



Health Professions Education Foundation



*Giving **Golden** Opportunities*

Annual Report 2004

Table of Contents

Our Mission	4
Chairman’s Message.....	5
Summary.....	6
Contributions.....	9
Outreach	10
Scholarship & Loan Repayment Awardees	12
Associate Degree Nursing.....	13
Bachelor of Science Nursing.....	14
Registered Nurse.....	15
Kaiser Permanente Allied Healthcare.....	16
Health Professions	17
Central Valley Nursing.....	18
Youth for Adolescent Pregnancy Prevention- Leadership Recognition	21
Support the Foundation	22
Audit Report	23
Advisory Committees.....	33
Board of Trustees, Council of Advisors & Staff.....	34

Our Mission

The **Health Professions Education Foundation** aims to improve healthcare in underserved areas of California by providing scholarships and loan repayments to health professional students and graduates who are dedicated to serving in those areas.



Giving Golden Opportunities



Dear Friends of the Health Professions Education Foundation:

It is with great pleasure that I present the Health Professions Education Foundation's Annual Report for 2004. I am proud to share the Foundation's accomplishments as well as our future initiatives.

In this past year, we have continued with our mission of helping to expand access to care in medically underserved areas by supporting the development of future health professionals such as Registered Nurses and supporting their commitment to give back to the areas in most need.

In this past year, the Foundation's Board of Trustees approved a **record \$2.1 million** in scholarships, loan repayments, and faculty fellowships. These awards were provided to over 200 health professional students and graduates. At a time when California ranks last among states in the U.S. for the number of Registered Nurses per 100,000 persons in the population, the Foundation stepped up its mission to be part of the solution. Accordingly, over \$1.7 million of the \$2.1 million awarded this year, went to support associate, baccalaureate and masters degree nursing students and graduates and nursing educators.

One other key component of our mission is to improve the diversity of California's healthcare workforce. We are mindful of the impact that health professions diversity can have on reducing health disparities among underrepresented and economically disadvantaged populations.

Fundraising Developments

In 2004, the California legislature and CA registered nurses recognized the continued need to increase the number of registered nurses practicing in this state and increased the biennial RN license renewal fee from \$5.00 to \$10.00 through Senate Bill 358 authored by Senator Liz Figueroa. Other licensed health professionals—vocational nurses and mental health providers—followed the example of the Registered Nurses and sought a surcharge on their own license renewal fees in support of scholarships and loan repayments for future mental health and vocational nurse professionals.

In addition to the dedicated fees, the Foundation proactively implements its own fund development strategy by continuously seeking support from corporations and foundations. The Board has established a new fundraising target of \$20 million by 2010. These funds will enable the Foundation to support providing more scholarships and loan repayments to Registered Nurses and other health professionals.

I am honored to be among such a committed Board, distinguished group of Advisors, and dedicated staff that serve as advocates for improved access to healthcare in underserved areas of California. I invite you, on behalf of our Board and the students and graduates to look at what we accomplished in 2003-2004 and consider the variety of ways you can help us "Give Golden Opportunities."

Leticia Mendez
Vice Chair (Interim Chair)

In fiscal year 2003-04, the Foundation awarded \$2,158,787 in scholarship and loan repayments to 218 health professional students and graduates throughout California. The following charts illustrate the breakdown of awards by program, by gender, by ethnicity and county residence:

Chart 1: Awards by Program

<u>Kaiser Permanente Allied Healthcare Scholarships</u>	\$41,000
<u>Associate Degree Nursing Scholarships</u>	\$142,000
<u>Bachelor of Science Nursing Scholarships</u>	\$315,000
<u>Central Valley Nursing Scholarships</u>	\$508,000
<u>Health Professions Education Scholarships</u>	\$80,000
<u>Youth for Adolescent Pregnancy Prevention– Leadership Recognition Program Scholarships</u>	\$200,000
SCHOLARSHIPS TOTAL:	\$1,286,000
<u>Bachelor of Science Nursing Loan Repayments</u>	\$363,791
<u>Health Professions Education Loan Repayments</u>	\$109,000
<u>Central Valley Nursing Faculty Fellowships</u>	\$399,996
LOAN REPAYMENTS & FELLOWSHIPS TOTAL:	\$872,787
TOTAL DOLLARS AWARDED:	\$2,158,787

Chart 2: Applicants and Awardees by Gender

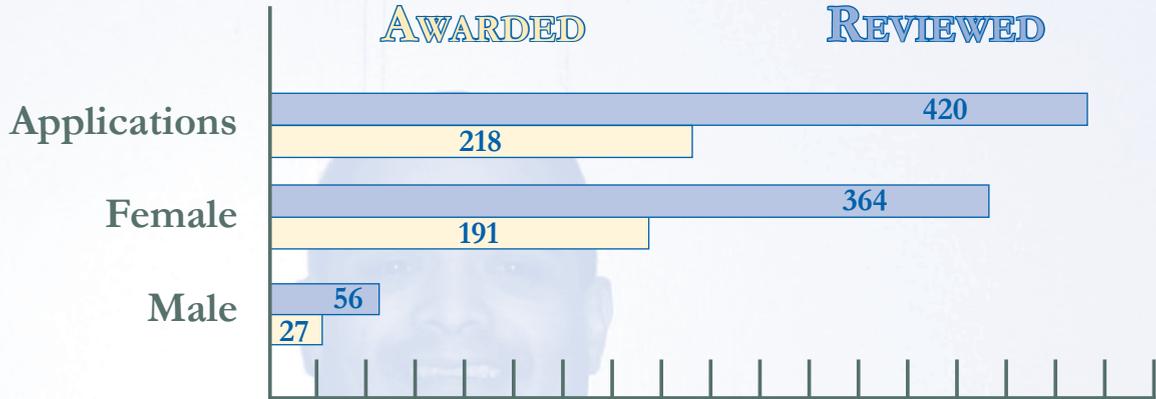


Chart 3: Applicants and Awardees by Ethnicity

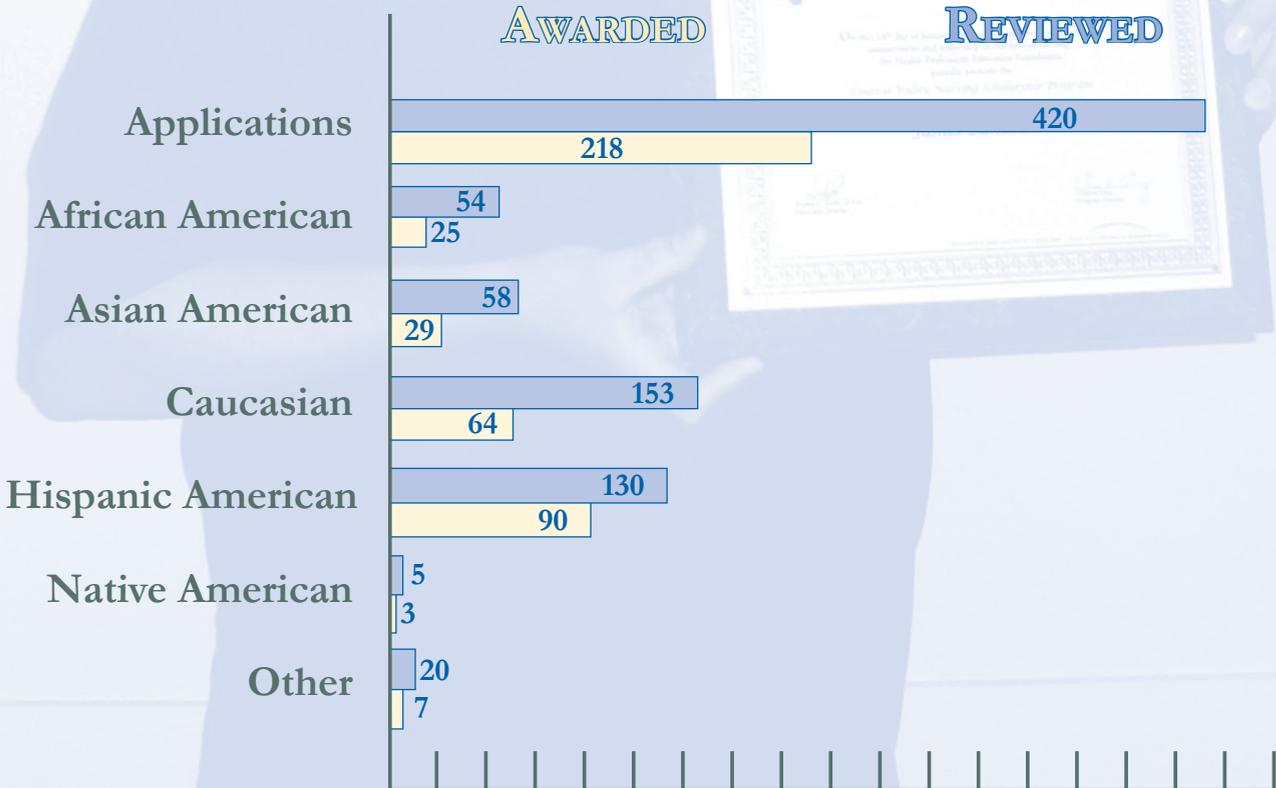


Chart 4: Applicants and Awardees by County



Contributions

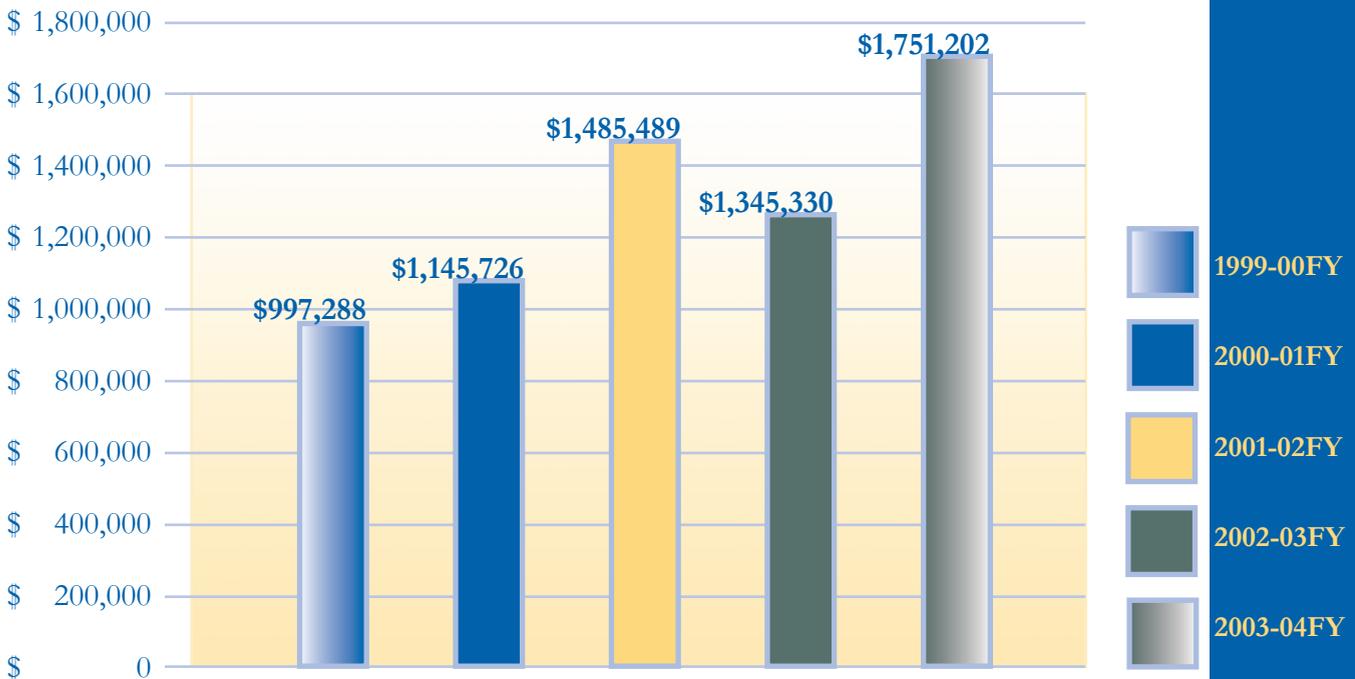
Contributions Received

The Foundation values large and small contributions. Contributors should be pleased to know that less than 15% of the Foundation’s annual expenditures are for administrative overhead. That means, the Foundation will put at least *eighty-five cents* of every *one-dollar* contributed into our scholarship and loan repayment programs.

In fiscal year 2003-2004 the Foundation received contributions and grant commitments from the following sources:

Donor	Contribution
California’s Registered Nurses	\$952,505
Mental Health Service Providers	119,128
The California Wellness Foundation	100,000
Irvine Medical Center	150,000
Kaiser Permanente	60,000
Individual Contributions	1,900
Total	\$1,383,533

A Look At The Health Professions Education Foundation Endowment



Outreach

Marketing and outreach is an integral aspect of getting the word out about the Foundation's scholarship and loan repayment programs. During the fiscal year 2003-2004, Foundation staff or representatives attended, distributed materials and/or had print advertisements to promote the Foundation at the following:

- California Institute for Nursing Presentation, July 2003, Sacramento.
- Central Valley Nursing Scholarship Awards Ceremony, September 2003, Fresno.
- Healthcare Pathways Continuum Coordinating Council Meeting, September 2003, Sacramento.
- Physician Assistant Day, San Joaquin Valley College, October 2003, Visalia.
- CA State Employees Charitable Campaign Kick-off, October 2003, Sacramento.
- School of Medicine Residency and Career Day, Stanford University, October 2003, Palo Alto.
- CA Primary Care Association 9th Annual Conference, October 2003, Sacramento.
- "Building Bridges: Accelerating Youth Development in Public Policy Summit," October 2003, San Jose.
- San Joaquin Valley Health Consortium, Central Valley Nursing Workforce Diversity Initiative, Semi-Annual Luncheon, October 2003.
- California Alliance Concerned with School Age Parenting and Prevention Conference, November 2003, Orange.
- California Health Policy and Data Advisory Commission Presentation, December 2003, Sacramento.
- Latino Times, January 2004 Issue.
- Next Step Magazine, California Edition, January 2004.
- "Healthy Communities in the California Heartland: A Call to Action," California State University Fresno, February 2004, Fresno.
- Healthcare Pathways Continuum Coordinating Council Meeting, January 2004, San Francisco.
- Northern California Associate Degree Nursing Program Directors Meeting, Solano Community College, February 2004, Fairfield.
- Southern California Associate Degree Nursing Program Directors Meeting, February 2004, Sacramento.

Outreach

- Cooperative Agreement Technical Assistance Workshop, Office of Statewide Health Planning & Development, March 2004, Ontario.
- Cooperative Agreement Technical Assistance Workshop, Office of Statewide Health Planning & Development, March 2004, Vacaville.
- “Rural Health Care Symposium- The Heart of a Healthy Community”, March 2004, Sacramento.
- American River College, Pre-Nursing Symposium, March 2004, Sacramento.
- Latino Times, March/April Issue 2004.
- Status of Men Conference: “Men Making A Commitment to Education & Opening Doors to Future Careers,” April 2004, Stockton.
- Hmong Task Force Meeting, May 2004, Sacramento.
- “Whole Body Whole Health: Innovative Approaches to Building Adolescent Wellness Conference,” Adolescent Health Working Group, May 2004, San Francisco.
- Diversity in the Health Professions Convening, The California Wellness Foundation, May 2004, San Francisco.
- Los Angeles Trade Technical College 16th Annual Job Fair, May 2004, Los Angeles.
- Greater Avenues for Independence, Los Angeles Community College Job Fair, May 2004, Los Angeles.
- Latino Times, May/June Issue 2004.
- National Medical Fellowships Awards Luncheon, June 2004, San Francisco.
- Young Men’s Summit, CA Department of Health Services, Office of Family Planning, June 2004, Pomona.

Scholarship & Loan Repayment Awardees

- Associate Degree Nursing Scholarship Program
- Bachelor of Science Nursing Scholarship Program
- Registered Nurse Loan Repayment Program
- Kaiser Permanente Allied Healthcare Scholarship Program
- Health Professions Scholarship Program
- Health Professions Loan Repayment Program
- Central Valley Nursing Scholarship Program
- Central Valley Faculty Fellowship Program
- Youth for Adolescent Pregnancy Prevention-
Leadership Recognition Program



September 11, 2003 Associate Degree Nursing Scholarship Program awardees

Priscilla Cevallos-Lopez
Downey
\$4,000

Fabiola Martinez
Moreno Valley
\$4,000

Taneka Waits
Antioch
\$4,000

San Juana Gonzalez
Fresno
\$4,000

Erin McBride
West Covina
\$4,000

Meghan Young
Chico
\$4,000

Krish Haney
Moreno Valley
\$2,000

Martha Montealegre
Los Angeles
\$2,000

Valentina Zamora
Los Angeles
\$4,000

Bonnie Lewis
Imperial
\$2,000

Dawn Muir
Magalia
\$4,000

Gabriela Lopez
Brawley
\$4,000

Yazmin Nilo
Van Nuys
\$4,000

March 24, 2004 Associate Degree Nursing Scholarship Program awardees

Veronica Bailey
Sanger
\$8,000

Margarita Garcia
Bakersfield
\$8,000

Hernan Perez
Los Angeles
\$8,000

Belinda Carter
San Francisco
\$8,000

Anna Georgner
Fresno
\$8,000

Serena Rivera
Sacramento
\$8,000

Monica Chavarria
Capitola
\$8,000

Karen Madsen
Bakersfield
\$4,000

Michele Webber
Long Beach
\$8,000

Cheung Fung Cheuk
Monterey Park
\$8,000

Veronica Martinez
La Habra
\$8,000

Silvia Duran
Brawley
\$8,000

Yuri Osbey
Compton
\$4,000

September 11, 2003 Bachelor of Science Nursing Scholarship Program awardees

Karalin Berg
Clovis
\$8,000

Bruce Coon
Ocotillo
\$8,000

Denitha Louis
Rialto
\$8,000

Sandra Bermudez
Arcadia
\$8,000

Lisa Cordeiro-Munoz
Redwood City
\$8,000

Ruth Pina
Stockton
\$8,000

Kristie Carey
San Diego
\$4,000

Richard Dorame
Seeley
\$8,000

Sandra Sullivan
Fresno
\$8,000

Mayder Chacon – Amaya
Mission Hills
\$8,000

Sarah Drayer
La Mirada
\$8,000

Marina Tamayo-Higgins
Monterey Park
\$8,000

Candace Chapman-Hui
San Diego
\$8,000

Cynthia Jovanov
Riverside
\$8,000

Alicia Webster
Lynwood
\$8,000

Erik Chilcott
Brawley
\$8,000

Elizabeth Kiely
Redondo Beach
\$8,000

Cher Yang
Sacramento
\$8,000

March 24, 2004 Bachelor of Science Nursing Scholarship Program awardees

Latasha Aviles
Hayward
\$10,000

Francisca Gomez
Porterville
\$10,000

Tiffany Montgomery
Oakland
\$10,000

Barbara Bliss
Grover Beach
\$10,000

Cristina Gonzalez
Dinuba
\$10,000

Anna Moore
Fresno
\$10,000

Carol Bojorquez
Brawley
\$10,000

Deborah Holimon
San Diego
\$10,000

Hyacinth Mussenden
Buena Park
\$10,000

Diane Brantmeyer
Redlands
\$10,000

Dawn Hughes
Point Richmond
\$10,000

Heidi Smith
Torrance
\$10,000

Marcie Flores
Brawley
\$10,000

Manpreet Kaur
Fresno
\$5,000

Angelica Vargas
Salinas
\$10,000

Jody Frazen
Los Angeles
\$10,000

Yanelle Magana
Brawley
\$10,000

Carina Visona- Pons
Azusa
\$10,000

September 11, 2003 Registered Nurse Loan Repayment Program awardees

Terrye Anderson
Rialto
\$8,000

Kathleen Kelley
Kingsburg
\$6,861

Gilda Robles-Aldana
South Pasadena
\$8,000

Harla Bjerke
Camarillo
\$8,000

Estela Lazo
Fontana
\$8,000

Colleen Rooney
Los Angeles
\$8,000

Rebekah Chappel
Ferndale
\$5,768

Todd McAllister
Chico
\$8,000

Marisa Stevens
Visalia
\$8,000

Elva Cruz
Los Angeles
\$7,000

Shenyell Morales
Fontana
\$8,000

Jaime Vargas
Madera
\$8,000

Marilou Fermin
Burlingame
\$8,000

Maria Munoz
Fullerton
\$8,000

Assunta Vickers
Riverside
\$8,000

Jerome Joco
West Covina
\$8,000

Rochelle Pardue
San Francisco
\$8,000

March 24, 2004 Registered Nurse Loan Repayment Program awardees

Noel Almaguer
Fresno
\$2,732

Vickie Fowler
Eureka
\$10,000

Othella Medlock
Pasadena
\$10,000

Keith Smith
Bakersfield
\$10,000

Kimberley Aston
Chico
\$8,330

Michelle Gilchrist
Diamond Bar
\$10,000

Connie Moon
Cypress
\$9,000

Carole Snyder
Los Angeles
\$10,000

Linda Culley
Victorville
\$10,000

Jameelah Harris
Long Beach
\$10,000

Nicole Mouw
McKinleyville
\$10,000

Korinn Wiest
Sacramento
\$8,300

Rocio DeOrta
Whittier
\$10,000

Amy Larsen
Corona
\$10,000

Lynn Rodriguez
Fresno
\$10,000

Christine Zaiser
West Covina
\$6,000

Noelia Escarcega
Bakersfield
\$8,000

Marigene Lim
Walnut
\$10,000

Cindy Salgado
Los Angeles
\$10,000

Patricia Zaragoza-Luna
Calexico
\$10,000

Susan Farrington
Riverside
\$10,000

Diane MacDonald
Visalia
\$9,800

Carrie Smith
Bakersfield
\$10,000

Ana Fields
Chino Hills
\$10,000

Ogo Madumere
Northridge
\$10,000

September 11, 2003 Kaiser Permanente Allied Healthcare Scholarship Program awardees

Barbara Jean Benton
Brownsville
\$2,500

Eric Jones
Los Angeles
\$2,500

Stephanie Ta
Westminster
\$2,500

Glinda Bidet
Victorville
\$2,500

Karen Salazar
Hesperia
\$2,500

Kim-Oanh Tran
Santa Ana
\$2,500

Stacey Hua
Garden Grove
\$2,500

Kasey Swaford
Madera
\$2,500

Duyen Tran
Irvine
\$2,500

March 24, 2004 Kaiser Permanente Allied Healthcare Scholarship Program awardees

Annabella Flores
Oakland
\$2,000

Sparkles Reed
Long Beach
\$2,500

Sandra Valencia
Gardena
\$2,000

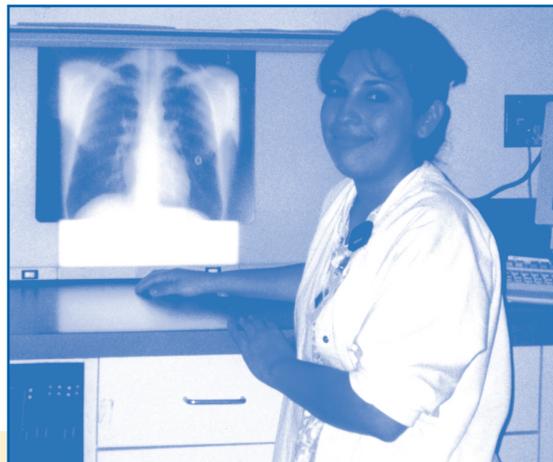
Stacey Hua
Garden Grove
\$2,500

Gary Shade
Palo Alto
\$2,500

Matthew Vo
El Monte
\$2,500

Robyn Mitchell
Long Beach
\$2,500

Kimberly Smith
Hesperia
\$2,000



March 24, 2004 Health Professions Scholarship Program awardees

Susan Ahlstrom
Soquel
\$8,000

Shawntay Davis
Los Angeles
\$8,000

Mai Lor
Sacramento
\$8,000

Celeste Armenta
Imperial
\$8,000

Marcela Estrada
Merced
\$8,000

David Sanchez
Fresno
\$8,000

Robert Chapa
San Jose
\$8,000

Felicia Ferguson
Riverside
\$8,000

Elizabeth Simms
Oakland
\$8,000

Aubrey Cox
Brawley
\$4,000

Manjit Kaur
Union City
\$4,000

March 24, 2004 Health Professions Loan Repayment Program awardees

Robin Adams-Plescia
Sacramento
\$15,000

Jennifer Esparaza
Orange
\$15,000

Carmen Rivera
Bakersfield
\$7,300

Sergio Barajas
Calexico
\$11,700

Jila Nikkhah
Irvine
\$15,000

Barbara Wagner
Chico
\$15,000

Christine de Belen-Wilson
Sacramento
\$15,000

David Oberst
Hanford
\$15,000



Central Valley Nursing Scholarship Program

Awards Ceremony

September 30, 2003

On September 30, 2003, the Foundation hosted an awards ceremony in Fresno, CA, to honor forty-four awardees of the Central Valley Nursing Scholarship Program. Titled “Cultivating Future Nursing Leaders”, this event recognized the outstanding achievements of these registered nursing students and their commitment to providing leadership in the nursing profession. These students received awards totaling \$420,000, and upon graduation, will practice their profession within Fresno, Kern, Kings, Madera, Merced and Tulare counties.

Funded by The California Endowment’s Central Valley Nursing Workforce Diversity Initiative, this program is designed to increase nursing workforce diversity in the six-county region of the Central Valley. With an emphasis on developing nurse leaders, the program offers awardees the opportunity to develop their skills and prepare them for leadership roles through assignments with hospitals, clinics, and community-based organizations.



Giving Golden Opportunities

October 9, 2003 Central Valley Nursing Scholarship Program awardees

Ayesha Ali
Fresno
\$10,000

Barbara Anderson
Wasco
\$8,000

Adriana Arambula
Delano
\$8,000

Priscilla Arceo
Clovis
\$10,000

Patty Breland
Porterville
\$8,000

Somjai Burkdoll
Visalia
\$8,000

Erika Cano
Madera
\$4,000

Veronica Duran
Bakersfield
\$12,000

Wilaiporn Harichaikul
Visalia
\$8,000

Logan Heasley
Clovis
\$8,000

Katrina Howry
Winton
\$8,000

Eve Juarez
Fresno
\$8,000

Heather Keo
Clovis
\$8,000

Ar Khang
Fresno
\$10,000

Leticia Kurtz
Fresno
\$8,000

Mark Leongson
Fresno
\$8,000

Ameen Manasrah
Fresno
\$12,000

Jessica Miguel
Sanger
\$8,000

Susanna Mondragon-Campos
Shafter
\$8,000

Adenike Olubeko
Fresno
\$8,000

Maritza Orozco
Bakersfield
\$12,000

Ngocly Pham
Fresno
\$8,000

Gabriela Sanchez
Madera
\$8,000

Deborah Seal
Bakersfield
\$10,000

Sonya Terry
Visalia
\$8,000

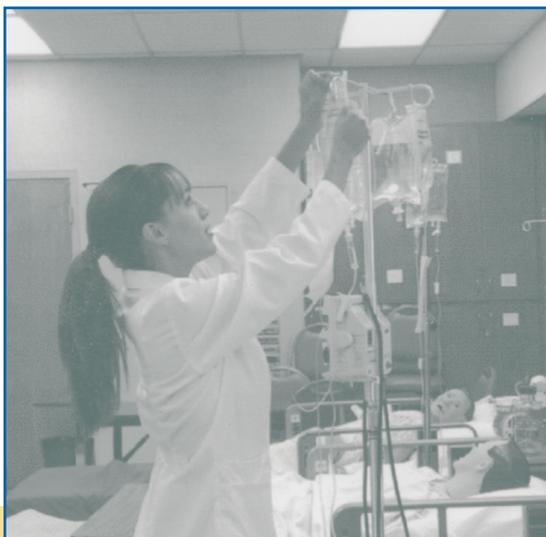
LaTresha Thompson
Atwater
\$8,000

Susana Torres
Fresno
\$8,000

Peggy Varner
Merced
\$8,000

Cory Ward
Visalia
\$10,000

Rachel Wilson
Visalia
\$8,000



May 5, 2004 Central Valley Nursing Scholarship Program awardees

Maribel Acosta
Madera
\$8,000

Rosa Martinez
Madera
\$8,000

Nouphith Thongprasith
Fresno
\$8,000

Carla Aldaco
Visalia
\$8,000

Michelle Mata Jones
Madera
\$4,000

Melanie Trujillo
Fresno
\$5,000

Scotti Anderson
Fresno
\$10,000

Debra McCurley
Fresno
\$4,000

Veronica Vera-Brown
Visalia
\$8,000

Tracy Atherton
Tulare
\$8,000

Blanca Moran
Clovis
\$5,000

Cristina Vigil-Gonzalez
Dinuba
\$10,000

Myra Beesley
Madera
\$8,000

Michelle Nicholas
Atwater
\$4,000

Zouapa Vue
Clovis
\$8,000

Lucia Cabrera
Fresno
\$10,000

Veronica Santos
Fresno
\$8,000

Der Yang
Fresno
\$8,000

Raymond Castleberry
Merced
\$8,000

Debbie Slack
Fresno
\$8,000

Mai T. Yang
Fresno
\$4,000

Miranda Estrada
Fresno
\$8,000

Stephanie Thai
Merced
\$8,000

Paul Yonemura
Madera
\$8,000

Central Valley Faculty Fellowship Program awardees

Kim Behrens
Springville
\$25,000

Danette Dutra
Hanford
\$25,000

Karen Roberts
Tulare
\$25,000

Kitty Cazares
Merced
\$25,000

Judy Pedro
Bakersfield
\$25,000

Victorria Turner
Fresno
\$25,000

November 4, 2003 Youth for Adolescent Pregnancy Prevention-
Leadership Recognition Program awardees

Chris Carranza

Stockton

\$25,000

Crystal Castaneda

Fresno

\$25,000

Jennifer Cavallari

Arcata

\$25,000

Theodora Chief

El Cerrito

\$25,000

Rosario Rico

Los Angeles

\$25,000

Meuy Chieng Saechao

San Pablo

\$25,000

Jasmine Schlafke

Soquel

\$25,000

Janay Swain

Sacramento

\$25,000

**Youth for Adolescent Pregnancy Prevention-
Leadership Recognition Program**

IT'S UP TO ME

Support the Foundation

Your Support Can Make A Difference!

The **Health Professions Education Foundation** is a nonprofit, public benefit corporation established to provide scholarships and loan repayments to health professional students and recent graduates throughout California who are willing to practice in medically underserved areas. Contributions to the Foundation are tax deductible. Think about how you can help us *Give Golden Opportunities*.

Individuals can make contributions directly to the Health Professions Education Foundation (818 K Street, Suite 210, Sacramento, CA 95814) or through the United Way. The Foundation's United Way designation code is 16046. Individuals can also make gifts—including life insurance, bequests and trusts. The Foundation is pleased to accept “in-kind” gifts for professional services, equipment, and conference facilities.

Foundations can contribute to the Health Professions Education Foundation by granting funding for existing programs or expanded outreach; granting funding for core support; granting funding for special projects; and supporting our fund-raising campaign.

Hospitals, Health Care Institutions & Health Plans who have an interest in recruiting individuals to medically underserved areas should consider partnering with the Foundation.

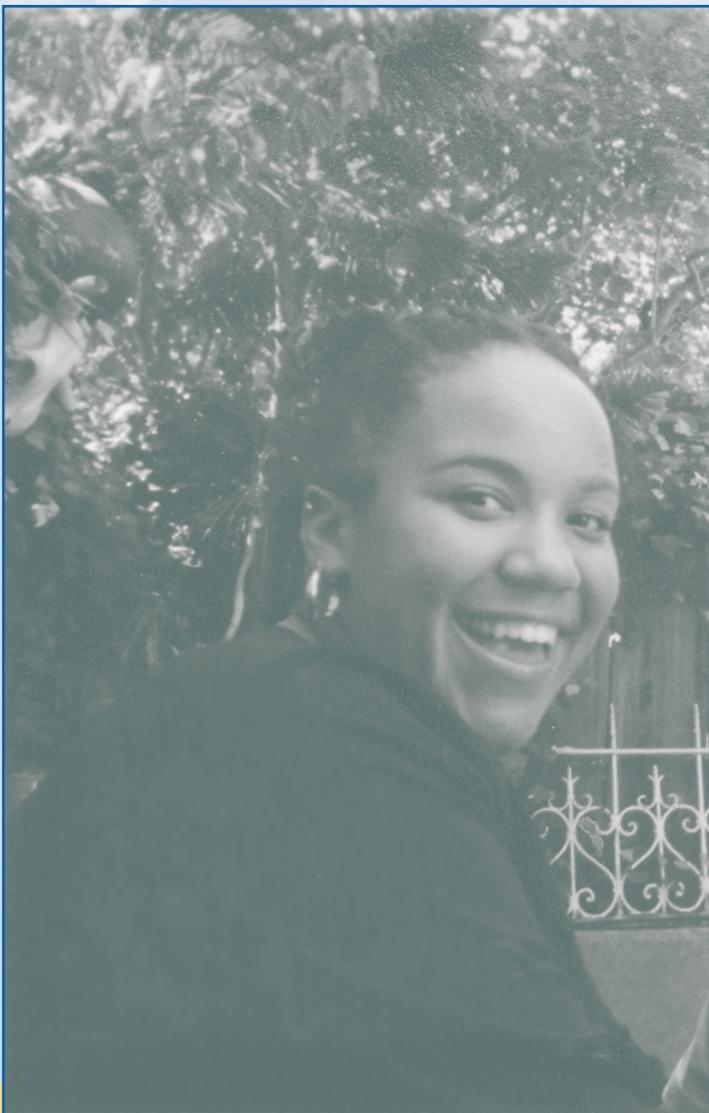
Professional Organizations may wish to follow the example of California's registered nurses and donate a portion of their licensure or membership fees to the Foundation.

Corporations may wish to endow scholarships, sponsor an annual recognition ceremony, or match contributions from their employees.

The Foundation's Board of Trustees and staff will acknowledge all donations to the Foundation within 14 days of receipt. Tax I.D. # 68-0178150

Audit Report

2003 – 2004



JOHN F. WARDEN, JR.

Certified Public Accountant

P.O. BOX 1836
SHINGLE SPRINGS, CALIFORNIA 95682
(775) 887-8811 FAX (775) 887-8813
Toll Free (866) 366-8811

P.O. BOX 2588
CARSON CITY, NEVADA 89702
(775) 887-8811 FAX (775) 887-8813
Toll Free (866) 366-8811

INDEPENDENT AUDITOR'S REPORT

To: The Board of Trustees of
Health Professions Education Foundation

I have audited the accompanying statement of financial position of Health Professions Education Foundation (a non profit organization) as of June 30, 2004 and 2003 and the related statements of activity and changes in net assets, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Health Professions Education Foundation as of June 30, 2004 and 2003 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.


John F. Warden, Jr.
December 8, 2004

HEALTH PROFESSIONS EDUCATION FOUNDATION

Statement of Financial Position

June 30, 2004 and 2003

	June 30, 2004				June 30, 2003			
	Health Professions Education Fund	Mental Health Fund	Registered Nurse Education Fund	Total	Health Professions Education Fund	Mental Health Fund	Registered Nurse Education Fund	Total
ASSETS								
CURRENT ASSETS								
Cash and cash equivalents	\$ 212,106	\$ 136,508	\$ 966	\$ 349,580	\$ 246,684	\$ -	\$ 1,398	\$ 248,082
Due from other funds	611		6,112	6,723			24,297	24,297
Investments	3,321,212		1,844,000	5,165,212	2,713,416		1,493,000	4,206,416
Accounts receivable		4,770	1,705	6,475	10,355		15,584	25,939
TOTAL CURRENT ASSETS	3,533,929	141,278	1,852,783	5,527,990	2,970,455	-	1,534,279	4,504,734
Nurses loans receivable	27,427		537,337	564,764	35,098		433,983	469,081
TOTAL ASSETS	\$ 3,561,356	\$ 141,278	\$ 2,390,120	\$ 6,092,754	\$ 3,005,553	\$ -	\$ 1,968,262	\$ 4,973,815
LIABILITIES AND NET ASSETS								
CURRENT LIABILITIES								
Accounts payable	\$ 1,326,629	\$ -	\$ 834,186	\$ 2,160,815	\$ 951,183	\$ -	\$ 609,686	\$ 1,560,869
Due to other funds	39,288		5,511	44,799	34,616		7,770	42,386
Deferred revenue	416,810	22,150	134,780	573,740	639,326		45,174	684,500
TOTAL CURRENT LIABILITIES	1,782,727	22,150	974,477	2,779,354	1,625,125	-	662,630	2,287,755
Provision for loans receivable	27,427		537,337	564,764	35,098		433,982	469,080
TOTAL LIABILITIES	1,810,154	22,150	1,511,814	3,344,118	1,660,223	-	1,096,612	2,756,835
NET ASSETS								
Unrestricted	1,739,827			1,739,827	1,336,163			1,336,163
Legislative restricted	11,375	119,128	878,306	1,008,809	9,167		871,650	880,817
TOTAL NET ASSETS	1,751,202	119,128	878,306	2,748,636	1,345,330	-	871,650	2,216,980
TOTAL LIABILITIES AND NET ASSETS	\$ 3,561,356	\$ 141,278	\$ 2,390,120	\$ 6,092,754	\$ 3,005,553	\$ -	\$ 1,968,262	\$ 4,973,815

Statement of Activity and Changes in Net Assets

June 30, 2004 and 2003

	June 30, 2004				June 30, 2003			
	Health Professions Education Fund	Mental Health Fund	Registered Nurse Education Fund	Total	Health Professions Education Fund	Mental Health Fund	Registered Nurse Education Fund	Total
PUBLIC SUPPORT AND REVENUE								
Contributions	\$ 155,318	\$ -	\$ -	\$ 155,318	\$ 150,000	\$ -	\$ -	\$ 150,000
Grant income	1,612,069			1,612,069	884,385			884,385
Surcharge revenue		119,128	952,505	1,071,633			676,630	676,630
Loan repayments	11,266		32,539	43,805			(7,685)	(7,685)
Investment income	135,302		13,903	149,205	105,123		56,536	161,659
Miscellaneous income	1,086			1,086	250			250
TOTAL PUBLIC SUPPORT AND REVENUES	1,915,041	119,128	998,947	3,033,116	1,139,758	-	725,481	1,865,239
EXPENSES								
Program services	1,454,544		969,794	2,424,338	1,231,949		1,378,503	2,610,452
Management and general	55,875		22,497	78,372	54,588		16,003	70,591
TOTAL EXPENSES	1,510,419	-	992,291	2,502,710	1,286,537	-	1,394,506	2,681,043
OPERATING CHANGE IN NET ASSETS	404,622	119,128	6,656	530,406	(146,779)	-	(669,025)	(815,804)
OTHER SOURCES OF REVENUE								
Reverted appropriations	1,250			1,250			319,666	319,666
NET ASSETS, beginning of year	1,345,330		871,650	2,216,980	1,492,109		1,221,009	2,713,118
NET ASSETS, end of year	\$ 1,751,202	\$ 119,128	\$ 878,306	\$ 2,748,636	\$ 1,345,330	\$ -	\$ 871,650	\$ 2,216,980

HEALTH PROFESSIONS EDUCATION FOUNDATION

Statement of Cash Flows

June 30, 2004 and 2003

	June 30, 2004				June 30, 2003			
	Health Professions Education Fund	Mental Health Fund	Registered Nurse Education Fund	Total	Health Professions Education Fund	Mental Health Fund	Registered Nurse Education Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES								
Change in net assets	\$ 404,622	\$ 119,128	\$ 6,656	\$ 530,406	\$ (146,779)	\$ -	\$ (669,025)	\$ (815,804)
Change in due from other funds	(611)	-	18,185	17,574	9,392	-	25,892	35,284
Change in accounts receivable	10,355	(4,770)	13,879	19,464	(1,481)	-	(319)	(1,800)
Change in nurses loan receivable	7,671	-	(103,354)	(95,683)	(3,550)	-	(399,415)	(402,965)
Change in accounts receivable-other	-	-	-	-	-	-	212,817	212,817
Change in accounts payable	375,446	-	224,500	599,946	422,653	-	281,761	704,414
Change in due to other funds	4,672	-	(2,259)	2,413	(48,253)	-	(5,548)	(53,801)
Change in deferred revenue	(222,516)	22,150	89,606	(110,760)	(411,661)	-	(35,651)	(447,312)
Change in provisions for loans receivable	(7,671)	-	103,355	95,684	3,550	-	186,598	190,148
CASH PROVIDED BY OPERATING FUNDS	571,968	136,508	350,568	1,059,044	(176,129)	-	(402,890)	(579,019)
CASH FLOWS FROM INVESTING ACTIVITIES								
Net (purchase) reduction of investments	(607,796)	-	(351,000)	(958,796)	288,116	-	83,000	371,116
CASH USED BY INVESTING ACTIVITIES	(607,796)	-	(351,000)	(958,796)	288,116	-	83,000	371,116
CASH FLOWS FROM FINANCING ACTIVITIES								
Reverted appropriations	1,250	-	-	1,250	-	-	319,666	319,666
CASH PROVIDED BY FINANCING ACTIVITIES	1,250	-	-	1,250	-	-	319,666	319,666
NET (DECREASE) INCREASE IN CASH	(34,578)	136,508	(432)	101,498	111,987	-	(224)	111,763
CASH BEGINNING OF YEAR, July 1	246,684	-	1,398	248,082	134,697	-	1,622	136,319
CASH END OF YEAR, June 30	\$ 212,106	\$ 136,508	\$ 966	\$ 349,580	\$ 246,684	\$ -	\$ 1,398	\$ 248,082

HEALTH PROFESSIONS EDUCATION FOUNDATION

Notes to Financial Statements

June 30, 2004 and 2003

1.) ORGANIZATION

The Health Professions Education Foundation is a nonprofit corporation established for the purpose of providing health professionals to medically under-served areas of California and providing financial assistance to economically disadvantaged students.

The Foundation oversees the administration of two programs established by State legislation: The Health Professions Education Program and the Registered Nurse Education Program. The Health Professions Education Program is funded by grants from public and private agencies and contributions. The Registered Nurse Education Program and the Mental Health Program are funded through a surcharge fee for renewal of the professional license in California.

2.) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Recognition of Revenue: The books and records are maintained and these financial statements are prepared, on the accrual method of accounting. This method accounts for revenues and expenses in the period in which they are considered to have been earned and incurred, respectively. To ensure observance of restrictions placed on the uses of resources, the accounts are expanded into funds established in accordance to their nature and purpose. Both years presented are consistent in the accounting policies used.

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Unrestricted Net Assets: Net assets that are not subject to donor-imposed stipulations. Voluntary resolutions of the Board of Directors and legislation making self imposed limits are also considered unrestricted. Gains and losses are considered unrestricted unless a donor temporarily or permanently restricts their use.

Temporarily Restricted Net Assets: Net assets subject to donor-imposed stipulation that may or will be met, either by actions of the Foundation and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as unrestricted.

Permanently Restricted Net Assets: Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on any related investment for general or specific purposes.

Nurses Loans Receivable: When a scholarship recipient does not fulfill the contract of education and work requirements, the funds advanced become a loan receivable. The terms are set forth at the onset of the scholarship contract with the payments to be fully amortized over seven years including interest of ten percent (10%). Since the awards are made to economically disadvantaged students, the loans receivable are booked with a reserve of 100% and the payments are recognized when received.

HEALTH PROFESSIONS EDUCATION FOUNDATION

Notes to Financial Statements

June 30, 2004 and 2003

2.) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CONTINUED

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 reported amount of assets. The estimates commonly involve summarizations, judgments and allocation which are based on rules and conventions rather than exact amounts. Actual amounts could differ from those estimates.

Income Taxes: The Health Professions Education Foundation, pursuant to a determination letter from the Internal Revenue Service and State Franchise Tax Board, is a corporation exempt from Federal and State income tax under the provisions of code section 501(C)(3) relating to organizations operated exclusively for charitable purposes.

Contributions: Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

Compensated Absences: No amounts are booked on the financial statements for compensated absences. The amounts cannot be reasonably estimated.

Advertising: Advertising costs are expensed when incurred.

Functional Allocation of Expenses: The costs of providing the programs and other activities have been summarized on a functional basis in the statement of activity and changes in net assets. Certain costs have been allocated among the programs and the supporting services benefited based on an analysis of personnel time and space utilized for the related activities. This allocation is developed during the budgeting process and reviewed annually.

Cash and Cash Equivalents: For the purpose of the statement of cash flows, the Foundation considers all cash, marketable and liquid securities to be cash equivalents. The carrying amounts of these financial instruments approximate fair value.

Due To/From Other Funds: The due to and due from funds represents amounts advanced or paid by funds from the agencies of the State of California. The Hospital Building Fund manages the investment of cash in the treasury and the due to/from accounts on behalf of the Foundation.

Deferred Revenue: Deferred revenue represents amounts collected for registered nurse licensing fees or for grants which apply to the following fiscal year. These amounts are recognized as revenues in the fiscal year in which the fees or grants relate to.

Reclassifications: Certain amounts in the prior year's financial statements and related footnote disclosures have been reclassified to conform to the current year's presentation.

3.) DONATED MATERIALS AND SERVICES

No amounts have been reflected in the statements for donated services inasmuch as no objective basis is available to measure the value of such services. However, a substantial number of volunteers have donated time in the organization's management and programs.

HEALTH PROFESSIONS EDUCATION FOUNDATION

Notes to Financial Statements

June 30, 2004 and 2003

4.) CASH AND CASH EQUIVALENTS

	<u>June 30, 2004</u>	<u>June 30, 2003</u>
General Cash-Nurse Program	\$ 966	\$ 1,398
General Cash-Mental Health Program	136,508	
General Cash-Health Program	377	410
General Cash-HPEF Fund	2,202	
Surplus Money Fund-Health Program	201,000	242,000
Bank of America Checking	<u>8,527</u>	<u>4,274</u>
TOTAL	<u>\$ 349,580</u>	<u>\$ 248,082</u>

The Foundation has instructed the State to invest excess funds on deposit in their Surplus Money Investment Fund. The Foundation's interest is then allocated according to the average cash balance in the Surplus Money Fund based upon the overall investments of the fund.

The State maintains written investment policies which address a wide variety of investment practices, including primary investment objectives, investment authority, allowable investment vehicles, investment maturity terms, eligible financial institutions, capital preservation and cash flow management. These funds are not FDIC Insured.

5.) INVESTMENT FUND

HEALTH PROFESSIONS EDUCATION FUND

In accordance with Statement of Financial Standards Number 124, Accounting for Certain Investments Held by Not-For-Profit Organizations, are held at fair market value. Below is the detail of the investment funds:

	<u>June 30, 2004</u>	<u>June 30, 2003</u>
Money Funds	\$ 1,410,350	\$ 539,656
Stocks	547,263	746,384
US Treasury Bill and Notes	<u>1,363,599</u>	<u>1,427,376</u>
TOTAL	<u>\$ 3,321,212</u>	<u>\$ 2,713,416</u>

These funds are not federally insured.

	<u>June 30, 2004</u>	<u>June 30, 2003</u>
Components of investment return:		
Dividends and Interest	\$ 41,039	\$ 166,966
Realized and Unrealized Gain (Loss)	<u>94,263</u>	<u>(61,843)</u>
NET RETURN	<u>\$ 135,302</u>	<u>\$ 105,123</u>

HEALTH PROFESSIONS EDUCATION FOUNDATION

Notes to Financial Statements

June 30, 2004 and 2003

5.) INVESTMENT FUND -CONTINUED

REGISTERED NURSE EDUCATION FUND

The monies are pooled in the state surplus money fund. These funds are restricted by legislation for scholarship activity.

	<u>Market Value</u> <u>June 30, 2004</u>	<u>Market Value</u> <u>June 30, 2003</u>
Cash	<u>\$ 1,844,000</u>	<u>\$ 1,493,000</u>
Components of investment return:	<u>June 30, 2004</u>	<u>June 30, 2003</u>
Interest	<u>\$ 13,903</u>	<u>\$ 56,536</u>

The investments in both of the above funds are available for current and long-term needs. Because of the multiple purposes of the funds, all monies are reported as current assets. Fees and cost basis have not been detailed and are not available for disclosure. These funds are not FDIC insured

6.) LEASE COMMITMENTS

The Foundation has rented month to month from the Office of Statewide Health Planning and Development (OSHPD).

7.) RETIREMENT PLAN

The Foundation funds retirement benefits with the State of California Public Employees' Retirement System (PERS). The amount of pension contributions by the Foundation to PERS is actuarially determined under a program where in contributions plus earnings of the retirement system are to provide the necessary funds to pay retirement benefits. The Foundation relies on the competency of the State in determining the funding method and adequacy. The pension costs for 2004 and 2003 are \$36,399 and \$22,310 respectively.

8.) GRANTS

Scholarship grants are recognized when the awardees are notified. Grants that are paid over several years are recognized in full. A number of awardees elect not to receive the funds and this is reported as Other Source of Funds when the award is removed.

Defaults on grants that require the awardees to work in a position in an area designated as underserved are recorded as receivables. A provision for loans receivable of equal value is recorded and the loan repayment revenue is recognized when received.

HEALTH PROFESSIONS EDUCATION FOUNDATION

Notes to Financial Statements

June 30, 2004 and 2003

9.) OTHER SOURCES OF REVENUE

The reverted appropriations are made up of reversals to prior year encumbrances accrued. Scholarship funding is encumbered when the award letter is sent. If the award is declined or the student's financial need has changed, an adjustment to the encumbrance is made.

10.) CONTINGENT LIABILITY

The Foundation has received funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowance under the terms of the grants, it is believed that any required reimbursements will not be material.

“Thank You’ somehow does not seem to be large enough words to express my gratitude for making me a recipient of the Health Professions Education Foundation. Indeed you have given me a ‘Golden Opportunity’ and renewed a sense of hope in my pursuit of higher education.

I want to thank the Committee for giving me a boost upward. I am most humbled by the experience. I continue to ‘struggle’ through the program, but I read somewhere it takes ‘struggle’ in order to become ‘successful.’ I will never forget the people who gave me a ray of hope through these challenging times. God does answer my prayers. I thank him for bringing kind and faceless folks into my life.”

Ms. BC Carter, March 2004 Awardee
San Francisco, CA

Advisory Committees

Virginia Hunter, RN, PhD
Chair
 CSU Los Angeles
 Los Angeles, CA

Carol Bell, RN, MS
 CA Board of
 Registered Nursing
 Sacramento, CA

Mary Canobbio, RN, MN, FAAN
 University of California
 Los Angeles, CA

Gloria Lopez, RN, MSN, CCRN
 Santa Monica College
 Santa Monica, CA

Geri Nibbs, RN, MN, NP
 CA Board of Registered Nursing
 Sacramento, CA

Trande Phillips, RN
 California Nurses Association
 Walnut Creek, CA

Mary Robinson
 CSU Long Beach
 Chancellor's Office
 Long Beach, CA

George Bliss, PA-C
 Siskiyou Family Health Care
 Yreka, CA

Jackie Lee Edwards
 Tustin, CA

**Conrad Rios, RN, FNP
 C/PA-C, MSN**
 University of California, Davis
 Fresno, CA

Andrea Joy Smith, DDS
 Elk Grove, CA

Gwendolyn Spears, CNM, MS
 King/Drew Medical Center
 Los Angeles, CA

Hector Alarcon
 Stanford University
 Palo Alto, CA

Elizabeth Richards-Brashers
 Oakland, CA

Harvey Lee
 Los Angeles, CA

Maria Elena Montalvan
 Los Angeles, CA

Bernice Onofre-Mendez
 Los Angeles, CA

Cindy Wong
 Redlands, CA

Erin Langston
 Oakland, CA

Rudy Albritton
 Merced College
 Atwater, CA

Norma Freeborn, RN
 Nursing Instructor (Retired)
 Visalia, CA

Javier Guzman
 Proteus, Inc.
 Fresno, CA

Trini Juarez, RN
 Hanford Community Medical Center
 Visalia, CA

Carmen Morales-Board, RN, MSN
 Kern Medical Center
 Bakersfield, CA

Peter Vang
 Fresno County Human Services System
 Fresno, CA

Ghia Xiong
 Fresno Center
 For New Americans
 Fresno, CA

Errol Brown
 Stockton, CA

Pedro Elias
 Fresno, CA

Naomi Hall, MPH
 Long Beach, CA

Shelley Mitchell
 Arcata, CA

Kim Nguyen, PhD
 Gardena, CA

Padmini Parthasarathy, MPH
 Martinez, CA

Saki Cabrera Strait, PhD
 Oakland, CA

Nurse
 Advisory Committee

Health Professions
 Advisory Committee

Allied Healthcare
 Advisory Committee

Central Valley Nursing
 Scholarship Program
 Advisory Committee

YAPP-LRP
 Advisory Committee

Board of Trustees

Leticia C. Mendez, Vice Chair
Camarillo, CA

Tadao Fujiwara, M.D., Pharm.D.
Los Angeles, CA

Diana Bonta, R.N., Dr. P.H.
Pasadena, CA

Tessie Guillermo
San Francisco, CA

Michelle Fan, L.Ac., Ph.D.
Sacramento, CA

Marcella W. Low
Redondo Beach, CA

Keith S. Feder, M.D.
Manhattan Beach, CA

Deepak K. Rajpoot, M.D.
Irvine, CA

Justin H. Sanders, J.D.
Los Angeles, CA

Lisa Williams
San Francisco, CA

David M. Carlisle, M.D., Ph.D. (ex-officio member)
Director, Office of Statewide Health Planning & Development
Sacramento, CA

Council of Advisors

Larry Baum
Los Angeles, CA

Mary Canobbio, RN, MN, FAAN
Los Angeles, CA

Henry Lucas, DDS
San Francisco, CA

Staff

Angela L. Smith, M.P.A.
Executive Director

Diane Tomoda
Administrative Officer

Rawbert A. Wagner
Publication Specialist

Charles Gray
Program Director

Gabriel Mullen
Database Administrator

Monique J. Voss
Program Officer

Gail Louie
Program Assistant

Sondra R. Jacobs
Program Officer

Tishira Metcalfe
Program Assistant

Margarita Miranda
Secretary

Samantha Lewis
Program Assistant

Health Professions Education Foundation

Giving Golden Opportunities

818 K Street, Suite 210
Sacramento, CA 95814

(916) 324-6500
www.healthprofessions.ca.gov