

MINNESOTA OVARIAN CANCER ALLIANCE
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019



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**MINNESOTA OVARIAN CANCER ALLIANCE
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YEARS ENDED DECEMBER 31, 2020 AND 2019**

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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, 2020 and 2019, 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, 2020 and 2019, 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 21, 2021

MINNESOTA OVARIAN CANCER ALLIANCE
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 918,331	\$ 757,539
Prepaid Expenses	34,031	35,141
Inventory	6,568	7,328
Accounts Receivable	27,000	24,500
Investments	376,821	437,102
Total Current Assets	1,362,751	1,261,610
PROPERTY AND EQUIPMENT		
Building and Improvements	354,504	352,326
Land	37,404	37,404
Office Equipment	53,318	49,790
Website	10,500	10,500
Total Property and Equipment	455,726	450,020
Less: Accumulated Depreciation	(158,791)	(139,265)
Net Property and Equipment	296,935	310,755
Total Assets	\$ 1,659,686	\$ 1,572,365
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 2,120	\$ 2,712
Accrued Expenses	27,969	22,347
Grants and Awards Payable	378,000	512,000
Total Liabilities	408,089	537,059
NET ASSETS		
Without Donor Restrictions	1,201,919	965,300
With Donor Restrictions	49,678	70,006
Total Net Assets	1,251,597	1,035,306
Total Liabilities and Net Assets	\$ 1,659,686	\$ 1,572,365

See accompanying Notes to Financial Statements.

MINNESOTA OVARIAN CANCER ALLIANCE
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Contributions	\$ 589,735	\$ 59,172	\$ 648,907
Special Event Revenue (Net of Direct Benefit Expense of \$52,214)	297,028	-	297,028
Investment Income	48,592	-	48,592
In-Kind Contributions	43,578	-	43,578
Other Income	2,566	-	2,566
Government Grants	90,989	-	90,989
Net Assets Released from Restrictions	79,500	(79,500)	-
Total Revenues	1,151,988	(20,328)	1,131,660
EXPENSES			
Program Services	741,808	-	741,808
Management and General	105,117	-	105,117
Fundraising	68,444	-	68,444
Total Expenses	915,369	-	915,369
CHANGE IN NET ASSETS	236,619	(20,328)	216,291
Net Assets - Beginning of Year	965,300	70,006	1,035,306
NET ASSETS - END OF YEAR	\$ 1,201,919	\$ 49,678	\$ 1,251,597

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
REVENUES			
Contributions	\$ 678,261	\$ 62,680	\$ 740,941
Special Event Revenue (Net of Direct Benefit Expense of \$182,244)	604,602	-	604,602
Investment Loss	58,147	-	58,147
In-Kind Contributions	133,100	-	133,100
Other Losses	551	-	551
Net Assets Released from Restrictions	8,500	(8,500)	-
Total Revenues	1,483,161	54,180	1,537,341
EXPENSES			
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
CHANGE IN NET ASSETS	118,824	54,180	173,004
Net Assets - Beginning of Year	846,476	15,826	862,302
NET ASSETS - END OF YEAR	\$ 965,300	\$ 70,006	\$ 1,035,306

See accompanying Notes to Financial Statements.

**MINNESOTA OVARIAN CANCER ALLIANCE
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2020**

	Program Services				Total Program Services	Management and General	Fundraising	Direct Donor Benefits	Total
	Awareness and Outreach	Medical Education	Patient and Caregiver Support	Research					
FUNCTIONAL EXPENSES									
Wages	\$ 120,450	\$ 34,184	\$ 127,276	\$ 54,391	\$ 336,301	\$ 68,479	\$ 27,919	\$ -	\$ 432,699
Benefits and Payroll Tax	20,580	6,558	22,797	8,773	58,708	10,064	4,780	-	73,552
Professional Fees	-	-	-	9,000	9,000	12,069	-	-	21,069
Supplies	249	33	737	49	1,068	133	652	-	1,853
Printing, Design, and Incentives	1,722	26	3,890	168	5,806	677	3,485	-	9,968
Software Fees	5,516	158	2,491	242	8,407	511	13,560	-	22,478
Postage, Shipping, and Delivery	2,882	33	2,617	54	5,586	253	5,188	-	11,027
Telephone	3,330	909	3,472	1,392	9,103	1,901	777	-	11,781
Occupancy	4,807	1,308	5,002	2,003	13,120	2,855	1,118	-	17,093
Taxes, Licenses, Bank, and Merchant Fees	1,184	313	1,194	1,259	3,950	819	4,690	-	9,459
Insurance	1,157	317	1,211	483	3,168	1,998	271	-	5,437
Meetings, Conferences, and Travel	328	-	124	-	452	24	151	-	627
Grants, Awards, and Scholarships	-	3,000	30,000	223,140	256,140	-	357	-	256,497
In-Kind Expenses	1,716	2,508	2,508	3,300	10,032	1,584	1,584	-	13,200
Event Location	331	-	2,685	-	3,016	-	2,000	-	5,016
Depreciation	5,514	1,508	5,757	2,301	15,080	3,159	1,287	-	19,526
Media, Advertising, and Promotions	100	-	-	-	100	-	60	-	160
Employee Training	2,771	-	-	-	2,771	591	565	-	3,927
Special Event - Direct Benefits	-	-	-	-	-	-	-	52,214	52,214
Total	172,637	50,855	211,761	306,555	741,808	105,117	68,444	52,214	967,583
Less: Expenses Netted Against Revenues on the Statement of Activities:									
Direct Benefit Expenses	-	-	-	-	-	-	-	(52,214)	(52,214)
Total Functional Expenses	\$ 172,637	\$ 50,855	\$ 211,761	\$ 306,555	\$ 741,808	\$ 105,117	\$ 68,444	\$ -	\$ 915,369

See accompanying Notes to Financial Statements.

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

	Program Services				Total Program Services	Management and General	Fundraising	Direct Donor Benefits	Total
	Awareness and Outreach	Medical Education	Patient and Caregiver Support	Research					
FUNCTIONAL EXPENSES									
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	\$ 193,489	\$ 40,208	\$ 207,184	\$ 642,354	\$ 1,083,235	\$ 129,375	\$ 151,727	\$ -	\$ 1,364,337

See accompanying Notes to Financial Statements.

**MINNESOTA OVARIAN CANCER ALLIANCE
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 216,291	\$ 173,004
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	19,526	15,284
Realized Gain on Investments	(16,761)	(19,301)
Unrealized Gain on Investments	(23,387)	(29,874)
Contributed Property and Equipment	-	(10,500)
(Increase) Decrease in Operating Assets:		
Accounts Receivable	(2,500)	(24,500)
Prepaid Expenses	1,110	(1,272)
Inventory	760	1,367
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	(592)	1,903
Accrued Expenses	5,622	4,783
Grants and Awards Payable	(134,000)	(169,945)
Net Cash Provided (Used) by Operating Activities	66,069	(59,051)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(39,623)	(67,052)
Proceeds from Sale of Investments	140,052	67,554
Purchase of Equipment	(5,706)	(2,313)
Net Cash Provided (Used) by Investing Activities	94,723	(1,811)
NET CHANGE IN CASH AND CASH EQUIVALENTS	160,792	(60,862)
Cash and Cash Equivalents - Beginning of Year	757,539	818,401
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 918,331	\$ 757,539
SUPPLEMENTAL DISCLOSURE OF NONCASH ACTIVITIES		
Contributed Property and Equipment	\$ -	\$ 10,500

See accompanying Notes to Financial Statements.

**MINNESOTA OVARIAN CANCER ALLIANCE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

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 \$9 million to research projects for ovarian cancer research.

The Organization operates the following programs:

Awareness and Outreach – MOCA increased awareness about ovarian cancer and support for survivors through various public events in 2020 such as HOM Teal Drive for Ovarian Cancer, Molly Cade Golf Scramble, Shine Teal for MOCA (virtual event), Unleash the She (virtual race) in Rochester, MOCA Lights the Night initiative (18 landmarks lit throughout Minnesota), five health fairs and four educational events. MOCA has a strong media presence and placed 40 plus stories about ovarian cancer on all major TV networks and in several print outlets throughout Minnesota. MOCA events and media stories include information about ovarian cancer, its impact on women, families and the community—and ways to improve survival. MOCA also produces a monthly MOCA Messenger newsletter via email. Additionally, MOCA raises awareness about ovarian cancer through our social media channels, including Facebook, Twitter, Instagram, LinkedIn and YouTube.

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 200 health care students at colleges and universities throughout Minnesota.

MINNESOTA OVARIAN CANCER ALLIANCE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

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

Nature of Activities (Continued)

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 and MOCA Dream Awards for women with ovarian cancer to realize dreams. MOCA launched a new program in 2020, "Masks with love from MOCA," which provides free, handsewn cloth masks for ovarian cancer survivors, caregivers, loved ones, and health care providers involved in ovarian cancer care.

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. In 2020, MOCA provided 4 grants to Minnesota-based researchers for ovarian cancer research projects totaling \$400,000.

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, 2020 and 2019.

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, 2020 and 2019, 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.

**MINNESOTA OVARIAN CANCER ALLIANCE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

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

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.

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, 2020 and 2019. All grants and awards payable as of December 31, 2020 are expected to be paid within one year.

MINNESOTA OVARIAN CANCER ALLIANCE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

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

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.

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 \$100,000 and \$205,000 for the years ended December 31, 2020 and 2019, respectively. 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.

MINNESOTA OVARIAN CANCER ALLIANCE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

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

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 2020 and 2019:

	2020	2019
Website Maintenance and Design	\$ -	\$ 15,000
Printing and Publications	13,200	8,250
Miscellaneous Goods and Services	6,585	5,742
Video/Photography	1,500	-
Walk/Run Event	-	17,364
GALA Event	22,293	86,744
Total Contributed Goods and Services	\$ 43,578	\$ 133,100

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 2020, 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.

MINNESOTA OVARIAN CANCER ALLIANCE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

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

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through June 21, 2021, the date the financial statements were available to be issued.

NOTE 2 INVESTMENTS

Investments are comprised of the following at December 31:

	2020	2019
Cash and Cash Equivalents	\$ 19,452	\$ 15,374
Certificates of Deposit	-	103,512
U.S. Equities	201,003	205,676
International Equities	27,571	-
Fixed Income	128,795	112,540
Total	<u>\$ 376,821</u>	<u>\$ 437,102</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 are as follows:

	2020			
	Level 1	Level 2	Level 3	Total
U.S. Equities	\$ 201,003	\$ -	\$ -	\$ 201,003
International Equities	27,571	-	-	27,571
Fixed Income	128,795	-	-	128,795
Total Investments at Fair Value	357,369	-	-	357,369
Cash and Cash Equivalents	-	-	-	19,452
Certificates of Deposit	-	-	-	-
Total Investments	<u>\$ 357,369</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 376,821</u>
	2019			
	Level 1	Level 2	Level 3	Total
U.S. Equities	\$ 205,676	\$ -	\$ -	\$ 205,676
International Equities	-	-	-	-
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	<u>\$ 318,216</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 437,102</u>

MINNESOTA OVARIAN CANCER ALLIANCE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 4 PROPERTY AND EQUIPMENT

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

	<u>2020</u>	<u>2019</u>
Building and Improvements	\$ 354,504	\$ 352,326
Land	37,404	37,404
Office Equipment	53,318	49,790
Website	10,500	10,500
Accumulated Depreciation	(158,791)	(139,265)
Total	<u>\$ 296,935</u>	<u>\$ 310,755</u>

Depreciation is taken on the straight-line method over the estimated economic useful lives of the property and equipment. Total depreciation was \$19,526 and \$15,284 for the years ended December 31, 2020 and 2019, respectively.

NOTE 5 NET ASSETS WITH DONOR RESTRICTIONS

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

	<u>2020</u>	<u>2019</u>
Research	\$ 3,172	\$ -
Pederson Scholarship	4,500	3,000
Lubov Fund	11,000	3,500
Colleen Anderson Fund	22,680	25,180
Rychwalski Fund	8,326	8,326
Living Well and Community Meetings	-	30,000
Total Net Assets With Donor Restrictions	<u>\$ 49,678</u>	<u>\$ 70,006</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>2020</u>	<u>2019</u>
MOCA Dream Awards	\$ 30,000	\$ 5,000
Lubov Fund	-	1,500
Pederson Scholarship	1,000	1,000
Colleen Anderson Fund	2,500	-
Research	16,000	-
Living Well and Community Meetings	30,000	-
Rychwalski Fund	-	1,000
Net Assets Released from Restriction	<u>\$ 79,500</u>	<u>\$ 8,500</u>

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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, 2020 and 2019, the Organization contributed \$14,394 and \$13,611 to this retirement plan, respectively.

NOTE 7 RELATED PARTY TRANSACTIONS

Revenue recognized from members of the board of directors totaled \$94,966 and \$66,188 for the years ended December 31, 2020 and 2019, respectively.

NOTE 8 ALLOCATION OF JOINT COSTS

During the year ended December 31, 2020, the Organization conducted activities that included appeals for contributions as part of their Teal Strides event and incurred joint costs of \$10,726. Of these costs, \$5,363 was allocated to both fundraising expense and program expense. During the year ended December 31, 2019, the total joint costs were \$30,800. Of these costs, \$15,400 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:

	2020	2019
Financial Assets at Year-End:		
Cash and Cash Equivalents	\$ 918,331	\$ 757,539
Accounts Receivable	27,000	24,500
Investments	376,821	437,102
Total Financial Assets	1,322,152	1,219,141
Less: Donor Restricted Amounts Unavailable for General Expenditure Within One Year	(31,506)	(7,326)
Total Financial Assets Available Within One Year	\$ 1,290,646	\$ 1,211,815

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NOTE 9 LIQUIDITY DISCLOSURE (CONTINUED)

Operating Reserve Policy

The Organization has an Operating Reserve Policy to maintain an operating reserve of 25% to 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, 2020 and 2019 was 58.2% and 35.6% of the budgeted operating expenses for a total of \$474,417 and \$362,472, respectively. The budgeted annual operating expenses excluding research grants was \$815,120 with a goal of an operating reserve of \$203,780 to \$407,575 for 2020. 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 excess of funds over the operating reserve is then released to research funds to be awarded in the next budget cycle.

NOTE 10 PAYCHECK PROTECTION PROGRAM

On May 4, 2020, the Organization received proceeds in the amount of \$90,989 to fund payroll, rent, and utilities through the federal Paycheck Protection Program (PPP). The PPP loan may be forgiven by the U.S. Small Business Administration (SBA) subject to certain performance barriers, as outlined in the loan agreement and the CARES Act.

The Organization initially classified this loan as a conditional contribution for accounting purposes. Management has determined the conditions were met as of December 31, 2020. The Organization recognized \$90,989 of income related to this agreement, which represents the portion of the PPP loan funds for which the performance barriers have been met. On November 3, 2020, the SBA formally approved forgiveness. The funds were recognized as revenue and are included in the government grants on the statement of activities and changes in net assets.

The SBA may review funding eligibility and use of fund for compliance with program requirements based on dollar thresholds and other factors. The amount of any liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any review will not have a material adverse impact on the Organization's financial position.

On February 16, 2021, the Organization applied for and received an additional Second Draw Paycheck Protection Program loan for \$75,377. The loan matures on February 16, 2026 and has a fixed interest rate of 1%. The loan shall be used for payroll and facility costs and may be forgiven if certain criteria are met.

NOTE 11 RISKS AND UNCERTAINTIES

The Coronavirus Disease 2019 (COVID-19) has recently affected global markets, supply chains, employees of companies, and our communities. As a result, COVID-19 may impact various parts of the Organization's 2021 operations and financial results. Management believes that the 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 these events are still developing.

