

**MINNESOTA OVARIAN CANCER ALLIANCE**  
**FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2019 AND 2018**

**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, 2019 and 2018, 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 audit 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, 2019 and 2018, 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  
June 15, 2020

**MINNESOTA OVARIAN CANCER ALLIANCE**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2019 AND 2018**

	2019	2018
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 757,539	\$ 818,401
Prepaid Expenses	35,141	33,869
Inventory	7,328	8,695
Accounts Receivable	24,500	-
Investments	437,102	388,429
Total Current Assets	1,261,610	1,249,394
<b>PROPERTY AND EQUIPMENT</b>		
Building and Improvements	352,326	352,326
Land	37,404	37,404
Office Equipment	49,790	54,173
Website	10,500	85,613
Total Property and Equipment	450,020	529,516
Less: Accumulated Depreciation	(139,265)	(216,290)
Net Property and Equipment	310,755	313,226
Total Assets	\$ 1,572,365	\$ 1,562,620
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 2,712	\$ 809
Accrued Expenses	22,347	17,564
Grants and Awards Payable	512,000	556,945
Total Current Liabilities	537,059	575,318
<b>LONG-TERM LIABILITIES</b>		
Grants Payable, Net of Current	-	125,000
Total Liabilities	537,059	700,318
<b>NET ASSETS</b>		
Without Donor Restrictions	965,300	846,476
With Donor Restrictions	70,006	15,826
Total Net Assets	1,035,306	862,302
Total Liabilities and Net Assets	\$ 1,572,365	\$ 1,562,620

See accompanying Notes to Financial Statements.

**MINNESOTA OVARIAN CANCER ALLIANCE  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2019**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES</b>			
Contributions	\$ 678,261	\$ 62,680	\$ 740,941
Special Event Revenue (Net of Direct Benefit Expense of \$182,244)	604,602	-	604,602
Investment Income	58,147	-	58,147
In-Kind Contributions	133,100	-	133,100
Other Income	551	-	551
Net Assets Released from Restrictions	8,500	(8,500)	-
Total Revenues	1,483,161	54,180	1,537,341
<b>EXPENSES</b>			
Program Services	1,083,235	-	1,083,235
Management and General	129,375	-	129,375
Fundraising	151,727	-	151,727
Total Expenses	1,364,337	-	1,364,337
<b>CHANGE IN NET ASSETS</b>	118,824	54,180	173,004
Net Assets - Beginning of Year	846,476	15,826	862,302
<b>NET ASSETS - END OF YEAR</b>	\$ 965,300	\$ 70,006	\$ 1,035,306

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	\$ 608,178	\$ 7,500	\$ 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 Losses	(6,661)	-	(6,661)
Net Assets Released from Restrictions	2,500	(2,500)	-
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>CHANGE 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 FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2019**

FUNCTIONAL EXPENSES	Program Services				Total Program Services	Management and General	Fundraising	Direct Donor Benefits	Total
	Awareness and Outreach	Medical Education	Patient and Caregiver Support	Research					
Wages	\$ 122,941	\$ 27,786	\$ 118,015	\$ 31,115	\$ 299,857	\$ 86,722	\$ 41,451	\$ -	\$ 428,030
Benefits and Payroll Tax	20,910	5,187	19,971	4,912	50,980	12,452	7,794	-	71,226
Professional Fees	920	-	-	9,000	9,920	9,928	-	-	19,848
Supplies	1,379	252	2,054	288	3,973	1,303	1,816	-	7,092
Printing, Design, and Incentives	3,555	168	4,553	100	8,376	1,030	19,189	-	28,595
Software Fees	6,292	60	2,144	71	8,567	422	10,231	-	19,220
Postage, Shipping, and Delivery	4,376	58	1,401	69	5,904	224	7,410	-	13,538
Telephone	4,291	993	4,119	1,095	10,498	3,035	1,655	-	15,188
Occupancy	4,374	1,011	4,203	1,122	10,710	3,213	1,699	-	15,622
Taxes, Licenses, Bank, and Merchant Fees	1,411	190	798	247	2,646	765	4,956	-	8,367
Insurance	1,113	256	1,070	282	2,721	1,778	428	-	4,927
Meetings, Conferences, and Travel	4,572	533	988	4,044	10,137	1,134	2,506	-	13,777
Grants, Awards, and Scholarships	-	2,500	37,000	588,687	628,187	-	-	-	628,187
In-Kind Expenses	13,002	225	450	225	13,902	3,161	50,885	-	67,948
Event Location	-	-	6,261	-	6,261	-	-	-	6,261
Depreciation	4,316	989	4,157	1,097	10,559	3,055	1,670	-	15,284
Media, Advertising, and Promotions	37	-	-	-	37	201	37	-	275
Employee Training	-	-	-	-	-	952	-	-	952
Special Event - Direct Benefits	-	-	-	-	-	-	-	182,244	182,244
Total	193,489	40,208	207,184	642,354	1,083,235	129,375	151,727	182,244	1,546,581
Less: Expenses Netted Against Revenues on the Statement of Activities:									
Direct Benefit Expenses	-	-	-	-	-	-	-	(182,244)	(182,244)
Total Functional Expenses	<u>\$ 193,489</u>	<u>\$ 40,208</u>	<u>\$ 207,184</u>	<u>\$ 642,354</u>	<u>\$ 1,083,235</u>	<u>\$ 129,375</u>	<u>\$ 151,727</u>	<u>\$ -</u>	<u>\$ 1,364,337</u>

See accompanying Notes to Financial Statements.



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

FUNCTIONAL EXPENSES	Program Services					Management and General	Fundraising	Direct Donor Benefits	Total
	Awareness and Outreach	Medical Education	Patient and Caregiver Support	Research	Total Program Services				
Wages	\$ 120,455	\$ 27,585	\$ 119,866	\$ 29,478	\$ 297,384	\$ 81,209	\$ 43,414	\$ -	\$ 422,007
Benefits and Payroll Tax	17,687	4,302	17,034	4,025	43,048	13,076	5,990	-	62,114
Professional Fees	-	-	-	7,000	7,000	8,972	-	-	15,972
Supplies	1,740	315	1,843	340	4,238	1,081	3,504	-	8,823
Printing, Design, and Incentives	4,958	88	10,769	56	15,871	982	18,363	-	35,216
Software Fees	8,156	73	6,190	80	14,499	216	14,449	-	29,164
Postage, Shipping, and Delivery	3,516	50	1,353	58	4,977	334	6,617	-	11,928
Telephone	5,150	1,143	4,722	1,232	12,247	3,405	1,874	-	17,526
Occupancy	4,358	977	4,042	1,052	10,429	3,004	1,597	-	15,030
Taxes, Licenses, Bank, and Merchant Fees	1,935	340	1,402	367	4,044	1,210	3,058	-	8,312
Insurance	1,279	279	1,151	301	3,010	1,942	503	-	5,455
Meetings, Conferences, and Travel	3,772	505	892	3,467	8,636	358	3,408	-	12,402
Grants, Awards, and Scholarships	-	8,260	27,919	775,000	811,179	-	-	-	811,179
In-Kind Expenses	18,078	-	1,643	-	19,721	-	44,543	-	64,264
Event Location	-	-	4,606	375	4,981	-	-	-	4,981
Depreciation	4,305	957	3,952	1,032	10,246	2,850	1,568	-	14,664
Media, Advertising, and Promotions	79	-	42	-	121	-	278	-	399
Employee Training	-	-	-	-	-	-	1,033	-	1,033
Special Event - Direct Benefits	-	-	-	-	-	-	-	141,457	141,457
Total	195,468	44,874	207,426	823,863	1,271,631	118,639	150,199	141,457	1,681,926
Less: Expenses Netted Against Revenues on the Statement of Activities:									
Direct Benefit Expenses	-	-	-	-	-	-	-	(141,457)	(141,457)
Total Functional Expenses	\$ 195,468	\$ 44,874	\$ 207,426	\$ 823,863	\$ 1,271,631	\$ 118,639	\$ 150,199	\$ -	\$ 1,540,469

See accompanying Notes to Financial Statements.

**MINNESOTA OVARIAN CANCER ALLIANCE**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2019 AND 2018**

	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 173,004	\$ (207,223)
Adjustments to Reconcile Change in Net Assets to		
Net Cash Used by Operating Activities:		
Depreciation	15,284	14,664
Realized Gain on Investments	(19,301)	(7,982)
Unrealized (Gain) Loss on Investments	(29,874)	25,396
Loss on Disposal of Property and Equipment	-	1,300
Contributed Property and Equipment	(10,500)	-
(Increase) Decrease in Operating Assets:		
Accounts Receivable	(24,500)	7,000
Prepaid Expenses	(1,272)	19,669
Inventory	1,367	10,013
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	1,903	71
Accrued Expenses	4,783	1,204
Grants and Awards Payable	(169,945)	5,505
Pledges Payable	-	(25,000)
Net Cash Used by Operating Activities	(59,051)	(155,383)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Investments	(67,052)	(41,152)
Proceeds from Sale of Investments	67,554	77,129
Purchase of Equipment	(2,313)	(11,340)
Net Cash Provided (Used) by Investing Activities	(1,811)	24,637
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(60,862)	(130,746)
Cash and Cash Equivalents - Beginning of Year	818,401	949,147
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 757,539	\$ 818,401
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH ACTIVITIES</b>		
Contributed Property and Equipment	\$ 10,500	\$ -

See accompanying Notes to Financial Statements.

**MINNESOTA OVARIAN CANCER ALLIANCE  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019 AND 2018**

**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 \$8.6 million to research projects for ovarian cancer research.

The Organization operates the following programs:

Awareness and Outreach – MOCA spreads awareness about ovarian cancer and support for survivors to thousands of people through various public events including: HOM Teal Strides for Ovarian Cancer, Molly Cade Golf Scramble, Black, White & Teal Gala, Light Duluth Teal Gala, Unleash the She race in Rochester, 35W and Lowry bridge lightings, two Minnesota Wild Hockey Games, Tie it Teal game at Target Field, 40 health fairs, education events and numerous third-party events. In addition, MOCA placed stories about ovarian cancer on TV networks, several print media outlets, and in our MOCA Messenger eNewsletter.

Medical Education – MOCA recognizes the critical role health care providers play in recognizing the symptoms of ovarian cancer and diagnosing the disease to improve patient survival. A full-time staff person is designated to design and execute ovarian cancer outreach programs for the medical community, including the Survivors Teaching Students® program which educated nearly 400 health care students at colleges and universities throughout Minnesota. MOCA also provided for nurses to attend national educational conferences.

Patient and Caregiver Support – MOCA organizes a wide range of educational and support meetings for women and families impacted by ovarian cancer including: two membership meetings, four public education meetings, two ongoing monthly support groups, two young survivors support meetings, and two Men of MOCA meetings. MOCA also provided website resources, critical one on one support to ovarian cancer survivors, families and caregivers via phone, email and in person at our office 40 hours per week. In addition, MOCA provided Cares Kits full of comfort items for women with ovarian cancer, MOCA Dream Awards for women with ovarian cancer to realize dreams and travel awards for women with ovarian cancer to attend Camp Make-A-Dream.

Research – MOCA is a leader in private nonprofit funding for ovarian cancer research. We conduct a competitive grant making process which includes a stringent review by both national expert scientific researchers and consumers to select the most impactful projects. MOCA provided grants to Minnesota-based ovarian cancer research projects and to a national research project for early detection of ovarian cancer.

**MINNESOTA OVARIAN CANCER ALLIANCE  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019 AND 2018**

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

**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, 2019 and 2018.

*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, 2019 and 2018, 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 net realizable value determined on the first in, first out (FIFO) basis.

**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.

**MINNESOTA OVARIAN CANCER ALLIANCE**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019 AND 2018**

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

**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 as an expense and liability in the year in which they are authorized by the Organization's board of directors unless conditions imposed on the grantee have not yet been fulfilled. Such conditional grants are recorded when the conditions have been satisfied. There are no conditional grants for the years ended December 31, 2019 and 2018. Grants and awards payable totaling \$512,000 as of December 31, 2019 are expected to be paid within one year.

**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, 2019 AND 2018**

**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**

Revenue is recognized on the accrual basis and generally consists of contributions, special event revenue, in-kinds and other income. Special event revenue consists of registrations, sponsorships and other contributions. The exchange element of the special event revenue was approximately \$205,000 for the year ended December 31, 2019. The portion that is considered to be exchange revenue is recognized as revenue when the performance obligations are met which is the occurrence of the event. 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. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Contributions restricted by donors that have satisfied the donor-imposed restrictions during the year of the contribution are recorded as contributions 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 2019 and 2018:

	2019	2018
Website Maintenance and Design	\$ 15,000	\$ -
Printing and Publications	8,250	5,529
Miscellaneous Goods and Services	5,742	7,518
Walk/Run Event	17,364	35,560
GALA Event	86,744	67,364
Total Contributed Goods and Services	<u>\$ 133,100</u>	<u>\$ 115,971</u>

**MINNESOTA OVARIAN CANCER ALLIANCE**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019 AND 2018**

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

**In-Kind Contributions (Continued)**

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.

**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 that are directly allocated are grants, awards, and scholarships. 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 2019, 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**

In 2019, the Organization adopted Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers* (Topic 606), which requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. There was no material impact on the Organization's financial position and results of operations upon adoption using the modified retrospective approach of the new standard.

The Organization also adopted Accounting Standards (ASU) 2018-08, *Accounting Guidance for Contributions Received and Made*. The Organization adopted the standard related to both contributions received and contributions made during 2019. The accounting change has not been retrospectively applied to prior periods presented but applied prospectively. The implementation of this standard had no impact on the change in net assets as previously reported.

**MINNESOTA OVARIAN CANCER ALLIANCE  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019 AND 2018**

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

**Reclassifications**

Certain reclassifications have been made to the prior year financial statements to conform to the current year presentation. The reclassifications had no effect on the change in net assets or total net assets as previously reported.

**Subsequent Events**

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through June 15, 2020, the date the financial statements were available to be issued. The Coronavirus Disease 2019 (COVID-19) has recently affected global markets, supply chains, employees of companies, and our communities. Specific to the Organization, COVID-19 may impact various parts of its 2020 operations and financial results including the following:

- During the period from January 1, 2020 through June 15, 2020, both domestic and international equity markets have experienced large declines. These losses are not included in the financial statements as of and for the year ended December 31, 2019.
- The Organization cancelled its annual GALA event which is the Organization's second largest fundraising event each year.
- The Organization applied for and received \$90,989 Paycheck Protection Program loan with 1% interest on May 4, 2020. The loan matures on April 30, 2022 and monthly payments begin on November 30, 2020. The loan shall be used for payroll costs and facility costs and may be forgiven if certain criteria are met.

Management believes that Organization is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as of December 31, 2019 as these events occurred subsequent to year-end and are still developing.

**NOTE 2 INVESTMENTS**

Investments are comprised of the following at December 31:

	2019	2018
Cash and Cash Equivalents	\$ 15,374	\$ 38,057
Certificates of Deposit	103,512	101,109
U.S. Equities	205,676	144,619
Fixed Income	112,540	104,644
Total	\$ 437,102	\$ 388,429



**MINNESOTA OVARIAN CANCER ALLIANCE**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019 AND 2018**

**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 are as follows:

	2019			
	Level 1	Level 2	Level 3	Total
U.S. Equities	\$ 205,676	\$ -	\$ -	\$ 205,676
Fixed Income	112,540	-	-	112,540
Total Investments at Fair Value	318,216	-	-	318,216
Cash and Cash Equivalents	-	-	-	15,374
Certificates of Deposit	-	-	-	103,512
Total Investments	\$ 318,216	\$ -	\$ -	\$ 437,102

  

	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	\$ 249,263	\$ -	\$ -	\$ 388,429

**NOTE 4 PROPERTY AND EQUIPMENT**

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

	2019	2018
Building and Improvements	\$ 352,326	\$ 352,326
Land	37,404	37,404
Equipment	49,790	54,173
Website	10,500	85,613
Accumulated Depreciation	(139,265)	(216,290)
Total	\$ 310,755	\$ 313,226

Depreciation is taken on the straight-line method over the estimated economic useful lives of the property and equipment. Total depreciation was \$15,284 and \$14,664 for the years ended December 31, 2019 and 2018, respectively.

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**NOTE 5 NET ASSETS WITH DONOR RESTRICTIONS**

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

	2019	2018
MOCA Dream Awards	\$ -	\$ 5,000
Pederson Scholarship	3,000	1,500
Lubov Fund	3,500	-
Colleen Anderson Fund	25,180	-
Rychwalski Fund	8,326	9,326
Living Well and Community Meetings	30,000	-
Total Net Assets With Donor Restrictions	\$ 70,006	\$ 15,826

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:

	2019	2018
MOCA Dream Awards	\$ 5,000	\$ -
Lubov Fund	1,500	-
Pederson Scholarship	1,000	1,000
Rychwalski Fund	1,000	1,500
Net Assets Released from Restriction	\$ 8,500	\$ 2,500

**NOTE 6 BENEFIT PLAN**

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, 2019 and 2018, the Organization contributed \$13,611 and \$13,748 to this retirement plan, respectively.

**NOTE 7 RELATED PARTY TRANSACTIONS**

Revenue recognized from members of the board of directors totaled \$66,188 and \$55,418 for the years ended December 31, 2019 and 2018, respectively.

**NOTE 8 ALLOCATION OF JOINT COSTS**

During the year ended December 31, 2019, the Organization conducted activities that included appeals for contributions as part of their Teal Strides event and incurred joint costs of \$30,800. Of these costs, \$15,400 was allocated to both fundraising expense and program expense. During the year ended December 31, 2018, the total joint costs were \$51,978. Of these costs, \$25,989 was allocated to both fundraising expense and program expense.

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**NOTE 9 LIQUIDITY DISCLOSURE**

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

	2019	2018
Financial Assets at Year-End:		
Cash and Cash Equivalents	\$ 757,539	\$ 818,401
Accounts Receivable	24,500	-
Investments	437,102	388,429
Total Financial Assets	1,219,141	1,206,830
Less: Donor Restricted Amounts Unavailable for General Expenditure Within One Year	(7,326)	(8,326)
Total Financial Assets Available Within One Year	\$ 1,211,815	\$ 1,198,504

**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, 2019 and 2018 was 35.6% and 36.5% of the budgeted operating expenses for a total of \$362,472 and \$356,750, respectively. The budgeted annual operating expenses excluding research grants was \$1,018,250 with a goal of an operating reserve of \$254,563 to \$509,125 for 2019. The budgeted annual operating expenses excluding research grants was \$976,474 with a goal of an operating reserve of \$239,561 to \$479,122 for 2018. The excess of funds over the operating reserve is then released to research funds to be awarded in the next budget cycle.