

**MINNESOTA OVARIAN CANCER ALLIANCE**  
**FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2018 AND 2017**

**MINNESOTA OVARIAN CANCER ALLIANCE  
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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Minnesota Ovarian Cancer Alliance  
Minneapolis, Minnesota

We have audited the accompanying financial statements of Minnesota Ovarian Cancer Alliance (a nonprofit corporation), which comprise the statements of financial position as of December 31, 2018 and 2017, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors  
Minnesota Ovarian Cancer Alliance

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Minnesota Ovarian Cancer Alliance as of December 31, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Minneapolis, Minnesota  
May 15, 2019

**MINNESOTA OVARIAN CANCER ALLIANCE**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2018 AND 2017**

	2018	2017
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 818,401	\$ 949,147
Prepaid Expenses	33,869	53,538
Inventory	8,695	18,708
Accounts Receivable	-	7,000
Investments	388,429	441,820
Total Current Assets	1,249,394	1,470,213
<b>PROPERTY AND EQUIPMENT</b>		
Building and Improvements	352,326	349,877
Land	37,404	37,404
Office Equipment	54,173	54,349
Website	85,613	85,613
Total Property and Equipment	529,516	527,243
Less: Accumulated Depreciation	(216,290)	(209,393)
Net Property and Equipment	313,226	317,850
Total Assets	\$ 1,562,620	\$ 1,788,063
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 809	\$ 738
Accrued Expenses	17,564	16,360
Grants and Awards Payable	556,945	501,440
Pledges Payable	-	25,000
Total Current Liabilities	575,318	543,538
<b>LONG-TERM LIABILITIES</b>		
Grants Payable, Net of Current	125,000	175,000
Total Long-Term Liabilities	125,000	175,000
Total Liabilities	700,318	718,538
<b>NET ASSETS</b>		
Without Donor Restrictions	846,476	1,058,699
With Donor Restrictions	15,826	10,826
Total Net Assets	862,302	1,069,525
Total Liabilities and Net Assets	\$ 1,562,620	\$ 1,788,063

See accompanying Notes to Financial Statements.

**MINNESOTA OVARIAN CANCER ALLIANCE  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2018**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES</b>			
Contributions	\$ 517,259	\$ 98,419	\$ 615,678
Special Event Revenue (Net of Direct Benefit Expense of \$141,457)	616,788	-	616,788
Investment Loss	(8,530)	-	(8,530)
In-Kind Contributions	115,971	-	115,971
Other Income (Losses)	(6,661)	-	(6,661)
Net Assets Released from Restrictions	93,419	(93,419)	-
Total Revenues	1,328,246	5,000	1,333,246
<b>EXPENSES</b>			
Program Services	1,271,631	-	1,271,631
Management and General	118,639	-	118,639
Fundraising	150,199	-	150,199
Total Expenses	1,540,469	-	1,540,469
<b>INCREASE (DECREASE) IN NET ASSETS</b>	(212,223)	5,000	(207,223)
Net Assets - Beginning of Year	1,058,699	10,826	1,069,525
<b>NET ASSETS - END OF YEAR</b>	\$ 846,476	\$ 15,826	\$ 862,302

See accompanying Notes to Financial Statements.

**MINNESOTA OVARIAN CANCER ALLIANCE**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2017**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES</b>			
Contributions	\$ 554,399	\$ 49,216	\$ 603,615
Special Event Revenue (Net of Direct Benefit Expense of \$138,067)	641,791	-	641,791
Investment Income	36,939	-	36,939
In-Kind Contributions	170,269	-	170,269
Other Income	312	-	312
Net Assets Released from Restrictions	51,173	(51,173)	-
Total Revenues	1,454,883	(1,957)	1,452,926
<b>EXPENSES</b>			
Program Services	1,367,335	-	1,367,335
Management and General	130,272	-	130,272
Fundraising	201,699	-	201,699
Total Expenses	1,699,306	-	1,699,306
<b>DECREASE IN NET ASSETS</b>	(244,423)	(1,957)	(246,380)
Net Assets - Beginning of Year	1,303,122	12,783	1,315,905
<b>NET ASSETS - END OF YEAR</b>	\$ 1,058,699	\$ 10,826	\$ 1,069,525

See accompanying Notes to Financial Statements.

**MINNESOTA OVARIAN CANCER ALLIANCE  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2018**

<b>FUNCTIONAL EXPENSES</b>	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Wages	\$ 297,384	\$ 81,209	\$ 43,414	\$ 422,007
Benefits and Payroll Tax	43,048	13,076	5,990	62,114
Professional Fees	7,000	8,972	-	15,972
Supplies	4,238	1,081	3,504	8,823
Printing, Design, and Incentives	7,440	191	7,638	15,269
Software Fees	14,499	216	14,449	29,164
Postage, Shipping, and Delivery	4,977	334	6,617	11,928
Telephone	12,247	3,405	1,874	17,526
Occupancy	10,429	3,004	1,597	15,030
Taxes, Licenses, Bank, and Merchant Fees	4,044	1,210	3,058	8,312
Insurance	3,010	1,942	503	5,455
Meetings, Conferences, and Travel	7,975	262	2,980	11,217
Grants, Awards, and Scholarships	811,179	-	-	811,179
In-Kind Expenses	19,721	-	46,612	66,333
Equipment Rental and Maintenance	-	-	-	-
Event Location	4,981	-	-	4,981
Depreciation	10,246	2,850	1,568	14,664
Media, Advertising, and Promotions	121	-	278	399
Miscellaneous	9,092	887	9,084	19,063
Employee Training	-	-	1,033	1,033
Total Functional Expenses	<u>\$ 1,271,631</u>	<u>\$ 118,639</u>	<u>\$ 150,199</u>	<u>\$ 1,540,469</u>

See accompanying Notes to Financial Statements.



**MINNESOTA OVARIAN CANCER ALLIANCE**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2017**

<b>FUNCTIONAL EXPENSES</b>	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Wages	\$ 295,933	\$ 78,894	\$ 44,391	\$ 419,218
Benefits and Payroll Tax	42,377	12,979	6,228	61,584
Professional Fees	3,500	8,498	-	11,998
Supplies	16,401	1,300	7,712	25,413
Printing, Design, and Incentives	5,862	314	14,675	20,851
Software Fees	13,534	290	15,401	29,225
Postage, Shipping, and Delivery	5,138	361	10,610	16,109
Telephone	10,575	2,826	1,704	15,105
Occupancy	11,609	2,846	3,041	17,496
Taxes, Licenses, Bank, and Merchant Fees	4,187	1,189	3,109	8,485
Insurance	2,937	1,782	481	5,200
Meetings, Conferences, and Travel	12,546	74	2,977	15,597
Grants, Awards, and Scholarships	855,555	-	-	855,555
In-Kind Expenses	51,590	4,650	76,638	132,878
Equipment Rental and Maintenance	3,332	898	448	4,678
Event Location	6,837	-	-	6,837
Depreciation	21,992	2,802	5,286	30,080
Media, Advertising, and Promotions	31	-	98	129
Miscellaneous	3,399	9,263	8,900	21,562
Employee Training	-	1,306	-	1,306
Total Functional Expenses	<u>\$ 1,367,335</u>	<u>\$ 130,272</u>	<u>\$ 201,699</u>	<u>\$ 1,699,306</u>

See accompanying Notes to Financial Statements.

**MINNESOTA OVARIAN CANCER ALLIANCE**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2018 AND 2017**

	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (207,223)	\$ (246,380)
Adjustments to Reconcile Change in Net Assets to		
Net Cash Used by Operating Activities:		
Depreciation	14,664	30,080
Realized (Gain) Loss on Investments	(7,982)	219
Unrealized (Gain) Loss on Investments	25,396	(29,069)
Noncash Contributions, Primarily Investment Securities	(4,882)	(10,170)
Loss on Disposal of Property and Equipment	1,300	-
(Increase) Decrease in Operating Assets:		
Accounts Receivable	7,000	(4,093)
Prepaid Expenses	19,669	(5,522)
Inventory	10,013	2,543
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	71	(1,930)
Accrued Expenses	1,204	(12,396)
Grants and Awards Payable	5,505	79,977
Pledges Payable	(25,000)	(25,000)
Net Cash Used by Operating Activities	(160,265)	(221,741)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Investments	(36,270)	(10,864)
Proceeds from Sale of Investments	77,129	192,419
Purchase of Equipment	(11,340)	(23,350)
Net Cash Provided by Investing Activities	29,519	158,205
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(130,746)	(63,536)
Cash and Cash Equivalents - Beginning of Year	949,147	1,012,683
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 818,401	\$ 949,147

See accompanying Notes to Financial Statements.

**MINNESOTA OVARIAN CANCER ALLIANCE**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018 AND 2017**

**NOTE 1 NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

The Minnesota Ovarian Cancer Alliance (the Organization) is a statewide organization dedicated to raising awareness, providing support to women and families impacted by the disease, and funding the research needed to detect ovarian cancer early and treat it properly. The Organization also works to educate the Minnesota medical community about the symptoms of ovarian cancer, appropriate diagnosis, and related issues of ovarian cancer. The Organization is made up of a network of more than 1,000 survivors and 45,000 supporters with a full range of programs encompassing education to the public and healthcare professionals, support groups, and programming and research. The Organization has awarded over \$8 million to research projects for ovarian cancer research.

**Basis of Financial Statement 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.

**Net Assets Classifications**

The Organization reports information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions – Those resources not subject to donor-imposed stipulations. These net assets also include those funds that are designated for specific purposes by the board of directors. The Organization did not have any board-designated net assets as of December 31, 2018 and 2017.

Net Assets With Donor Restrictions – Those resources subject to donor-imposed restrictions that limit the use of the donated assets, such as time or purpose restrictions. These net assets also include restrictions by the donor to be held in perpetuity. At December 31, 2018 and 2017, the Organization had no perpetually restricted net assets.

**Cash and Cash Equivalents**

For purposes of reporting cash flows, the Organization considers all highly liquid debt instruments with an initial maturity of less than three months to be cash or cash equivalents. The Organization maintains cash in accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts.

**Inventory**

Inventories are stated at the lower of cost or market determined on the first in, first out (FIFO) basis.

**MINNESOTA OVARIAN CANCER ALLIANCE**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018 AND 2017**

**NOTE 1 NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Investments**

Investments consist of mutual funds which are carried at fair value, based on quoted prices in an active market. Investment gains and losses are recognized in the statements of activities in the period in which they occur.

The Organization's investments are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investments, it is reasonably possible that those changes in the values of investments will occur in the near term and that such changes could be material to the amounts reported in the statements of financial position.

**Property and Equipment**

Property and equipment with a value greater than \$1,500 are recorded at cost. Donated property and equipment is recorded at fair market value at the date of donation. Maintenance and repairs that do not improve or extend the lives of property and equipment are charged to expense as incurred. When assets are sold or retired, their cost and related accumulated depreciation are removed from the accounts and any gain or loss is reported in the statement of activities.

Depreciation on property and equipment is provided on a straight-line basis over the estimated useful lives of the assets. Estimated economic useful lives are as follows:

Building and Improvements	7 to 39 Years
Office Equipment	3 to 7 Years
Web Design Costs	3 Years

**Grants and Awards Payable**

Grant commitments are recognized in the year in which they are authorized by the Organization's board of directors. Grants and awards payable totaling \$556,945 as of December 31, 2018 are expected to be paid within one year. Grants and awards payable totaling \$125,000 as of December 31, 2018 are expected to be paid out over the next two years due to two three-year grant commitments awarded in 2017.

**Pledges Payable**

Contribution commitments are recognized in the year in which they are committed. All pledges payable were paid during 2018.

**Fair Value Measurement**

The Organization has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. 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 to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument in its entirety.

**MINNESOTA OVARIAN CANCER ALLIANCE  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018 AND 2017**

**NOTE 1 NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Fair Value Measurement (Continued)**

Financial assets and liabilities recorded on the statement of activities are categorized based on the inputs to the valuation techniques as follows:

*Level 1* – Investments whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that the Organization has the ability to access.

*Level 2* – Investments and financial liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

*Level 3* – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity’s own assumptions about the assumptions market participants would use in pricing the asset.

**Revenue Recognition**

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. All donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

**In-Kind Contributions**

Donated services are recognized as contributions if they (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased by the Organization. Donated materials are valued at market value at the date of donation. The following contributed goods and services were received in 2018 and 2017:

	2018	2017
Website Maintenance and Design	\$ -	\$ 4,950
Printing and Publications	5,529	14,495
Miscellaneous Goods and Services	7,518	2,328
Promotional Expenses	-	7,300
Molly Cade Memorial Golf Tournament	-	2,552
Walk/Run Event	35,560	87,104
GALA Event	67,364	51,540
Total Contributed Goods and Services	<u>\$ 115,971</u>	<u>\$ 170,269</u>

The Organization utilizes and relies upon the services of volunteers; however, there is no reasonable basis for estimating the value of the services and, accordingly, no support or corresponding program service expense has been reflected in these financial statements.

**MINNESOTA OVARIAN CANCER ALLIANCE**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018 AND 2017**

**NOTE 1 NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Functional Expense Allocation**

The Organization's financial statements segregate expenses by function, including program services and management and general. Expenses are charged directly to specific functions when practicable. Expenses not identified as relating to specific functions are allocated based on time and expense reports or the best estimates of management.

**Income Taxes**

Minnesota Ovarian Cancer Alliance is tax-exempt under Section 501(c)(3) of the Internal Revenue Code (IRC) and Minnesota Statute 290.05. It is classified as an organization that is not a private foundation under Section 509(a)(1) of the IRC and contributions by donors are tax deductible.

The Organization follows accounting standards for uncertain tax positions and files as a tax-exempt organization. During 2018, the Organization has not recognized any liability for uncertain tax positions. The Organization's tax returns are subject to review and examination by federal and state authorities.

**Use of Estimates**

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

**Adoption of Accounting Principle**

The Organization adopted Financial Accounting Standards Board (FASB) ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* in 2018. These changes were applied retrospectively to ensure comparability with the prior year presented herein with the exception of the liquidity footnote which is only presented for 2018. The adoption did not impact the Organization's financial position as of December 31, 2018 and 2017 or the changes in its net assets or cash flows for the years then ended.

**Subsequent Events**

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through May 15, 2019, the date the financial statements were available to be issued.

**MINNESOTA OVARIAN CANCER ALLIANCE**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018 AND 2017**

**NOTE 2 INVESTMENTS**

Investments are comprised of the following at December 31:

	2018	2017
Cash and Cash Equivalents	\$ 38,057	\$ 9,750
Certificates of Deposit	101,109	151,738
U.S. Equities	144,619	165,568
Fixed Income	104,644	114,764
Total	<u>\$ 388,429</u>	<u>\$ 441,820</u>

**NOTE 3 FAIR VALUE MEASUREMENTS**

The Organization uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. Assets measured at fair value on a recurring basis at December 31, 2018 and 2017 are as follows:

	2018			
	Level 1	Level 2	Level 3	Total
U.S. Equities	\$ 144,619	\$ -	\$ -	\$ 144,619
Fixed Income	104,644	-	-	104,644
Total Investments at Fair Value	249,263	-	-	249,263
Cash and Cash Equivalents	-	-	-	38,057
Certificates of Deposit	-	-	-	101,109
Total Investments	<u>\$ 249,263</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 388,429</u>
	2017			
	Level 1	Level 2	Level 3	Total
U.S. Equities	\$ 165,568	\$ -	\$ -	\$ 165,568
Fixed Income	114,764	-	-	114,764
Total Investments at Fair Value	280,332	-	-	280,332
Cash and Cash Equivalents	-	-	-	9,750
Certificates of Deposit	-	-	-	151,738
Total Investments	<u>\$ 280,332</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 441,820</u>

**MINNESOTA OVARIAN CANCER ALLIANCE**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018 AND 2017**

**NOTE 4 PROPERTY AND EQUIPMENT**

A summary of property and equipment is as follows as of December 31:

	<u>2018</u>	<u>2017</u>
Building and Improvements	\$ 352,326	\$ 349,877
Land	37,404	37,404
Office Equipment	54,173	54,349
Website	85,613	85,613
Accumulated Depreciation	(216,290)	(209,393)
Total	<u>\$ 313,226</u>	<u>\$ 317,850</u>

Depreciation is taken on the straight-line method over the estimated economic useful lives of the property and equipment. Total depreciation was \$14,664 and \$30,080 for the years ended December 31, 2018 and 2017, respectively.

**NOTE 5 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions at December 31 consist of the following amounts:

	<u>2018</u>	<u>2017</u>
MOCA Dream Awards	\$ 5,000	\$ -
Pederson Scholarship	1,500	-
Rychwalski Fund	9,326	10,826
Total Net Assets With Donor Restrictions	<u>\$ 15,826</u>	<u>\$ 10,826</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by donors during the years ended December 31 are as follows:

	<u>2018</u>	<u>2017</u>
MOCA Dream Awards	\$ 34,919	\$ 31,440
Research Grants	56,000	16,776
Pederson Scholarship	1,000	1,000
Rychwalski Fund	1,500	1,500
Travel Awards	-	457
Net Assets Released from Restriction	<u>\$ 93,419</u>	<u>\$ 51,173</u>



**MINNESOTA OVARIAN CANCER ALLIANCE  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018 AND 2017**

**NOTE 6 BENEFIT PLAN**

During 2013, the Organization established a matching contribution to a 403(b) retirement plan that was effective beginning January 1, 2014. The Organization provides a 100% matching contribution up to 3% of participant compensation for all employees. Participant contributions are 100% vested. Organization matching contributions become 100% vested after five years of employment. For vesting purposes, total length of employment will be used to determine the vested percentage of matching contributions. During the years ended December 31, 2018 and 2017, the Organization contributed \$13,748 and \$15,407 to this retirement plan, respectively.

**NOTE 7 RELATED PARTY TRANSACTIONS**

Revenue recognized from members of the board of directors totaled \$55,418 and \$47,507 for the years ended December 31, 2018 and 2017, respectively.

**NOTE 8 ALLOCATION OF JOINT COSTS**

During the year ended December 31, 2018, the Organization conducted activities that included appeals for contributions as part of their Teal Strides event and incurred joint costs of \$51,978. Of these costs, \$25,989 was allocated to both fundraising expense and program expense. During the year ended December 31, 2017, the total joint costs were \$123,656. Of these costs, \$61,828 was allocated to both fundraising expense and program expense.

**NOTE 9 LIQUIDITY DISCLOSURE**

The table below represents financial assets available for general expenditures within one year at December 31, 2018:

Financial Assets at Year-End:	
Cash and Cash Equivalents	\$ 818,401
Investments	388,429
Total Financial Assets	<u>1,206,830</u>
Less: Donor Restricted Amounts Unavailable for General Expenditure Within One Year	<u>(8,326)</u>
Total Financial Assets Available Within One Year	<u><u>\$ 1,198,504</u></u>

**Operating Reserve Policy**

The Organization has an Operating Reserve Policy to maintain an operating reserve of 25-50% of the following year's budgeted operating expenses. The actual amount of reserve is approved by the board of directors as part of the budget process. The approved reserve as of December 31, 2018 was 36.5% of the budgeted operating expenses for a total of \$356,750. The budgeted annual operating expenses excluding research grants was \$976,494 with a goal of an operating reserve of \$239,561 to \$479,122. The excess of funds over the operating reserve is then released to research funds to be awarded in the next budget cycle.