net assets released from restrictions	<u>43,985</u>	<u>(43,985)</u>	<u>-</u>
Expenditures:			
Program	1,171,155	-	1,171,155
Management and general	404,780	-	404,780
Total expenditures	<u>1,575,935</u>	<u>-</u>	<u>1,575,935</u>
Net change in net assets from operating activities	<u>52,650</u>	<u>(43,985)</u>	<u>8,665</u>
Non-operating activities:			
Investment income	13,011	-	13,011
Donations	119	-	119
Unrealized losses on investments	(2,328)	-	(2,328)
Total non-operating activities	<u>10,802</u>	<u>-</u>	<u>10,802</u>
Changes in net assets	63,452	(43,985)	19,467
Beginning of year	<u>712,331</u>	<u>43,985</u>	<u>756,316</u>
End of year	<u>\$ 775,783</u>	<u>\$ -</u>	<u>\$ 775,783</u>

Veterans Health Research Institute of Central New York, Inc.

Statements of Cash Flows

For the Years Ended September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Change in net assets	\$ (330,593)	\$ 19,467
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Unrealized gain on investments	(16,323)	2,328
Realized loss on investments	9,337	-
Change in:		
Grants and contracts receivable	160,644	(29,659)
Other assets	(320)	(198)
Accounts payable and accrued liabilities	(3,537)	10,916
Net cash (used) provided by operating activities	<u>(180,792)</u>	<u>2,854</u>
Cash flows from investing activities:		
Net proceeds (purchases) of investments	<u>84,636</u>	<u>(12,255)</u>
Net cash provided (used) by investing activities	<u>84,636</u>	<u>(12,255)</u>
Net change in cash	(96,156)	(9,401)
Cash, beginning of period	<u>302,363</u>	<u>311,764</u>
Cash, end of period	<u>\$ 206,207</u>	<u>\$ 302,363</u>

Veterans Health Research Institute of Central New York, Inc.
Statement of Functional Expenses
For the Year Ended September 30, 2024

	<u>Program</u>	<u>Management and General</u>	<u>Total</u>
Expenditures:			
Salaries	\$ 705,400	\$ 279,284	\$ 984,684
Professional fees	555,387	61,316	616,703
Fringe benefits	74,345	36,781	111,126
Payroll taxes	74,273	26,978	101,251
Lab supplies and equipment	91,981	3,995	95,976
Travel and meeting costs	16,007	7,599	23,606
Insurance	-	10,424	10,424
Patient reimbursement	9,542	-	9,542
Dues, printing and publications	1,152	7,200	8,352
Office, telephone, postage and other	6,936	999	7,935
Maintenance and repairs	674	557	1,231
Total expenditures	<u>\$ 1,535,697</u>	<u>\$ 435,133</u>	<u>\$ 1,970,830</u>

Veterans Health Research Institute of Central New York, Inc.
Statement of Functional Expenses
For the Year Ended September 30, 2023

	<u>Program</u>	<u>Management and General</u>	<u>Total</u>
Expenditures:			
Salaries	\$ 631,849	\$ 263,926	\$ 895,775
Professional fees	319,377	51,345	370,722
Fringe benefits	59,037	35,331	94,368
Payroll taxes	67,561	26,705	94,266
Lab supplies and equipment	64,447	31	64,478
Travel and meeting costs	14,390	8,363	22,753
Office, telephone, postage and other	8,998	1,507	10,505
Dues, printing and publications	2,663	7,200	9,863
Insurance	-	9,853	9,853
Patient reimbursement	1,685	-	1,685
Maintenance and repairs	1,148	519	1,667
Total expenditures	<u>\$ 1,171,155</u>	<u>\$ 404,780</u>	<u>\$ 1,575,935</u>

Veterans Health Research Institute of Central New York, Inc.

Notes to Financial Statements

September 30, 2024 and 2023

Note A – Nature of Business and Organization

The Veterans Health Research Institute of Central New York, Inc. (the “Organization”) exists to facilitate research and related information sharing that promotes scientific advancement and therapeutic innovation of veteran healthcare. As a nonprofit corporation, its purpose is to provide a flexible funding mechanism that enables research and related functions at the Syracuse and Finger Lakes Health Care System Medical Centers, and/or its affiliated US Department of Veterans Affairs community-based outpatient clinics. The only statutory purpose of the Organization is to be a funding mechanism for the conduct of peer reviewed, approved research activities under the guidelines and authorization of United States Code 38, Sections 7361 through 7368, and VHA Handbook 1200.17.

Note B – Significant Accounting Policies

Basis of Presentation

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”). Net assets, revenues, expenses, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported according to two classes of net assets:

- *Net assets without donor restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. In addition, they include resources set aside by the Board of Directors (the “Board”) for residual research. Residual research funds include separate accounts set up for each investigator for the purpose of administration of defined research projects. Residual research funds net assets are subject to the Organization’s residual funds policies.
- *Net assets with donor restrictions* – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Recently Adopted Accounting Standards

Accounting standards promulgated by the Financial Accounting Standards Board are subject to change. Changes in such standards may have an impact on the Organization's future financial statements. The Organization periodically reviews new accounting standards that are issued. Although some of these accounting standards may be applicable to the Organization, the Organization has not identified any new standards, other than the ones described below, that it believes merit further discussion as the Organization expects that none would have a significant impact on its financial statements.

Effective August 1, 2023, the Organization adopted the new accounting guidance in Accounting Standards Update No. 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments (ASC 326)*. This standard replaced the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss (“CECL”) methodology. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable forecasts, and generally applies to financial assets measured at amortized cost. Financial assets measured at amortized cost will be presented at the net amount expected to be collected by using an allowance for credit losses. The Organization adopted the standard using the modified retroactive approach, which did not affect net assets.

Veterans Health Research Institute of Central New York, Inc.

Notes to Financial Statements September 30, 2024 and 2023

Note B – Significant Accounting Policies (continued)

Cash

The Organization places its cash with high quality financial institutions. At times, cash may be in excess of Federal Deposit Insurance Corporation (“FDIC”) insurance limits. The Organization does not believe it is exposed to any significant credit risk on cash. As of September 30, 2023, the Organization held approximately \$77,000 in cash in exceeding FDIC insurance limits. As of September 30, 2024, the Organization’s cash was not in excess of FDIC insurance limits.

Contracts and Grants Receivable

The Organization receives grants to assist in carrying out its programs. Unconditional grants are recognized as revenues in the period received or promised. Conditional grants are not recognized as revenues until the conditions on which they depend are substantially met. The Organization has adopted a policy whereby all government and other contracts be recorded as without donor restrictions if the restriction expires in the same reporting period as received.

Receivables consist of billings on grant and contract receivables. The Organization performs periodic evaluations of the collectability of its receivables and does not require collateral on its accounts receivable. Losses on uncollectible receivables are provided for in the financial statements based on management’s expectations. As of September 30, 2024 and 2023, the Organization did not deem that an allowance for credit loss was necessary.

Investments

Investments are stated at market value, which is based on quoted market prices or dealer quotes. The resulting difference between cost and market value is recognized as gain or loss in the period in which they occur. The realized gain or loss on investments is the difference between proceeds received and the cost of the investment sold. Investment income is recognized as revenue in the period that it is received and gains and losses are recognized as changes in net assets in the accounting periods in which they occur.

The amortized cost and estimated fair value of investments in equity securities as of September 30, 2024 are as follows:

	Cost	Unrealized Gains (Losses)	Fair Value
Mutual funds	\$ 231,354	\$ (15,120)	\$ 216,234
	<u>\$ 231,354</u>	<u>\$ (15,120)</u>	<u>\$ 216,234</u>

The amortized cost and estimated fair value of investments in equity securities as of September 30, 2023 are as follows:

	Cost	Unrealized Gains (Losses)	Fair Value
Mutual funds	\$ 325,545	\$ (31,661)	\$ 293,884
	<u>\$ 325,545</u>	<u>\$ (31,661)</u>	<u>\$ 293,884</u>

Veterans Health Research Institute of Central New York, Inc.

Notes to Financial Statements September 30, 2024 and 2023

Note B – Significant Accounting Policies (continued)

Fair Value Measurement

The Organization categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement. Assets and liabilities valued at fair value are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Inputs and utilized quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 – Inputs include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

The Organization has not elected to measure any existing financial instruments, other than investments, at fair value, as permitted under the guidance. However, the Organization may elect to measure newly acquired financial instruments at fair value in the future.

The carrying amounts of grants and contracts receivable, accounts payable, accrued liabilities, and deferred revenues are equal to their carrying amounts as presented in the accompanying statements of financial position.

The following table sets forth by level, within the fair value hierarchy, the Organization's investments at fair value as of September 30, 2024 and 2023, respectively:

	Assets Measured at Fair Value at 9/30/2024	Quoted Prices in Active Markets (Level 1)
Mutual funds	\$ 216,234	\$ 216,234
Total investments at fair value	\$ 216,234	\$ 216,234

	Assets Measured at Fair Value at 9/30/2023	Quoted Prices in Active Markets (Level 1)
Mutual funds	\$ 293,884	\$ 293,884
Total investments at fair value	\$ 293,884	\$ 293,884

Property and Equipment

Property and equipment are recorded at cost or fair value at date of gift, if contributed, less accumulated depreciation. The Organization capitalizes property and equipment greater than \$5,000. Equipment purchased for research purposes are expensed as incurred. Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis. Routine repairs and maintenance expenditures are expensed as incurred. As of September 30, 2024 and 2023, all of the Organization's property and equipment are fully depreciated.

Veterans Health Research Institute of Central New York, Inc.

Notes to Financial Statements

September 30, 2024 and 2023

Note B – Significant Accounting Policies (continued)

Revenue Recognition

All revenues and support are recorded in accordance with either ASC 958, *Not-for-Profit Entities*, as contributions with or without donor restrictions or in accordance with ASC 606, *Revenue from Contracts with Customers*, where revenue is recognized when: (i) a contract with a customer has been identified, (ii) the performance obligation(s) in the contract have been identified, (iii) the transaction price has been determined, (iv) the transaction price has been allocated to each performance obligation in the contract, and (v) the Organization has satisfied the applicable performance obligation over time as benchmarks are achieved.

Donations: Donations are reported as 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 purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restriction and reported in the statement of activities as net assets released from restrictions. Donor-restricted donations whose restrictions are met within the same year as received are reported as donations without donor restrictions in the accompanying financial statements. Donations of noncash assets are recorded at their fair values in the period received. Donated services that create or enhance nonfinancial assets or that require specialized skills are recorded at their fair values in the period received.

Contract and Grant Revenue: The majority of the revenue is earned through research grants and contracts with public and private sources. These grants and contracts may be either contributions or reciprocal transaction agreements, depending on the underlying terms of the agreement. Contracts are billed at predetermined increments throughout the study period. Revenue is recognized as those benchmarks are achieved. Revenues for cost-reimbursement contracts are recognized when the Organization incurs allowable costs. Contributions are recorded as contributions without donor restrictions in the appropriate time period, unless specifically restricted by the donor and once any barriers to recognition are met.

Income Taxes

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The Organization periodically assesses whether it has incurred income tax expense or related interest or penalties in accordance with accounting for uncertain tax positions. No such amounts were recognized for the years ending September 30, 2024 and 2023, respectively.

The Organization follows the income tax standard for uncertain tax positions. The Organization has evaluated their tax positions and determined they have no uncertain tax positions as of September 30, 2024 and 2023. Should the Organization's tax-exempt status be challenged in the future, the Organization's 2021 through 2023 tax years are open for examination by the Internal Revenue Service ("IRS").

Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Expenses are allocated to program and supporting services on the following basis:

- Management and general expenses are allocated on the basis of revenue and time allocation
- Personnel expenses are allocated on the basis of direct salaries
- Depreciation on the lab equipment is allocated on the basis of usage of the lab equipment

Veterans Health Research Institute of Central New York, Inc.

Notes to Financial Statements September 30, 2024 and 2023

Note B – Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets, liabilities and net assets and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, gains and other support and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Note C – Board Designated Net Assets

The activity for each project is tracked individually and the fund balance of each project is maintained on an ongoing basis. Any unexpended funds at year end remain available for use in subsequent years, until such time as the funds are completely expended or the project is completed. At the completion of a project, any remaining funds will be returned to the donor, if requested. If the funds are not required to be returned, they are released and may be transferred to an unrestricted fund at the approval of the Board. These funds then become available for use by an investigator in other projects, at the Board's approval. The Board has designated approximately \$297,000 and \$512,000 at September 30, 2024 and 2023, respectively, to support costs related to research activities.

Note D – Liquidity and Availability of Financial Assets

The Organization's management monitors its liquidity so that it is able to cover operating expenses. The Organization budgets for such costs based on the prior year actual expenses and anticipated future expenses. Budgets are approved by the Board. Management does not anticipate an increase in expenses in the next year and has budgeted approximately \$1,552,000 of operating expenses to be paid within one year of the balance sheet date, and anticipates sufficient grant and contract revenues to cover them. The Organization has the following financial assets available within one year of the balance sheet date for general expenditures:

Financial assets at year-end	\$ 552,453
Less those unavailable for general expenditures within one year, due to:	
Board restricted funding for Principal Investigator ("PI") research	(297,016)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 255,437</u>

Financials assets consist of cash of approximately \$206,000, investments of approximately \$130,000, and contracts and grants receivable of approximately \$216,000. Restricted funding for PI active and residual funds is cash that may only be used to address future study expenditures that may or may not be within the next year at the discretion of the PI and the Board. The Organization is substantially supported by PI study contracts and grants. Payments are typically received on a reimbursement basis but are also received in advance of work performed and recorded as deferred revenue. Contributions with donor restrictions are conditional contributions made to the Organization for a specific purpose as outlined in the underlying award letter and may only be used for that purpose unless the terms of the agreement provide otherwise.

As part of the Organization'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. As of September 30, 2024, the Organization had PI active and residual funds of approximately \$297,000. The Board can re-designate these funds at any time to be used in each respective PI's studies that are not fully funded. In addition, there is no restriction on the Board's movement of these funds for the Organization's purposes.

Veterans Health Research Institute of Central New York, Inc.

Notes to Financial Statements

September 30, 2024 and 2023

Note E – Retirement Plan – Defined Contribution Plan

The Organization sponsors a Section 403(b) defined contribution plan (“the Plan”) covering all employees who satisfy the Plan's eligibility requirements. The Organization makes a discretionary contribution to the Plan each year. Contributions to the Plan were approximately \$31,000 and \$28,000 for the years ended September 30, 2024 and 2023, respectively. These amounts are included in fringe benefits expense on the statements of functional expenses.

Note F – Related Party Transactions

The Syracuse Veterans Affairs Medical Center’s (“Hospital”) Director (who is mandatorily on the Board of Directors in accordance with the Organization’s by-laws) has the authority to allow the Organization use of the Hospital's facilities and any other support that is deemed necessary. During the current year, the Hospital provided laboratory, office space, utilities, and maintenance to the Organization. The Organization has not recorded this in-kind support, as no objective basis is available to measure it. At September 30, 2024 and 2023, the payable amounts due to the Hospital consisted of approximately \$200 and \$4,000, respectively.

The Organization also has agreements with the Hospital under an Intergovernmental Personnel Act (“IPA”) which provides revenues consisting of reimbursements for salary and benefits from the Hospital to the Organization for use of the Organization’s employees on its research grants and contracts. For the years ended September 30, 2024 and 2023, revenues under these agreements consisted of approximately \$293,000 and \$320,000, respectively, and are included in grant and contract revenue on the statements of activities. As of September 30, 2024 and 2023, outstanding receivables from these revenues are approximately \$41,000 and \$86,000, respectively.

Similarly, the Organization has memorandum of understanding agreements with the Hospital which consists of reimbursements for salary and benefits to the Hospital from the Organization for use of the Hospital’s employees on its research grants and contracts as well as reimbursement for per diem expenses and legal fees. For the years ended September 30, 2024 and 2023, expenses under these agreements consisted of approximately \$106,000 and \$172,000, respectively, and are included in program expenses on the statements of activities.

Note G – Subsequent Events

Subsequent events have been evaluated through January 15, 2025, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

Veterans Health Research Institute of Central New York, Inc.
Schedules of Board Designated - Active and Residual Research Funds
As of September 30, 2024 and 2023

Investigator	No.	2024	2023
Active projects:			
Ashrafioun-NIH	352	\$ (6,465)	-
Cynamon-Quercus Molecular-Avium	354	-	23,201
Possemato-Umichigan	355	(68)	(68)
Cynamon-Quercus R41AI172564	356	12,134	16,667
Stecker-R01-VMRF	357	1,289	-
CTC-Clinical Trial Center	440	(19,875)	(1,435)
Intrator-VACareerDev	584	705	705
Funderburk-CSR D Problem Solving	589	(423)	-
Funderburk-HSR D Infrastructure Funds	590	497	497
ACOS-R-VA Cooperative Research	592	(22)	-
Britton-VA CSR D	594	(339)	-
Funderburk-HSR D SDR-21-133	595	145	-
Dougherty-NCMIC	649	24,456	24,816
Cynamon-AN2 Therapeutics	650	45,196	93,194
Bishop-Warren Alpert (Brown Univ)	655	(35,482)	-
Cynamon-Venatorx	659	35,858	9,240
Brose-Neilsen	661	9,162	2,506
Cynamon-MicuRx	662	(19,793)	36,145
Cynamon Spero - SPR 720	663	(30,464)	15,314
Cynamon-General	701	5,245	2,148
Murthy-General	704	55,499	62,048
Kaul-General	705	5,192	5,542
Possemato-General	706	5,576	5,576
Servatius-General	708	12,345	12,804
Motter-General	713	6,582	6,582
Costanza-General	714	10,015	10,015
Bishop-General	715	152,503	152,503
Mihai-General	716	5,858	5,858
Sapkota-General	718	1,000	1,000
Karras-General	719	617	617
Arasu-General	720	2,734	-
Funderburk-General	721	97	-
Murthy-Celgene EE01	2007	12,552	21,259
Murthy-Celgene EE012	2008	4,690	-
Total active projects		297,016	506,734
Residual research funds:			
Arasu-PROMINENT	295	-	2,734
Brose-VA Merit	583	-	(2,945)
Funderburk-AFSP	658	-	5,102
Total residual research funds		-	4,891
Total active and residual research funds		\$ 297,016	\$ 511,625