

NATIONAL OVARIAN CANCER COALITION, INC.

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT**

**DECEMBER 31, 2020
(WITH SUMMARIZED COMPARATIVE INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2019)**

NATIONAL OVARIAN CANCER COALITION, INC.
TABLE OF CONTENTS
DECEMBER 31, 2020
(With Summarized Comparative Totals for the Year Ended December 31, 2019)

	Page
INDEPENDENT AUDITORS' REPORT	1-3
FINANCIAL STATEMENTS	
Statement of Financial Position	4
(With Summarized Comparative Totals as of December 31, 2019)	
Statement of Activities and Changes in Net Assets.....	5
(With Summarized Comparative Totals for the Year Ended December 31, 2019)	
Statement of Functional Expenses	6
(With Summarized Comparative Totals for the Year Ended December 31, 2019)	
Statement of Cash Flows	7
(With Summarized Comparative Totals for the Year Ended December 31, 2019)	
NOTES TO FINANCIAL STATEMENTS.....	8-21



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
of National Ovarian Cancer Coalition, Inc.

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of National Ovarian Cancer Coalition, Inc., which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of National Ovarian Cancer Coalition, Inc. as of December 31, 2020, and the changes in its net assets and its cash flows for the year 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 (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 National Ovarian Cancer Coalition, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 National Ovarian Cancer Coalition, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these 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 National Ovarian Cancer Coalition, Inc.'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 National Ovarian Cancer Coalition, Inc.'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.

Report on Summarized Comparative Information

We have previously audited National Ovarian Cancer Coalition, Inc.'s December 31, 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 6, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in cursive script that reads "Salmon Sims Thomas".

Salmon Sims Thomas & Associates
A Professional Limited Liability Company

December 8, 2021

NATIONAL OVARIAN CANCER COALITION, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020
(With Summarized Comparative Totals for the Year Ended December 31, 2019)

ASSETS

	2020	2019
Current Assets		
Cash and cash equivalents	\$ 3,328,542	\$ 2,254,151
Contributions receivable	10,000	-
Inventory	56,360	54,900
Prepaid expenses	6,603	51,747
Total Current Assets	3,401,505	2,360,798
Property and Equipment		
Furniture, fixtures, and equipment	36,309	35,228
Less accumulated depreciation and amortization	(35,843)	(31,261)
Net Property and Equipment	466	3,967
Other Assets		
Beneficial interests in assets held by others	1,184,357	1,093,791
Rent and security deposits	10,594	10,594
Total Other Assets	1,194,951	1,104,385
 TOTAL ASSETS	 \$ 4,596,922	 \$ 3,469,150

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts payable	\$ 49,517	\$ 27,617
Accrued salaries and wages	27,806	74,219
Accrued vacation	82,849	67,745
Deferred rent, current portion	10,974	5,058
Economic Injury Disaster Loan, current portion	1,794	-
Deferred revenue	15,000	224,664
Total Current Liabilities	187,940	399,303
Long-term Liabilities		
Economic Injury Disaster Loan, non-current portion	148,206	-
Deferred rent, non-current portion	45,427	41,396
Total Long-term Liabilities	193,633	41,396
Net Assets		
Without donor restrictions	3,731,410	2,963,451
With donor restrictions	483,939	65,000
Total Net Assets	4,215,349	3,028,451
 TOTAL LIABILITIES AND NET ASSETS	 \$ 4,596,922	 \$ 3,469,150

The accompanying notes are an integral part of this financial statement.

NATIONAL OVARIAN CANCER COALITION, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Summarized Comparative Totals for the Year Ended December 31, 2019)

	2020			2019
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Revenues and Support				
Awareness events (includes in-kind contributions of \$-0- in 2020 and \$9,149 in 2019)	\$ 1,942,087	\$ 526,705	\$ 2,468,792	\$ 2,689,460
Less: cost of direct benefits to participants	-	-	-	(102,895)
Individual contributions	313,222	-	313,222	777,358
Corporation contributions	999,245	-	999,245	28,150
Special events	13,735	-	13,735	226,618
Less: cost of direct benefits to participants	-	-	-	(19,081)
Outside fundraisers	279,485	-	279,485	269,216
Change in value of beneficial interests held by others	90,566	-	90,566	122,704
Investment income	224	-	224	628
	<u>3,638,564</u>	<u>526,705</u>	<u>4,165,269</u>	<u>3,992,158</u>
Net assets released from restriction	107,766	(107,766)	-	-
Total Revenues and Support	<u>3,746,330</u>	<u>418,939</u>	<u>4,165,269</u>	<u>3,992,158</u>
Expenses				
Program services	2,234,901	-	2,234,901	2,728,190
Supporting activities	743,470	-	743,470	736,703
Total Expenses	<u>2,978,371</u>	<u>-</u>	<u>2,978,371</u>	<u>3,464,893</u>
Change in Net Assets	767,959	418,939	1,186,898	527,265
Net Assets, beginning of year	<u>2,963,451</u>	<u>65,000</u>	<u>3,028,451</u>	<u>2,501,186</u>
Net Assets, end of year	<u>\$ 3,731,410</u>	<u>\$ 483,939</u>	<u>\$ 4,215,349</u>	<u>\$ 3,028,451</u>

The accompanying notes are an integral part of this financial statement.

NATIONAL OVARIAN CANCER COALITION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Summarized Comparative Totals for the Year Ended December 31, 2019)

	Program Services			Supporting Activities			2019
	Earlier Awareness	Quality of Life	Together in TEAL	Management and		Total	
				General	Fundraising		
Salaries and wages	\$ 290,291	\$ 173,722	\$ 679,431	\$ 122,537	\$ 173,728	\$ 1,439,709	\$ 1,320,466
Employee benefits	20,724	12,402	48,507	63,745	12,394	157,772	91,461
Payroll taxes	23,441	14,028	54,864	9,895	14,028	116,256	116,766
Rent and utilities	28,604	17,130	67,415	8,752	12,408	134,309	148,826
Independent contractors	35,603	41,551	160,555	2,899	33,583	274,191	305,718
Professional services	-	-	-	24,050	3,144	27,194	90,047
Website	3,426	3,426	3,426	1,901	1,901	14,080	5,552
Marketing and communications	5,351	5,351	30,351	-	13,316	54,369	5,063
Equipment and furniture	1,071	1,247	2,520	356	585	5,779	5,448
Office supplies and materials	4,734	2,834	11,204	252	1,494	20,518	56,795
Postage and shipping	3,630	29,846	13,504	200	912	48,092	56,168
Printing and copying	776	13,522	6,545	198	1,057	22,098	106,816
Telecommunications	7,972	4,778	18,924	230	2,102	34,006	37,955
Events related expenses	12,541	40,740	113,556	228	34,522	201,587	431,202
Travel expenses	4,374	5,098	12,104	341	344	22,261	119,355
Software and subscriptions	28,534	13,443	48,791	78,079	15,411	184,258	106,563
Licenses and permits	-	-	-	-	19,376	19,376	14,324
Insurance	2,264	1,355	5,300	7,876	1,355	18,150	26,666
Research and sponsored projects	-	-	-	-	-	-	294,790
Charges, dues and fees	100	58	68	1,015	78,313	79,554	112,418
Depreciation	924	553	2,162	390	553	4,582	3,345
Food delivery	-	90,230	-	-	-	90,230	-
Bad debt	-	10,000	-	-	-	10,000	-
In-kind expenses	-	-	-	-	-	-	9,149
	\$ 474,360	\$ 481,314	\$ 1,279,227	\$ 322,944	\$ 420,526	\$ 2,978,371	\$ 3,464,893

The accompanying notes are an integral part of this financial statement.

NATIONAL OVARIAN CANCER COALITION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Summarized Comparative Totals for the Year Ended December 31, 2019)

	2020	2019
Cash Flows From Operating Activities		
Change in Net Assets	\$ 1,186,898	\$ 527,265
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	4,582	3,345
Change in value of beneficial interests in assets held by others	(90,566)	(122,704)
Changes in operating assets and liabilities		
Contributions receivable	(10,000)	55,455
Inventory	(1,460)	(1,460)
Deposits	-	4,605
Prepaid expenses	45,144	(21,381)
Accounts payable	21,900	9,544
Accrued salaries and wages	(46,413)	9,842
Accrued vacation	15,104	2,931
Deferred rent	9,947	46,454
Deferred revenue	(209,664)	219,440
Net Cash Provided by Operating Activities	925,472	733,336
 Cash Flows From Investing Activities		
Purchase of equipment	(1,081)	-
 Cash Flows From Financing Activities		
Borrowings on Economic Injury Disaster Loan	150,000	-
 Net Increase in Cash	1,074,391	733,336
 Cash, and cash equivalents, beginning of year	2,254,151	1,520,815
 Cash, and cash equivalents, end of year	\$ 3,328,542	\$ 2,254,151

The accompanying notes are an integral part of this financial statement.

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020
(With Summarized Comparative Totals for the Year Ended December 31, 2019)

NOTE 1: ORGANIZATION

National Ovarian Cancer Coalition, Inc. (NOCC) is a nonprofit public benefit corporation. NOCC's mission is to save lives through the prevention and cure of ovarian cancer and to improve the quality of life for survivors and their caregivers. NOCC currently provides program services nationwide. It is funded through contributions from the public and private sectors.

Program Structure

NOCC's work is grounded in four pillars: Early Awareness, Quality of Life, Community Outreach, and Research. Below highlights the key focus areas and the programs that support each initiative and the ovarian cancer community.

Early Awareness

Through programs and resources, NOCC empowers survivors and caregivers to make the appropriate health decisions as they move through the continuum of care by providing the following resources:

- **Educational Resources** - literature, videos, and content on ovarian.org
- **Information Line 1-888-OVARIAN** - information about NOCC, educational programming, and local chapter connections
- **Ask the Experts** (Facebook Live Educational Series) - informative sessions led by industry experts designed to raise awareness, educate about ovarian cancer and provide resources for navigating the ovarian cancer journey
- **Local Community Education Programs** - local health fairs, lunch and learn presentations, and speaker's bureau activities that aim to raise earlier awareness in our communities

Quality of Life

NOCC provides physical, mental, emotional, and social support programs key to improving the survivor experience, which can impact health and enhance the quality of life.

- **Faces of Hope®** (Support/Educational Care Kits) - tote bag that provides survivors with educational resources and comfort items to help navigate a new diagnosis of ovarian cancer
- **Teal Hearts Network** (Survivor Peer-to-Peer Support Group) - online monthly gatherings hosted by local NOCC chapters across the country that provide a place for survivors to get the emotional support they need as they navigate their journey
- **Teal Cares Network** (Caregiver Support Group) - online national support group for caregivers professionally facilitated by expert clinicians that will allow caregivers to address their own physical and emotional challenges

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020
(With Summarized Comparative Totals for the Year Ended December 31, 2019)

NOTE 1: ORGANIZATION (CONTINUED)

- **NOCC CancerConnect Online Community** (24/7 Online Support Forum) - online forum where survivors and their caregivers can learn, support, and connect with others
- **Nutritional Information and Support** (Savor Health® Ina) – Nutritional guide to help manage symptoms and provide nutrition support they need as they navigate their journey. Savor Health offers a text-based app that can see personalize nutrition tips and answer questions.
- **Comfort for the Soul** (Meal Delivery Service) - healthy, pre-prepared meals delivered on a weekly basis to support survivors in treatment and their families (created in response to COVID-19)
- **Comfort for the Mind** (One-On-One Professional Counseling) - professional counseling aimed at supporting survivors and caregivers as they handle the stress of a new diagnosis, the anxiety of a recurrence, or the pressures that come from being a caregiver (created in response to COVID-19)

Community Outreach

NOCC hosts events nationwide that focus on empowering and mobilizing communities to take action and raise ovarian cancer awareness around the U.S.

- **Together in TEAL® No Boundaries** – (Formerly Run/Walk to Break the Silence) - Together in TEAL® No Boundaries - National Broadcast Celebration - hosted annually, a legacy event focused on increasing knowledge about ovarian cancer, raising awareness about signs and symptoms while uniting NOCC communities in the U.S.
- **ROCK the Day®** (NOCC Signature DIY Program) - invites individuals from across the nation to come together and put their creativity and passion to Raise Ovarian Cancer Knowledge through fundraising and awareness of their choosing
- **Team TEAL®** (Endurance Awareness Events) - opportunity for endurance enthusiasts to participate in their favorite athletic activity while showing their support for loved ones. Whether it's a marathon, half marathon, triathlon, long-distance cycling, joining Team Teal allows you to do what you love while raising awareness and funds for ovarian cancer

Research

NOCC is dedicated to funding research that will lead to advancements in the field of ovarian cancer.

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020
(With Summarized Comparative Totals for the Year Ended December 31, 2019)

NOTE 1: ORGANIZATION (CONTINUED)

Notable Organization activities during the year ended December 31, 2020 were (Unaudited):

Quality of Life:

Faces of Hope®

1,363 TEAL Totes were distributed to women newly diagnosed with ovarian cancer

469 TEAL Totes/Kits were provided to women with a recurrence of ovarian cancer

Savor Health® Ina

126 users downloaded and received nutritional guidance

Ask the Experts

30,000 people attended the educational live series

NOCC CancerConnect Online Community

2,200 active users participating in the online support community

Comfort for the Soul

10,800 meals served to women in treatment for ovarian cancer

Comfort for the Mind

83 professional counseling vouchers provided to survivors and caregivers

Teal Hearts Network

2,700 people annually participated in the Survivor Peer to Peer online monthly gatherings

Community Outreach

Together in TEAL® - Ending Ovarian Cancer

17 awareness events nationally

759 Teams fought for the cause

999 Survivors were honored

16,500 participants and donors came Together in TEAL®

Team TEAL® - Make a difference with your Miles

7 endurance events nationally

1,500 participants and donors

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020
(With Summarized Comparative Totals for the Year Ended December 31, 2019)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies is presented to assist in understanding the financial statements. The financial statements and notes are representations of NOCC's management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America (US GAAP) and have been consistently applied in the preparation of the financial statements.

Comparative Financial Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class or functional expense categories. Such information does not include sufficient detail to constitute a presentation in conformity with US GAAP. Accordingly, such information should be read in conjunction with NOCC's financial statements for the year ended **December 31, 2019**, from which the summarized information was derived.

Use of Estimates

Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and reported revenues and expenses. Significant estimates used in preparing these financial statements include those assumed in recording depreciation, and the allocation of functional expenses. Actual results could differ from those estimates.

Basis of Presentation

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Net Assets without Donor Restrictions - Net assets not subject to donor-imposed stipulations.

Net Assets with Donor Restrictions - Net assets subject to donor-imposed stipulations that may or will be met by actions of NOCC and/or the passage of time.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of net assets with donor restrictions (*i.e.*, the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. Contributions of assets other than cash are recorded at their estimated fair value on the date of donation.

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020
(With Summarized Comparative Totals for the Year Ended December 31, 2019)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

NOCC considers all highly liquid instruments, including certificates of deposit with an original maturity of ninety days or less, to be cash equivalents. NOCC places cash which, at times, may exceed federally insured limits with high-credit quality financial institutions. NOCC has not experienced any losses on such assets.

Donated Assets and Services

Donated equipment and other donated goods are recorded at their estimated fair value as of the date of the donation. Contributed services, which require a specialized skill and for which NOCC would have paid if not donated, are recorded at the estimated fair value at the time the services are rendered. NOCC also receives donated services that do not require specific expertise, but which are nonetheless central to NOCC's operations.

Tote bag inventory

Inventory consists of donated tote bags received in a prior year but not distributed as of the year end. The donated tote bags are valued based on fair value at December 31, 2020 (See Note 3).

Property and Equipment

Property and equipment are stated at cost, if purchased, or at fair value at the date the equipment was donated. Major expenditures and those which substantially increase useful lives of the assets are capitalized. Maintenance, repairs, and replacements, which do not improve or extend the lives of the respective assets, are included in the statement of activities and changes in net assets when incurred. When property and equipment is sold or otherwise disposed of, the asset is removed, and any gain or loss is included in the statement of activities and changes in net assets.

Depreciation has been calculated using the straight-line method based on the estimated useful lives of the assets as follows:

Furniture, fixtures, and equipment	3-10 years
------------------------------------	------------

Income Taxes

NOCC is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code (IRC) of 1986, as amended, as an organization described in Section 501 (c)(3) of the IRC. NOCC has been classified as an organization that is not a private foundation under IRC Section 509(a)(2), and as such, contributions to NOCC qualify for deductions as charitable contributions. However, income generated from activities unrelated to NOCC's exempt purpose is subject to tax under IRC Section 511.

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020
(With Summarized Comparative Totals for the Year Ended December 31, 2019)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounting for Uncertainty in Income Taxes

Management has concluded that any tax positions that would not meet the more-likely-than-not criterion of Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) Topic 740-10, *Accounting for Income Taxes*, would be immaterial to the financial statements taken as a whole. Accordingly, the accompanying financial statements do not include any provision for uncertain tax positions, and no related interest or penalties have been recorded in the statement of activities and changes in net assets or accrued in the statement of financial position. Federal and state tax returns of the entity are generally open to examination by the relevant taxing authorities for a period of three years from the date the returns are filed.

Accrued Vacation

NOCC's employees are entitled to paid vacation depending upon the length of service. Accrued vacation represents vacation earned, but not taken. The accrued vacation balance as of December 31, 2020 and 2019 was \$82,849 and \$67,745, respectively.

Fair Value Measurements

FASB ASC 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides the fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data such as benchmark interest rates and yield curves and/or securities indices.

Level 3 – Inputs that are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020
(With Summarized Comparative Totals for the Year Ended December 31, 2019)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

The following is a description of the valuation methodology used for assets measured at fair value. There has been no change in the methodology used at December 31, 2020.

Beneficial interests in assets held by others: Fair value of the beneficial interests held by others is based on NOCC's percent interest in the trust assets (see Note 5) held by a trustee.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although NOCC believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The provisions of Topic 820 did not have an impact on NOCC's nonfinancial assets and nonfinancial liabilities that are not permitted or required to be measured at fair value on a recurring basis.

Unconditional Promises to Give

Contributions are recognized when a donor makes a promise to give to NOCC that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as an increase in net assets with donor restrictions. When a restriction expires or is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Unconditional promises to give that are due more than one year beyond the statement of financial position date are discounted to a net present value using an estimated discount factor for risk-free borrowing.

Contributions receivable are considered past due when payments are not made under the terms of the contribution agreement. There were no past due contributions receivable at December 31, 2020 and no provision was made for uncollectible receivables as of that date. Contributions receivable are considered uncollectible and written off as uncollectible when the donor withdraws the contribution commitment or fails to provide a reasonable revised schedule of contributions.

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020
(With Summarized Comparative Totals for the Year Ended December 31, 2019)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Advertising

NOCC's policy is to expense marketing and advertising as the costs are incurred. Marketing and advertising expenses for the years ended December 31, 2020 and 2019 totaled \$54,370 and \$5,063, respectively.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases*, which will supersede the current lease requirements in ASC 840. The new standard requires lessees to recognize a right-of-use (ROU) asset and a related lease liability for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities and changes in net assets. Currently, leases are classified as either capital or operating, with only capital leases recognized on the statement of financial position. The new standard is effective for private entities for annual periods beginning after December 15, 2021. NOCC is currently assessing the impact on its statement of position but expects that the guidance will not result in significant changes to the results of operations.

Allocations of Functional Expenses

The financial statements report certain categories of expenses that are attributable to either program or supporting functions. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Allocations are based on time and effort spent in each area. The expenses that are allocated include salary and wages, payroll taxes, events related expenses, and independent contractors' services, along with other program expenses. All other natural expense categories using the key concept of direct conduct or direct supervision are 100% charged to the benefiting program or support service.

Classification of Prior Year Presentation

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

Date of Management's Review

NOCC has evaluated subsequent events through December 8, 2021, the date the financial statements were available to be issued.

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020
(With Summarized Comparative Totals for the Year Ended December 31, 2019)

NOTE 3: DONATED TOTE BAGS INVENTORY

Inventory consists of donated tote bags received but not distributed as of December 31, 2020 and 2019. The donated bags were initially valued based on the standard retail price of \$37 per bag with ribbon embroidery and \$30 per bag without ribbon embroidery. Over time, management determined that the value of the inventory was overstated and the estimated value was reduced. The remaining inventory valuation was further reduced to \$5 per bag and to \$1 per bag in 2016 and 2017, respectively. The adjustment for the decrease in fair value was \$-0- in 2020 and 2019. NOCC plans to distribute the tote bags during future awareness events.

NOTE 4: PROPERTY AND EQUIPMENT

Property and equipment at consisted of the following at December 31:

	2020	2019
Furniture, fixtures, and equipment	\$ 36,309	\$ 35,228
Accumulated depreciation	(35,843)	(31,261)
	\$ 466	\$ 3,967

NOTE 5: BENEFICIAL INTERESTS IN ASSETS HELD BY OTHERS

NOCC is the beneficiary of two trusts. The trust assets in one trust have been segregated into separate accounts for each beneficiary of the trust. Therefore, NOCC's interest in this trust account is 100% and is valued based on the fair value of the underlying assets. At December 31, 2020 and 2019 the trust assets consisted of money accounts and mutual funds. As of December 31, 2020 and 2019, the interest in this trust was valued at:

	2020	2019
Beneficial interests in assets held by others	\$ 1,184,357	\$ 1,093,791

Distributions from this trust for the years ended December 31, 2020 and 2019 were \$66,138 and \$58,297, respectively, and are included with individual contributions in the accompanying statements of activities and changes in net assets. The changes in value of this beneficial interest for the years ended December 31, 2020 and 2019 was \$90,566 and \$122,704, respectively, and are included in the accompanying statements of activities and changes in net assets with individual donations.

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020
(With Summarized Comparative Totals for the Year Ended December 31, 2019)

NOTE 5: BENEFICIAL INTERESTS IN ASSETS HELD BY OTHERS (CONTINUED)

NOCC's interest in the second trust is that of a secondary income beneficiary. Once all trust expenses are paid, trust income is distributed to primary beneficiaries in prescribed dollar amounts. The secondary beneficiaries are then given a prescribed percentage of the remaining income. Due to the nature of this trust, NOCC's interest in this trust is not able to be estimated. Distributions from this trust for the years ended December 31, 2020 and 2019 were \$9,200 and \$19,269, respectively, and are included in the accompanying statements of activities and changes in net assets with individual donations.

NOTE 6: FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table sets forth by level, within the fair value hierarchy, NOCC's assets at fair value as of December 31:

	Year	Fair Value	Quoted Prices in Active Markets for Identical Assets/Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Beneficial interests in assets held by others	2020	\$ 1,184,357	\$ 1,184,357	-	-
	2019	\$ 1,093,791	\$ 1,093,791	-	-

NOTE 7: NET ASSETS WITH DONOR RESTRICTIONS

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

	2020	2019
Research	\$ 70,420	\$ 65,000
Programs	413,519	-
	<u>\$ 483,939</u>	<u>\$ 65,000</u>

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020
(With Summarized Comparative Totals for the Year Ended December 31, 2019)

NOTE 7: NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Net assets with donor restrictions were released from restriction as follows for the years ended December 31:

	<u>2020</u>	<u>2019</u>
Research	\$ 3,000	\$ 13,385
Programs	104,766	56,000
	<u>\$ 107,766</u>	<u>\$ 69,385</u>

NOTE 8: OPERATING LEASES

Headquarters - Dallas, Texas

On May 22, 2013, NOCC exercised an option to extend the lease for its headquarters to an additional term of five years with monthly rent ranging from \$4,605 in 2014 to \$4,841 in 2019. During 2018, with Board approval, NOCC relocated its offices in Dallas, Texas to a new location and entered into a lease agreement effective from January 1, 2019 through July 31, 2029. The lease provides for seven months of no rent at the beginning of the term, and base rent beginning August 1, 2019 of \$5,582 to \$7,287 beginning August 1, 2028, plus electricity.

Regional Office - Chicago, Illinois

Effective February 1, 2012 and expiring in February 1, 2017, NOCC entered into a five-year office lease agreement at a rate of \$1,473 per month for the first year and an increase of 3% per year thereafter. This lease was extended on December 27, 2016 to be effective February 1, 2017 and expiring January 1, 2022 at a rate of \$1,503 per month for the first year and an increase of 2.5% per year thereafter.

Future minimum lease payments under the noncancelable leases are as follows:

Years ending December 31,

2021	\$ 95,304
2022	77,045
2023	77,056
2024	78,916
2025	80,777
2026 and thereafter	304,502

Rental expense under these agreements for the years ended December 31, 2020 and 2019 was \$92,966 and \$104,103, respectively.

NOCC incurred additional rental expense for storage for the years ended December 31, 2020 and 2019 of \$34,556 and \$37,578, respectively.

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020
(With Summarized Comparative Totals for the Year Ended December 31, 2019)

NOTE 9: NOTES PAYABLE

The Organization received funding of \$260,204 in May 2020 under the Paycheck Protection Program (PPP) loan as part of the *Coronavirus Aid, Relief, and Economic Security Act* (CARES Act) to provide payroll assistance. The loan bears interest at 1.00%, payable monthly beginning in November 2020, and is due May 2022. Under the terms of the PPP, the amount of the loan may be forgiven if it is used for qualifying expenses as described in the CARES Act. The Organization received full forgiveness of the loan in March 2021, from the Small Business Administration. As such, no liability has been included in the statement of financial position as of December 31, 2020.

In July 2020, the Organization applied and obtained a loan for Disaster Relief with the Small Business Administration (SBA), for up to \$150,000. The loan will mature on June 1, 2050 and is secured by the collateral of all tangible and intangible assets of NOCC. The loan has a fixed interest rate of 2.75% through June 1, 2050. Commencing July 1, 2022, through the maturity date, monthly installments of principal and interest shall be paid for \$641. The outstanding balance of the loan at December 31, 2020 was \$150,000. Interest expense for the year ended December 31, 2020 was \$0.

Description	Balance as of December 31, 2019	Borrowing/ (Repayments)	Balance as of December 31, 2020
SBA – EIDL Loan- \$150,000 with 2.75% interest, 360 monthly payments of \$641 beginning July 2022 until June 2050	\$ -	\$ 150,000	\$ 150,000

Scheduled future maturities of the notes payable for the years ending December 31 are as follows:

2021	\$ 1,794
2022	3,662
2023	3,764
2024	3,869
2025	3,977
2026 and thereafter	132,934
Total	<u>\$ 150,000</u>

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020
(With Summarized Comparative Totals for the Year Ended December 31, 2019)

NOTE 10: OVARIAN CANCER DREAM TEAM FUNDING CONDITIONAL COMMITMENT

During the year ended December 31, 2014, NOCC entered into a conditional Memorandum of Understanding ("MOU") outlining a desire to jointly fund a dream team dedicated to ovarian cancer research ("Ovarian Cancer Dream Team"). The total funding level of the Ovarian Cancer Dream Team is anticipated to be \$6,000,000 over a four-year period. Organizations wishing to jointly fund the Ovarian Cancer Dream Team include NOCC (\$1,500,000), Ovarian Cancer National Alliance (\$1,500,000) and Ovarian Cancer Research Fund (\$3,000,000).

Payments to help fund the Ovarian Cancer Dream Team are contingent upon satisfactory progress and achievement of applicable milestones and deliverables of the Ovarian Cancer Dream Team. The MOU was amended in 2017 to change only the payment schedule. During the years ended December 31, 2020 and 2019, NOCC provided support to the Ovarian Cancer Dream Team in the amount of \$0 and \$281,250. The MOU matured by December 31, 2019 and no remaining balance is due from NOCC.

NOTE 11: RETIREMENT PLAN

NOCC has a 401(k) retirement plan in which the employer matches employee contributions equal to 50% of the first 6% of eligible deferred compensation per pay period after three consecutive months of employment. Employer matching contributions are 100% vested immediately. Employees over age 18 are immediately eligible for the plan. Employer contributions to the employee accounts for the years ended December 31, 2020 and 2019 were \$21,804 and \$24,609, respectively.

NOTE 12: LIQUIDITY AND AVAILABILITY OF RESOURCES

As part of NOCC's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The policy is that monthly revenues are to cover monthly expenses. Monthly revenues and expenditures are deposited in and deducted from the operating accounts.

In addition, NOCC is supported, in part, by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, NOCC must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year.

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020
(With Summarized Comparative Totals for the Year Ended December 31, 2019)

NOTE 12: LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)

The following reflects NOCC's financial assets, reduced by the amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date.

Financial assets available at December 31, 2020	\$ 3,338,542
Less those unavailable for general expenditures within one year, due to:	
Donor-imposed restrictions	<u>(483,939)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 2,854,603</u></u>