

MINNESOTA OVARIAN CANCER ALLIANCE
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020



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**MINNESOTA OVARIAN CANCER ALLIANCE
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Minnesota Ovarian Cancer Alliance
Minneapolis, Minnesota

Report on the Audit of the Financial Statements

Opinion

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, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Minnesota Ovarian Cancer Alliance as of December 31, 2021 and 2020, and the changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Minnesota Ovarian Cancer Alliance and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Minnesota Ovarian Cancer Alliance's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Minnesota Ovarian Cancer Alliance's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Minnesota Ovarian Cancer Alliance's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
April 25, 2022

MINNESOTA OVARIAN CANCER ALLIANCE
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020

	2021	2020
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 1,278,105	\$ 918,331
Prepaid Expenses	39,952	34,031
Inventory	4,384	6,568
Accounts Receivable	2,500	27,000
Investments	443,688	376,821
Total Current Assets	1,768,629	1,362,751
PROPERTY AND EQUIPMENT		
Building and Improvements	354,504	354,504
Land	37,404	37,404
Office Equipment	53,318	53,318
Website	10,500	10,500
Total Property and Equipment	455,726	455,726
Less: Accumulated Depreciation	(177,794)	(158,791)
Net Property and Equipment	277,932	296,935
Total Assets	\$ 2,046,561	\$ 1,659,686
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 13,951	\$ 2,120
Accrued Expenses	28,830	27,969
Grants and Awards Payable	560,500	378,000
Total Liabilities	603,281	408,089
NET ASSETS		
Without Donor Restrictions	1,399,811	1,201,919
With Donor Restrictions	43,469	49,678
Total Net Assets	1,443,280	1,251,597
Total Liabilities and Net Assets	\$ 2,046,561	\$ 1,659,686

See accompanying Notes to Financial Statements.

MINNESOTA OVARIAN CANCER ALLIANCE
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Contributions	\$ 974,903	\$ 4,463	\$ 979,366
Special Event Revenue (Net of Direct Benefit Expense of \$55,237)	383,408	-	383,408
Investment Income	65,388	-	65,388
In-Kind Contributions	39,034	-	39,034
Other Income	35,738	-	35,738
Government Grants	82,432	-	82,432
Net Assets Released from Restrictions	10,672	(10,672)	-
Total Revenues	1,591,575	(6,209)	1,585,366
EXPENSES			
Program Services	1,232,590	-	1,232,590
Management and General	97,650	-	97,650
Fundraising	63,443	-	63,443
Total Expenses	1,393,683	-	1,393,683
CHANGE IN NET ASSETS	197,892	(6,209)	191,683
Net Assets - Beginning of Year	1,201,919	49,678	1,251,597
NET ASSETS - END OF YEAR	\$ 1,399,811	\$ 43,469	\$ 1,443,280

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 FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2021**

FUNCTIONAL EXPENSES	Awareness and Outreach	Medical Education	Patient and Caregiver Support	Research	Total Program Services	Management and General	Fundraising	Direct Donor Benefits	Total
Wages	\$ 106,740	\$ 31,386	\$ 113,639	\$ 47,047	\$ 298,812	\$ 59,497	\$ 24,460	\$ -	\$ 382,769
Benefits and Payroll Tax	17,744	5,862	19,822	7,631	51,059	8,692	4,066	-	63,817
Professional Fees	-	-	-	9,000	9,000	12,542	-	-	21,542
Supplies	1,461	353	1,298	542	3,654	825	410	-	4,889
Printing, Design, and Incentives	443	32	111	48	634	89	23	-	746
Software Fees	5,809	306	2,979	577	9,671	689	4,930	-	15,290
Postage, Shipping, and Delivery	2,389	56	214	107	2,766	213	2,098	-	5,077
Telephone	3,869	1,162	4,113	1,769	10,913	2,175	886	-	13,974
Occupancy	5,698	1,717	6,052	2,645	16,112	3,341	1,312	-	20,765
Taxes, Licenses, Bank, and Merchant Fees	1,360	288	1,022	440	3,110	820	868	-	4,798
Insurance	1,105	332	1,175	507	3,119	1,788	253	-	5,160
Meetings, Conferences, and Travel	709	-	78	25,286	26,073	228	149	-	26,450
Grants, Awards, and Scholarships	-	7,500	29,200	715,929	752,629	-	-	-	752,629
In-Kind Expenses	4,345	3,325	3,435	4,375	15,480	2,100	5,170	-	22,750
Event Location	-	-	2,050	-	2,050	270	110	-	2,430
Other Event Expenses	485	146	516	221	1,368	-	10,772	-	12,140
Depreciation	5,270	1,572	5,595	2,398	14,835	2,954	1,214	-	19,003
Media, Advertising, and Promotions	1,304	-	3,297	-	4,601	466	92	-	5,159
Miscellaneous	5,599	-	-	1,105	6,704	-	6,630	-	13,334
Employee Training	-	-	-	-	-	961	-	-	961
Special Event - Direct Benefits	-	-	-	-	-	-	-	55,237	55,237
Total	164,330	54,037	194,596	819,627	1,232,590	97,650	63,443	55,237	1,448,920
Less: Expenses Netted Against Revenues on the Statement of Activities:									
Direct Benefit Expenses	-	-	-	-	-	-	-	(55,237)	(55,237)
Total Functional Expenses	<u>\$ 164,330</u>	<u>\$ 54,037</u>	<u>\$ 194,596</u>	<u>\$ 819,627</u>	<u>\$ 1,232,590</u>	<u>\$ 97,650</u>	<u>\$ 63,443</u>	<u>\$ -</u>	<u>\$ 1,393,683</u>

See accompanying Notes to Financial Statements.

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

FUNCTIONAL EXPENSES	Awareness and Outreach	Medical Education	Patient and Caregiver Support	Research	Total Program Services	Management and General	Fundraising	Direct Donor Benefits	Total
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	<u>172,637</u>	<u>50,855</u>	<u>211,761</u>	<u>306,555</u>	<u>741,808</u>	<u>105,117</u>	<u>68,444</u>	<u>52,214</u>	<u>967,583</u>
Less: Expenses Netted Against Revenues on the Statement of Activities:									
Direct Benefit Expenses	-	-	-	-	-	-	-	(52,214)	(52,214)
Total Functional Expenses	<u>\$ 172,637</u>	<u>\$ 50,855</u>	<u>\$ 211,761</u>	<u>\$ 306,555</u>	<u>\$ 741,808</u>	<u>\$ 105,117</u>	<u>\$ 68,444</u>	<u>\$ -</u>	<u>\$ 915,369</u>

See accompanying Notes to Financial Statements.

**MINNESOTA OVARIAN CANCER ALLIANCE
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020**

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 191,683	\$ 216,291
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided by Operating Activities:		
Depreciation	19,003	19,526
Realized Gain on Investments	-	(16,761)
Unrealized Gain on Investments	(58,393)	(23,387)
(Increase) Decrease in Operating Assets:		
Accounts Receivable	24,500	(2,500)
Prepaid Expenses	(5,921)	1,110
Inventory	2,184	760
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	11,831	(592)
Accrued Expenses	861	5,622
Grants and Awards Payable	182,500	(134,000)
Net Cash Provided by Operating Activities	368,248	66,069
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(15,974)	(39,623)
Proceeds from Sale of Investments	7,500	140,052
Purchase of Equipment	-	(5,706)
Net Cash Provided (Used) by Investing Activities	(8,474)	94,723
NET CHANGE IN CASH AND CASH EQUIVALENTS	359,774	160,792
Cash and Cash Equivalents - Beginning of Year	918,331	757,539
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 1,278,105	\$ 918,331

See accompanying Notes to Financial Statements.

**MINNESOTA OVARIAN CANCER ALLIANCE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

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 50,000 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 \$9.8 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 2021 such as HOM Teal Strides for Ovarian Cancer, Tie it Teal with the Twins Ovarian Cancer Awareness Night, Ovarian Cancer Awareness Event at a Minnesota Wild Game, Unleash the She 5K 10K Race, MOCA Lights the Night initiative (22 landmarks lit throughout Minnesota and beyond), five health fairs, and six educational events including three Living Well meetings and three Lunch and Learn meetings. MOCA has a strong media presence and placed 47 unique stories about ovarian cancer on all local TV stations, a national news network, 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 350 health care students at colleges and universities throughout Minnesota.

MINNESOTA OVARIAN CANCER ALLIANCE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

**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: one membership meeting, three public education meetings, two ongoing monthly support groups, three young survivors support meetings, and two Men of MOCA events. MOCA provides mentoring through our MOCA Mentor program and Men of MOCA mentor program. 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. In 2021, MOCA inaugurated a new Dream Award, the Jenna Simon Memorial Dream Award, designated for a young woman with ovarian cancer. MOCA also awarded a continuing education scholarship to an oncology nurse and grew the Colleen Anderson Excellence in Cancer Care Award program from one recipient to three recipients in 2021. MOCA launched a new program in 2021 called "MOCA Lunch and Learn." These Lunch and Learns are designed to help our members take charge of their health. MOCA held three Lunch and Learn meetings in 2021.

Research

MOCA is a leader in private nonprofit funding for ovarian cancer research. We provide research grants through three separate grantmaking mechanisms. The first is for investigators in Minnesota working on ovarian, primary peritoneal or fallopian tube 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 2021, MOCA provided five grants to Minnesota-based researchers for ovarian cancer research projects totaling \$500,000, We also provide funding to national researchers working on developing an early detection test for ovarian cancer. In 2021, MOCA awarded two grants of \$50,000 each to national researchers for early detection research. This year for the first time, we expanded our research funding through a new partnership with the Any Mountain project and were able to award three grants totaling \$125,000 to national researchers making up the Any Mountain Expedition Team (AMET). The AMET is a group of researchers from around the country working collaboratively to address early detection and diagnosis of ovarian cancer.

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.

MINNESOTA OVARIAN CANCER ALLIANCE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

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

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, 2021 and 2020.

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, 2021 and 2020, 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.

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.

MINNESOTA OVARIAN CANCER ALLIANCE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

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

Property and Equipment (Continued)

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, 2021 and 2020. All grants and awards payable as of December 31, 2021 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.

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.

**MINNESOTA OVARIAN CANCER ALLIANCE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

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

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 \$75,000 and \$100,000 for the years ended December 31, 2021 and 2020, 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. There are no contract assets associated with this revenue as of December 31, 2021 and 2020. 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 2021 and 2020:

	2021	2020
Printing and Publications	\$ 17,500	\$ 13,200
Miscellaneous Goods and Services	5,399	6,585
Video/Photography	-	1,500
GALA Event	16,135	22,293
Total Contributed Goods and Services	<u>\$ 39,034</u>	<u>\$ 43,578</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, 2021 AND 2020

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

The in-kind contributions have been allocated to the following expense categories for the years ended December 31:

	2021				
	Program	Management and General	Fundraising	Direct Donor Benefits	Total
In-Kind Expenses	\$ 15,480	\$ 2,100	\$ 5,170	\$ -	\$ 22,750
Direct Donor Benefits	-	-	-	16,284	16,284
Total	\$ 15,480	\$ 2,100	\$ 5,170	\$ 16,284	\$ 39,034
	2020				
	Program	Management and General	Fundraising	Direct Donor Benefits	Total
In-Kind Expenses	\$ 10,032	\$ 1,584	\$ 1,584	\$ -	\$ 13,200
Direct Donor Benefits	-	-	-	30,378	30,378
Total	\$ 10,032	\$ 1,584	\$ 1,584	\$ 30,378	\$ 43,578

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 2021, 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, 2021 AND 2020

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 April 25, 2022, the date the financial statements were available to be issued.

NOTE 2 INVESTMENTS

Investments are comprised of the following at December 31:

	2021	2020
Cash and Cash Equivalents	\$ 34,579	\$ 19,452
U.S. Equities	253,660	201,003
International Equities	29,819	27,571
Fixed Income	125,630	128,795
Total	<u>\$ 443,688</u>	<u>\$ 376,821</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:

	2021			
	Level 1	Level 2	Level 3	Total
U.S. Equities	\$ 253,660	\$ -	\$ -	\$ 253,660
International Equities	29,819	-	-	29,819
Fixed Income	125,630	-	-	125,630
Total Investments at Fair Value	409,109	-	-	409,109
Cash and Cash Equivalents	-	-	-	34,579
Total Investments	<u>\$ 409,109</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 443,688</u>
	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
Total Investments	<u>\$ 357,369</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 376,821</u>

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NOTE 4 PROPERTY AND EQUIPMENT

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

	<u>2021</u>	<u>2020</u>
Building and Improvements	\$ 354,504	\$ 354,504
Land	37,404	37,404
Office Equipment	53,318	53,318
Website	10,500	10,500
Less: Accumulated Depreciation	(177,794)	(158,791)
Property and Equipment, Net	<u>\$ 277,932</u>	<u>\$ 296,935</u>

Depreciation is taken on the straight-line method over the estimated economic useful lives of the property and equipment. Total depreciation was \$19,003 and \$19,526 for the years ended December 31, 2021 and 2020, respectively.

NOTE 5 NET ASSETS WITH DONOR RESTRICTIONS

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

	<u>2021</u>	<u>2020</u>
Research	\$ 4,463	\$ 3,172
Pederson Scholarship	4,500	4,500
Lubov Fund	11,000	11,000
Colleen Anderson Fund	15,180	22,680
Rychwalski Fund	8,326	8,326
Total Net Assets with Donor Restrictions	<u>\$ 43,469</u>	<u>\$ 49,678</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>2021</u>	<u>2020</u>
MOCA Dream Awards	\$ -	\$ 30,000
Pederson Scholarship	-	1,000
Colleen Anderson Fund	7,500	2,500
Research	3,172	16,000
Living Well and Community Meetings	-	30,000
Net Assets Released from Restriction	<u>\$ 10,672</u>	<u>\$ 79,500</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, 2021 and 2020, the Organization contributed \$13,019 and \$14,394 to this retirement plan, respectively.

NOTE 7 RELATED PARTY TRANSACTIONS

Revenue recognized from members of the board of directors totaled \$81,230 and \$94,966 for the years ended December 31, 2021 and 2020, respectively.

NOTE 8 ALLOCATION OF JOINT COSTS

During the year ended December 31, 2021, the Organization conducted activities that included appeals for contributions as part of their Teal Strides event and incurred joint costs of \$11,150. Of these costs, \$5,575 was allocated to both fundraising expense and program expense. During the year ended December 31, 2020, the total joint costs were \$10,726. Of these costs, \$5,363 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:

	2021	2020
Financial Assets at Year-End:		
Cash and Cash Equivalents	\$ 1,278,105	\$ 918,331
Accounts Receivable	2,500	27,000
Investments	443,688	376,821
Total Financial Assets	1,724,293	1,322,152
Less: Donor Restricted Amounts Unavailable for		
General Expenditure Within One Year	(35,006)	(31,506)
Total Financial Assets Available Within One Year	\$ 1,689,287	\$ 1,290,646

MINNESOTA OVARIAN CANCER ALLIANCE
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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, 2021 and 2020 was 47.5% and 58.2% of the budgeted operating expenses for a total of \$411,000 and \$474,417, respectively. The budgeted annual operating expenses excluding research grants was \$865,955 with a goal of an operating reserve of \$216,489 to \$432,978 for 2021. 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 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

The Organization applied for and was approved for a \$90,989 loan under the Paycheck Protection Program created as part of the relief efforts related to COVID-19 and administered by the Small Business Administration (SBA). The loan was received on May 4, 2020. The loan accrues interest at 1%, but payments are not required to begin for six months after the funding of the loan. Subsequent to this, the law changed the loan deferral terms retroactively. The PPP Flexibility Act and subsequent regulations supersede the loan agreement. The Organization is eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. The loan is uncollateralized and is fully guaranteed by the Federal government. The Organization received forgiveness of \$90,989 on November 3, 2020.

Under the second round of Paycheck Protection Program funding, the Organization applied for and was approved for an additional \$75,377 loan. The loan was received on February 16, 2021. The loan accrues interest at 1%, with the first 10 months of interest deferred, has a term of five years, and is unsecured and guaranteed by the Small Business Administration. The Organization is eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. The Organization received forgiveness of \$75,377 on July 15, 2021.

The SBA may review funding eligibility and usage of funds for compliance with program requirements based on dollar thresholds and other factors. The amount of 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.

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