



Financial Statements

Minnesota Ovarian Cancer Alliance

Minneapolis, Minnesota

For the years ended December 31, 2023 and 2022



Edina Office

5201 Eden Avenue, Ste 250
Edina, MN 55436
P 952.835.9090

Mankato Office

100 Warren Street, Ste 600
Mankato, MN 56001
P 507.625.2727

Scottsdale Office

14500 N Northsight Blvd, Ste 233
Scottsdale, AZ 85260
P 480.864.5579

Minnesota Ovarian Cancer Alliance
Table of Contents
December 31, 2023 and 2022

	<u>Page No.</u>
Independent Auditor's Report	3
Financial Statements	
Statements of Financial Position	6
Statements of Activities	7
Statements of Functional Expenses	9
Statements of Cash Flows	11
Notes to the Financial Statements	12

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Minnesota Ovarian Cancer Alliance
Minneapolis, Minnesota

Opinion

We have audited the accompanying financial statements of the Minnesota Ovarian Cancer Alliance (the Organization), which comprise the statements of financial position as of December 31, 2023 and 2022, 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 the Organization as of December 31, 2023 and 2022, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 auditor's 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 the Organization'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 the Organization'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.



Abdo
Minneapolis, Minnesota
April 22, 2024



FINANCIAL STATEMENTS

Minnesota Ovarian Cancer Alliance
Statements of Financial Position
December 31, 2023 and 2022

	2023	2022
Assets		
Current Assets		
Cash and cash equivalents	\$ 829,761	\$ 876,089
Accounts receivable	2,475	3,005
Pledges receivable, current	10,000	10,000
Prepaid expenses	26,568	20,488
Inventory	1,858	4,945
Total Current Assets	870,662	914,527
Noncurrent Assets		
Property and Equipment		
Building and improvements	362,609	358,084
Land	37,404	37,404
Office equipment	51,274	48,060
Website	10,500	10,500
Total Property and Equipment	461,787	454,048
Less: Accumulated Depreciation	(199,787)	(184,861)
Total Property and Equipment, Net	262,000	269,187
Other Assets		
Pledges receivable, noncurrent	-	10,000
Investments	435,011	371,456
Total Other Assets	435,011	381,456
Total Assets	\$ 1,567,673	\$ 1,565,170
Liabilities		
Current Liabilities		
Accounts payable	\$ 8,305	\$ 11,623
Accrued expenses	18,220	26,642
Grants and awards payable	365,600	633,500
Total Liabilities	392,125	671,765
Net Assets		
Without donor restrictions	793,147	837,504
With donor restrictions	382,401	55,901
Total Net Assets	1,175,548	893,405
Total Liabilities and Net Assets	\$ 1,567,673	\$ 1,565,170

See Independent Auditor's Report and Notes to the Combined Financial Statements.

Minnesota Ovarian Cancer Alliance
Statements of Activities
For the Years Ended December 31, 2023 and 2022

	2023		Total
	Without Donor Restrictions	With Donor Restrictions	
Revenue and Support			
Contributions	\$ 1,095,061	\$ 345,000	\$ 1,440,061
In-kind contributions	84,764	-	84,764
Special event revenue, net of expenses of \$108,072	94,334	-	94,334
Investment income	83,666	-	83,666
Total Revenue and Support	<u>1,357,825</u>	<u>345,000</u>	<u>1,702,825</u>
Net assets released from restriction	<u>18,500</u>	<u>(18,500)</u>	<u>-</u>
Total Revenue and Support	<u>1,376,325</u>	<u>326,500</u>	<u>1,702,825</u>
Expenses			
Program services			
Awareness and outreach	187,358	-	187,358
Medical education	55,810	-	55,810
Patient and caregiver support	230,656	-	230,656
Research	733,588	-	733,588
Any Mountain	10,000	-	10,000
Total Program Services	<u>1,217,412</u>	<u>-</u>	<u>1,217,412</u>
Management and general	106,787	-	106,787
Fundraising	96,483	-	96,483
Total Expenses	<u>1,420,682</u>	<u>-</u>	<u>1,420,682</u>
Change in Net Assets	(44,357)	326,500	282,143
Beginning Net Assets	<u>837,504</u>	<u>55,901</u>	<u>893,405</u>
Ending Net Assets	<u>\$ 793,147</u>	<u>\$ 382,401</u>	<u>\$ 1,175,548</u>

See Independent Auditor's Report and Notes to the Combined Financial Statements.

Minnesota Ovarian Cancer Alliance
Statements of Activities (Continued)
For the Years Ended December 31, 2023 and 2022

	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Contributions	\$ 1,053,671	\$ 17,937	\$ 1,071,608
In-kind contributions	92,903	-	92,903
Special event revenue, net of expenses of \$97,972	102,511	-	102,511
Investment loss	(66,503)	-	(66,503)
Total Revenue and Support	<u>1,182,582</u>	<u>17,937</u>	<u>1,200,519</u>
Net Assets Released from Restrictions	<u>5,505</u>	<u>(5,505)</u>	<u>-</u>
Total Revenue and Support	<u>1,188,087</u>	<u>12,432</u>	<u>1,200,519</u>
Expenses			
Program services			
Awareness and outreach	179,620	-	179,620
Medical education	55,683	-	55,683
Patient and caregiver support	222,053	-	222,053
Research	1,078,983	-	1,078,983
Any Mountain	5,504	-	5,504
Total Program Services	<u>1,541,843</u>	<u>-</u>	<u>1,541,843</u>
Management and general	104,291	-	104,291
Fundraising	104,260	-	104,260
Total Expenses	<u>1,750,394</u>	<u>-</u>	<u>1,750,394</u>
Change in Net Assets	(562,307)	12,432	(549,875)
Beginning Net Assets	<u>1,399,811</u>	<u>43,469</u>	<u>1,443,280</u>
Ending Net Assets	<u>\$ 837,504</u>	<u>\$ 55,901</u>	<u>\$ 893,405</u>

See Independent Auditor's Report and Notes to the Combined Financial Statements.

Minnesota Ovarian Cancer Alliance
Statements of Functional Expenses
For the Year Ended December 31, 2023

	Program Services						Management and General	Fundraising	Total
	Awareness and Outreach	Medical Education	Patient and Caregiver Support	Research	Any Mountain	Total Program Services			
Salaries and Benefits									
Wages	\$ 129,952	\$ 37,272	\$ 137,337	\$ 52,113	\$ -	\$ 356,674	\$ 61,875	\$ 27,793	\$ 446,342
Benefits and payroll tax	21,741	7,071	24,308	8,879	-	61,999	9,006	4,847	75,852
Total Salaries and Benefits	151,693	44,343	161,645	60,992	-	418,673	70,881	32,640	522,194
Expenses									
Grants, awards and scholarships	-	3,500	30,000	649,646	10,000	693,146	-	-	693,146
Special event- direct benefits	-	-	-	-	-	-	-	108,072	108,072
In-kind expenses	1,190	1,739	1,739	2,289	-	6,957	4,699	19,632	31,288
Software fees	5,381	586	4,032	1,000	-	10,999	1,148	12,674	24,821
Professional fees	-	-	-	10,110	-	10,110	14,415	-	24,525
Occupancy	6,319	1,843	6,800	2,554	-	17,516	3,382	1,404	22,302
Depreciation	4,250	1,240	4,574	1,718	-	11,782	2,199	944	14,925
Printing, design and incentives	1,282	34	5,029	47	-	6,392	941	7,482	14,815
Telephone	4,128	1,205	4,444	1,669	-	11,446	2,126	917	14,489
Miscellaneous	3,166	-	199	-	-	3,365	695	8,588	12,648
Event location	-	-	7,770	-	-	7,770	2,009	-	9,779
Postage, shipping and delivery	2,490	33	130	165	-	2,818	275	5,909	9,002
Supplies	2,266	305	1,733	424	-	4,728	935	2,299	7,962
Meeting, conferences and travel	533	288	-	1,976	-	2,797	466	2,926	6,189
Taxes, licenses and bank fees	1,713	343	1,265	511	-	3,832	997	800	5,629
Insurance	1,205	351	1,296	487	-	3,339	1,619	268	5,226
Awareness and outreach, LEWK	1,656	-	-	-	-	1,656	-	-	1,656
Media, advertising and promotions	86	-	-	-	-	86	-	-	86
Total Expenses	187,358	55,810	230,656	733,588	10,000	1,217,412	106,787	204,555	1,528,754
Less: Expenses netted against revenue on the statement of activities:									
Direct Benefit Expense	-	-	-	-	-	-	-	(108,072)	(108,072)
Total Expenses	\$ 187,358	\$ 55,810	\$ 230,656	\$ 733,588	\$ 10,000	\$ 1,217,412	\$ 106,787	\$ 96,483	\$ 1,420,682

See Independent Auditor's Report and Notes to the Combined Financial Statements.

Minnesota Ovarian Cancer Alliance
Statements of Functional Expenses (Continued)
For the Year Ended December 31, 2022

	Program Services					Total Program Services	Management and General	Fundraising	Total
	Awareness and Outreach	Medical Education	Patient and Caregiver Support	Research	Any Mountain				
Salaries and Benefits									
Wages	\$ 121,547	\$ 35,822	\$ 130,585	\$ 50,732	\$ -	\$ 338,686	\$ 62,940	\$ 27,406	\$ 429,032
Benefits and payroll tax	19,725	6,412	22,059	8,091	-	56,287	9,189	4,467	69,943
Total Salaries and Benefits	141,272	42,234	152,644	58,823	-	394,973	72,129	31,873	498,975
Expenses									
Grants, awards and scholarships	-	5,505	32,500	999,246	-	1,037,251	-	-	1,037,251
Special event - direct benefits	-	-	-	-	-	-	-	97,972	97,972
Meeting, conferences and travel	2,440	1,739	1,739	2,289	-	8,207	4,699	25,882	38,788
In-kind expenses	7,555	2,218	8,117	3,116	-	21,006	4,203	1,694	26,903
Professional fees	6,463	334	3,508	660	-	10,965	731	14,317	26,013
Occupancy	-	-	-	9,720	-	9,720	13,787	-	23,507
Depreciation	5,155	1,512	5,538	2,122	-	14,327	2,714	1,154	18,195
Software fees	2,566	84	4,999	316	-	7,965	649	9,150	17,764
Telephone	2,671	-	-	-	295	2,966	229	8,870	12,065
Miscellaneous	2,573	67	262	182	-	3,084	318	5,431	8,833
Other event expenses	2,396	703	2,573	987	-	6,659	1,264	537	8,460
Insurance	-	-	5,322	-	1,686	7,008	-	-	7,008
Media, advertising and promotions	1,385	298	2,193	417	68	4,361	1,103	835	6,299
Postage, shipping and delivery	1,604	295	1,081	413	-	3,393	642	1,177	5,212
Supplies	1,191	349	1,280	490	-	3,310	1,622	267	5,199
Taxes, licenses and bank fees	1,498	-	-	-	3,407	4,905	-	-	4,905
Event location	482	266	6	90	48	892	55	2,853	3,800
Employee training	272	79	291	112	-	754	146	61	961
Printing, design and incentives	97	-	-	-	-	97	-	159	256
Total Expenses	179,620	55,683	222,053	1,078,983	5,504	1,541,843	104,291	202,232	1,848,366
Less: Expenses netted against revenue on the statement of activities: Direct Benefit Expenses	-	-	-	-	-	-	-	(97,972)	(97,972)
Total Expenses	\$ 179,620	\$ 55,683	\$ 222,053	\$ 1,078,983	\$ 5,504	\$ 1,541,843	\$ 104,291	\$ 104,260	\$ 1,750,394

See Independent Auditor's Report and Notes to the Combined Financial Statements.

Minnesota Ovarian Cancer Alliance
Statements of Cash Flows
For the Years Ended December 31, 2023 and 2022

	2023	2022
Cash Flows from Operating Activities		
Change in net assets	\$ 282,143	\$ (549,875)
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities		
Depreciation	14,925	18,195
Realized and unrealized loss (gain) on investments	(56,847)	73,912
(Increase) decrease in operating assets:		
Accounts receivable	530	(505)
Pledges receivable	10,000	(20,000)
Prepaid expenses	(6,080)	19,464
Inventory	3,087	(561)
Increase (decrease) in liabilities		
Accounts payable	(3,318)	(2,328)
Accrued expenses	(8,422)	(2,188)
Grants and awards payable	(267,900)	73,000
Net Cash Used by Operating Activities	(31,882)	(390,886)
 Cash Flows From Investing Activities		
Purchase of investments	(9,207)	(1,680)
Proceeds from sale of investments	2,500	-
Purchase of equipment	(7,739)	(9,450)
Net Cash Used by Investing Activities	(14,446)	(11,130)
 Net Change in Cash and Cash Equivalents	(46,328)	(402,016)
 Cash and Cash Equivalents- Beginning of year	876,089	1,278,105
Cash and Cash Equivalents- End of year	\$ 829,761	\$ 876,089
 Supplemental Disclosure of Non-cash Transactions		
Disposal of fully depreciated fixed assets	\$ -	\$ 11,127

See Independent Auditor's Report and Notes to the Combined Financial Statements.

Minnesota Ovarian Cancer Alliance
Notes to the Financial Statements
December 31, 2023 and 2022

Note 1: Summary of Significant Accounting Policies

A. Nature of Organization

The Minnesota Ovarian Cancer Alliance (the Organization) is a statewide nonprofit 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 programing research. The Organization has awarded over \$11.5 million to research projects for ovarian cancer research.

The organization operates the following programs:

Awareness and Outreach

Minnesota Ovarian Cancer Alliance (MOCA) increased awareness about ovarian cancer and support for survivors through various public events in 2023 such as HOM Teal Strides for Ovarian Cancer, Tie it Teal with the Twins Ovarian Cancer Awareness Day, Unleash the She 5k 10k Race, MOCA Lights the Night initiative (30 landmarks lit throughout Minnesota and beyond), 15 awareness initiatives, and four educational events including two Living Well work shop and one MOCA Education Summit with three educational sessions on topics including treatment advances, navigating the stages of survivorship and naturopathic, integrative care. MOCA has a strong media presence and placed 28 unique stories about ovarian cancer on local TV stations and in several print and digital 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 produces a monthly MOCA Messenger newsletter and regular updates 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 designate to design and execute ovarian cancer outreach programs for the medical community, including the Surviving Teaching Students program which educated 325 health care students at colleges and universities throughout Minnesota.

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, two public education meetings and one MOCA Education Summit with three educational sessions three ongoing monthly support groups, monthly Walking Groups and two young survivors support meetings. MOCA provides mentoring throughout their 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.

Minnesota Ovarian Cancer Alliance
Notes to the Financial Statements
December 31, 2023 and 2022

Note 1: Summary of Significant Accounting Policies (Continued)

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 2023, MOCA provided five grants to Minnesota-based researchers for ovarian cancer research projects totaling \$450,000. In 2022, MOCA awarded two grants of \$100,000 each to two national researchers for early detection research projects. With funds raised by the Any Mountain trek to Mt. Everest, MOCA provided \$10,000 each to 4 national cancer centers to expand access to an ovarian cancer surgical prevention trial.

B. Financial Statement Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with United States generally accepted accounting principles. Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and related changes are classified and reported as follows:

Net Assets without Donor Restriction (Unrestricted)

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of management and the Board of Directors.

Net Assets with Donor Restriction (Restricted)

Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. At this time, the Organization has no such perpetually restricted net assets.

C. Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts in its financial statements and accompanying notes. Actual results could differ from those estimates.

D. Cash and Cash Equivalents

For purposes of the statement of cash flows, MOCA considers all short-term, highly liquid investments and investments purchased with a maturity of three months or less to be considered cash or cash equivalents. The Organization's cash balances held in bank depositories may exceed federally insured limits at times.

E. Inventory

Inventories consist of various promotional items and are stated at the lower of cost or net realizable value determined on the first-in, first-out basis (FIFO).

Minnesota Ovarian Cancer Alliance
Notes to the Financial Statements
December 31, 2023 and 2022

Note 1: Summary of Significant Accounting Policies (Continued)

F. Pledges Receivable

Pledges receivables are stated at the amount management expects to collect. Management review receivable balances annually and establishes an allowance based on expected collections. Receivables are written off as a charge to the allowance when, in management’s estimation, it is probable that the receivable is worthless. Management has evaluated receivables and determined that no allowance was necessary at December 31, 2023. Pledges receivable of \$10,000 are due to be collected in 2024.

G. Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Accounts receivable is reduced by an allowance for credit losses that reflects our best estimates of the amounts that will not be collected. There was no allowance for credit losses as of December 31, 2023 and 2022.

H. Property and Equipment

The Organization follows the practice of capitalizing, at cost, all expenditures for property and equipment in excess of \$1,500 with a future benefit of greater than one year. 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 is charged to activities using the straight-line method over the estimated useful lives of the assets. Estimated useful lives are as follows:

Assets	Useful Lives in Years
Buildings and improvements	7-39
Office equipment	3-7
Website	3

Depreciation expense for the years ended December 31, 2023 and 2022 was \$14,925 and \$18,195, respectively.

I. 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. There are no conditional grants for the years ended December 31, 2023 and 2022. All grants and awards payable as of December 31, 2023 and 2022 are expected to be paid within one year.

J. Functional Expense Allocation

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expense presents the natural classification detail of expenses by function. Most expenses can be directly identified with the program or supporting services to which they relate and are charged accordingly. Indirect expenses are allocated based on employee time and effort, or management’s best estimate.

Minnesota Ovarian Cancer Alliance
Notes to the Financial Statements
December 31, 2023 and 2022

Note 1: Summary of Significant Accounting Policies (Continued)

K. Revenue Recognition

The Organization follows the provisions of Accounting Standards Codification 606, *Contracts with Customers* on revenues derived from special event revenue consisting of registrations.

Special event revenue is recognized at a specific point in time when the respective performance obligations are met.

- **Performance Obligations** - The performance obligation related to special events are met at the occurrence of the event which is at a point in time.
- **Contract Balances** - Deferred revenue consists of payments received in advance that relate to registration received before the end of the fiscal year and are deferred and recognized as revenue in the period earned. Deferred revenue does not represent total values. All deferred revenue is classified as current and will be recognized over the next year. Deferred revenue is \$0 as of December 31, 2023 and 2022, respectively.

Minnesota Ovarian Cancer Alliance's other revenues are explicitly excluded from the scope of ASC Topic 606 and are not recorded in accordance with that standard.

The Organization follows FASB Accounting Standards Codification 958-605, *Revenue Recognition for Not-for-Profit Entities* for contributions, grants, and other similar revenues. Revenue is recognized when the contribution is received, and contributions received are recorded as donor restricted support or unrestricted support depending on the existence and/or nature of any donor restrictions. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as unrestricted support.

L. Income Taxes

Minnesota Ovarian Cancer Alliance qualifies as a tax-exempt entity and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Minnesota Statue 290.05.

M. Advertising

Advertising costs are charged to expense during the year in which they are incurred.

N. New Accounting Pronouncements

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. This ASU amends the guidance on the impairment of financial instruments and adds an impairment model known as the current expected credit losses model, that is based on expected credit losses rather than incurred losses. Under the new guidance, an entity recognizes, as an allowance, its estimate of expected credit losses over the contractual life of a financial asset. In November 2019, the FASB issues ASU 2019-10, *Financial Instruments- Credit Losses (Topic 326)*, which defers the effective date to annual reporting periods beginning after December 15, 2022, with early adoption permitted. The provisions of this ASU are to be applied using the modified retrospective approach. The Organization has adopted the standard effective January 1, 2023. The impact of the adoption was not considered material to the financial statements.

O. Subsequent Events

Subsequent events were evaluated through April 22, 2024, which is the date the financial statements were available to be issued.

Minnesota Ovarian Cancer Alliance
Notes to the Financial Statements
December 31, 2023 and 2022

Note 2: Net assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes as of December 31:

	2023	2022
Any Mountain	\$ 320,000	\$ -
Research	22,400	22,400
Colleen Anderson fund	10,180	12,680
Rychwalski fund	8,326	8,326
Lubov fund	7,995	7,995
Pederson scholarship	6,000	4,500
Amy Wivell Memorial donations	5,000	-
BWT Young Survivor Table	2,500	-
	<u>\$ 382,401</u>	<u>\$ 55,901</u>
Total net assets with donor restrictions	<u>\$ 382,401</u>	<u>\$ 55,901</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:

	2023	2022
Any Mountain	\$ 10,000	\$ -
Jenna Simon Memorial Dream Award	5,000	-
Colleen Anderson Fund	2,500	2,500
Pederson scholarship	1,000	-
Scholarship fund	-	3,005
	<u>\$ 18,500</u>	<u>\$ 5,505</u>
Net assets released from restrictions	<u>\$ 18,500</u>	<u>\$ 5,505</u>

Minnesota Ovarian Cancer Alliance
Notes to the Financial Statements
December 31, 2023 and 2022

Note 3: 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. There were no donor restrictions related to the contributions. The following contributed goods and services were received in 2023 and 2022, respectively:

	<u>2023</u>	<u>2022</u>	Usage in Programs/ Activities	<u>Fair Value Techniques</u>
Auction items	\$ 53,476	\$ 54,115	Fundraising	Estimated wholesale prices of identical or similar services if purchased in the region
Video services	27,688	38,788	Fundraising	Estimated wholesale prices of identical or similar services if purchased in the region
Maintenance website	<u>3,600</u>	<u>-</u>	Fundraising	Estimated wholesale prices of identical or similar products if purchased in the region
Total In-kind Contributions	<u>\$ 84,764</u>	<u>\$ 92,903</u>		

Note 4: Investments Income (Loss)

The investment income (loss) is summarized as follows:

	<u>2023</u>	<u>2022</u>
Net unrealized gains (losses)	\$ 56,322	\$ (74,448)
Interest and dividend income	26,819	7,409
Realized gains	<u>525</u>	<u>536</u>
Total Investment Income (Loss)	<u>\$ 83,666</u>	<u>\$ (66,503)</u>

Note 5: Fair Value Measurements

The Organization has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into 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 their fair value measurement of the instrument in its entirety.

Minnesota Ovarian Cancer Alliance
Notes to the Financial Statements
December 31, 2023 and 2022

Note 5: Fair Value Measurements (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 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.

Level 3 – Financial assets 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.

Following is a description of the Valuation methodologies used for assets measured at fair value. No methodologies were added for the year ended December 31, 2023 and 2022.

Money Market: Valued at cash value

U.S. and International Equities: Valued at the closing price reported in the active market in which the individual securities are traded.

Fixed Income: Valued at the daily price as reported by the fixed income. Fixed Income held by the Organization are open-ended incomes that are registered with the Securities and Exchange Commission.

The following table sets forth by level, within the fair value hierarchy, the Organization's investments at fair value:

	2023			Total
	Level 1	Level 2	Level 3	
Money market	\$ 47,261	\$ -	\$ -	\$ 47,261
U.S equities	246,719	-	-	246,719
International equities	27,973	-	-	27,973
Fixed income	113,058	-	-	113,058
Total investments	<u>\$ 435,011</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 435,011</u>
	2022			
	Level 1	Level 2	Level 3	Total
Money market	\$ 38,264	\$ -	\$ -	\$ 38,264
U.S equities	197,998	-	-	197,998
International equities	24,510	-	-	24,510
Fixed income	110,684	-	-	110,684
Total investments	<u>\$ 371,456</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 371,456</u>

Minnesota Ovarian Cancer Alliance
Notes to the Financial Statements
December 31, 2023 and 2022

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, 2023 and 2022, the Organization contributed \$12,351 and \$12,303 to their retirement plan, respectively.

Note 7: Related Party Transactions

Revenue recognized from members of the board of directors totaled \$49,691 and \$99,988 for the years ended December 31, 2023 and 2022, respectively

Note 8: Allocation of Joint Costs

During the year ended December 31, 2023, the Organization conducted activities that included appeals for contributions as part of their Teal Strides event and incurred joint costs of \$12,700. Of these costs \$6,350 was allocated to both fundraising expense and program expense. During the year ended December 31, 2022, the total joint costs were \$17,151. Of these costs, \$8,575 was allocated to both fundraising expense and program expense.

Note 9: Liquidity and Availability of Financial Assets

The Organization has the following assets available for general expenditures within one year at December 31:

	2023	2022
Cash and cash equivalents	\$ 829,761	\$ 876,089
Account receivable	2,475	3,005
Pledge receivable, current	10,000	10,000
Investments	435,011	371,456
Total Financial Assets	1,277,247	1,260,550
Less: Donor restrictions amounts unavailable for general expenditure within one year	(382,401)	(55,901)
Total financial assets available within one year	\$ 894,846	\$ 1,204,649

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 a part of the budget process. The excess of funds over the operating reserve is then released to research funds to be awarded in the next budget cycle.