

NATIONAL OVARIAN CANCER COALITION, INC.

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT**

DECEMBER 31, 2021 AND 2020

National Ovarian Cancer Coalition, Inc.
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
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 statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years 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, 2021 and 2020, 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 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 National Ovarian Cancer Coalition, Inc. 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 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.



Salmon Sims Thomas & Associates
A Professional Limited Liability Company

November 10, 2022

National Ovarian Cancer Coalition, Inc.
Statements of Financial Position
December 31, 2021 and 2020

ASSETS

	2021	2020
Current Assets		
Cash and cash equivalents	\$ 3,834,933	\$ 3,328,542
Contributions receivable	88,208	10,000
Inventory	51,775	56,360
Prepaid expenses	157,674	6,603
Total Current Assets	4,132,590	3,401,505
Property and Equipment		
Furniture, fixtures, and equipment	50,111	36,309
Less accumulated depreciation and amortization	(40,893)	(35,843)
Net Property and Equipment	9,218	466
Other Assets		
Beneficial interests in assets held by others	1,249,262	1,184,357
Rent and security deposits	7,287	10,594
Total Other Assets	1,256,549	1,194,951
TOTAL ASSETS	\$ 5,398,357	\$ 4,596,922

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts payable	\$ 65,269	\$ 49,517
Accrued salaries and wages	32,807	27,806
Accrued vacation	89,865	82,849
Deferred rent, current portion	1,336	10,974
Accrued interest	6,188	-
Deferred revenue	-	15,000
Total Current Liabilities	195,465	186,146
Long-term Liabilities		
Economic Injury Disaster Loan, non-current portion	150,000	150,000
Deferred rent, non-current portion	52,207	45,427
Total Long-term Liabilities	202,207	195,427
Net Assets		
Without donor restrictions	4,325,509	3,731,410
With donor restrictions	675,176	483,939
Total Net Assets	5,000,685	4,215,349
TOTAL LIABILITIES AND NET ASSETS	\$ 5,398,357	\$ 4,596,922

The accompanying notes are an integral part of these financial statements.

National Ovarian Cancer Coalition, Inc.
Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues and Support			
Awareness events	\$ 2,348,156	\$ 753,035	\$ 3,101,191
Individual contributions	361,621	-	361,621
Corporation contributions	725,779	-	725,779
Special events	4,400	-	4,400
Outside fundraisers	254,574	-	254,574
Change in value of beneficial interests held by others	64,904	-	64,904
Investment income	101	-	101
	<u>3,759,535</u>	<u>753,035</u>	<u>4,512,570</u>
Net assets released from restriction	561,798	(561,798)	-
Total Revenues and Support	<u>4,321,333</u>	<u>191,237</u>	<u>4,512,570</u>
Expenses			
Program services	2,895,923	-	2,895,923
Supporting activities	831,311	-	831,311
Total Expenses	<u>3,727,234</u>	<u>-</u>	<u>3,727,234</u>
Change in Net Assets	594,099	191,237	785,336
Net Assets, beginning of year	<u>3,731,410</u>	<u>483,939</u>	<u>4,215,349</u>
Net Assets, end of year	<u>\$ 4,325,509</u>	<u>\$ 675,176</u>	<u>\$ 5,000,685</u>

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

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues and Support			
Awareness events	\$ 1,942,087	\$ 526,705	\$ 2,468,792
Individual contributions	313,222	-	313,222
Corporation contributions	999,245	-	999,245
Special events	13,735	-	13,735
Outside fundraisers	279,485	-	279,485
Change in value of beneficial interests held by others	90,566	-	90,566
Investment income	224	-	224
	<u>3,638,564</u>	<u>526,705</u>	<u>4,165,269</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>
Expenses			
Program services	2,234,901	-	2,234,901
Supporting activities	743,470	-	743,470
Total Expenses	<u>2,978,371</u>	<u>-</u>	<u>2,978,371</u>
Change in Net Assets	767,959	418,939	1,186,898
Net Assets, beginning of year	<u>2,963,451</u>	<u>65,000</u>	<u>3,028,451</u>
Net Assets, end of year	<u>\$ 3,731,410</u>	<u>\$ 483,939</u>	<u>\$ 4,215,349</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, 2021

	Program Services			Supporting Activities		Total
	Earlier Awareness	Quality of Life	Together in TEAL	Management and General	Fundraising	
Salaries and wages	\$ 387,449	\$ 266,303	\$ 565,692	\$ 181,880	\$ 162,253	\$ 1,563,577
Employee benefits	17,035	11,614	24,871	5,523	7,134	66,177
Payroll taxes	32,660	22,268	47,685	10,590	13,677	126,880
Rent and utilities	52,396	11,278	46,651	8,680	11,628	130,633
Independent contractors	10,426	116,095	84,048	2,667	13,466	226,702
Professional services	47,690	3,625	3,625	25,820	33,548	114,308
Website	21,411	21,411	21,411	10,706	10,706	85,645
Marketing and communications	121,930	2,106	32,010	1,002	11,293	168,341
Equipment and furniture	1,196	242	84	349	23	1,894
Office supplies and materials	4,809	(512)	208	2,478	10	6,993
Postage and shipping	5,401	13,448	10,820	672	3,451	33,792
Printing and copying	2,625	5,117	3,442	140	3,879	15,203
Telecommunications	19,317	2,131	8,079	1,547	2,063	33,137
Events related expenses	7,724	61,525	57,962	1,429	58,342	186,982
Travel expenses	1,722	2,560	7,033	4,273	6,296	21,884
Software and subscriptions	26,713	16,616	61,870	49,235	34,105	188,539
Licenses and permits	-	-	-	-	24,189	24,189
Insurance	3,902	2,341	9,169	1,756	2,341	19,509
Research and sponsored projects	-	62,000	-	-	-	62,000
Charges, dues and fees	-	-	-	123,191	-	123,191
Community Support Initiatives	-	370,879	-	-	-	370,879
Depreciation expenses	1,239	880	1,962	409	560	5,050
Literature Costs	-	147,150	-	-	-	147,150
Other expenses	-	4,579	-	-	-	4,579
	<u>\$ 765,645</u>	<u>\$ 1,143,656</u>	<u>\$ 986,622</u>	<u>\$ 432,347</u>	<u>\$ 398,964</u>	<u>\$ 3,727,234</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

	Program Services			Supporting Activities		Total
	Earlier Awareness	Quality of Life	Together in TEAL	Management and General	Fundraising	
Salaries and wages	\$ 290,291	\$ 173,722	\$ 679,431	\$ 122,537	\$ 173,728	\$ 1,439,709
Employee benefits	20,724	12,402	48,507	63,745	12,394	157,772
Payroll taxes	23,441	14,028	54,864	9,895	14,028	116,256
Rent and utilities	28,604	17,130	67,415	8,752	12,408	134,309
Independent contractors	35,603	41,551	160,555	2,899	33,583	274,191
Professional services	-	-	-	24,050	3,144	27,194
Website	3,426	3,426	3,426	1,901	1,901	14,080
Marketing and communications	5,351	5,351	30,351	-	13,317	54,370
Equipment and furniture	1,071	1,247	2,520	356	584	5,778
Office supplies and materials	4,734	2,834	11,204	252	1,494	20,518
Postage and shipping	3,630	29,846	13,504	200	912	48,092
Printing and copying	776	13,522	6,545	198	1,057	22,098
Telecommunications	7,972	4,778	18,924	230	2,102	34,006
Events related expenses	12,541	40,740	113,556	228	34,522	201,587
Travel expenses	4,374	5,098	12,104	341	344	22,261
Software and subscriptions	28,534	13,443	48,791	78,079	15,411	184,258
Licenses and permits	-	-	-	-	19,376	19,376
Insurance	2,264	1,355	5,300	7,876	1,355	18,150
Charges, dues and fees	100	58	68	1,015	78,313	79,554
Depreciation	924	553	2,162	390	553	4,582
Food delivery	-	90,230	-	-	-	90,230
Bad debt	-	10,000	-	-	-	10,000
	<u>\$ 474,360</u>	<u>\$ 481,314</u>	<u>\$ 1,279,227</u>	<u>\$ 322,944</u>	<u>\$ 420,526</u>	<u>\$ 2,978,371</u>

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

National Ovarian Cancer Coalition, Inc.
Statements of Cash Flows
For the Years Ended December 31, 2021 and 2020

	2021	2020
Cash Flows From Operating Activities		
Change in Net Assets	\$ 785,336	\$ 1,186,898
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	5,050	4,582
Change in value of beneficial interests in assets held by others	(64,904)	(90,566)
Changes in operating assets and liabilities		
Contributions receivable	(78,208)	(10,000)
Inventory	4,585	(1,460)
Deposits	3,307	-
Prepaid expenses	(151,071)	45,144
Accounts payable	15,752	21,900
Accrued salaries and wages	5,001	(46,413)
Accrued vacation	7,016	15,104
Accrued interest	6,188	-
Deferred rent	(2,858)	9,947
Deferred revenue	(15,000)	(209,664)
Net Cash Provided by Operating Activities	520,194	925,472
Cash Flows From Investing Activities		
Purchase of equipment	(13,803)	(1,081)
Cash Flows From Financing Activities		
Borrowings on Economic Injury Disaster Loan	-	150,000
Net Increase in Cash	506,391	1,074,391
Cash, and cash equivalents, beginning of year	3,328,542	2,254,151
Cash, and cash equivalents, end of year	\$ 3,834,933	\$ 3,328,542

The accompanying notes are an integral part of these financial statements.

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

Note1: 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, 2021 AND 2020

Note 1: Organization (Continued)

Quality of Life (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)
- **NOCC Clinical Trial Fund & Treatment Fund** (Financial Aid Program) - provide financial grants to individuals currently undergoing ovarian cancer treatment and participating in a clinical trial. These two funds aim to reduce the financial stress and barriers for those living with ovarian cancer by providing financial assistance for non-medical expenses that may hinder the ability to receive the treatment and care needed, no matter where they live.

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

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

Note 1: Organization (Continued)

Research

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

Research Grant for Early Detection and Quality of Life – Young Investigator Awards.

In partnership with the Foundation for Women’s Cancer, the National Ovarian Cancer Coalition provided funding for two Young Investigator Research Grants, which accelerate the research of young investigators to promote the long-term success of the gynecologic oncology field.

In support of NOCC’s mission, two awards have been granted:

- The National Ovarian Cancer Coalition (NOCC) Research Grant for Early Detection of Ovarian Cancer
- The National Ovarian Cancer Coalition (NOCC) Research Grant for Quality of Life

Notable Organization activities during the year ended December 31, 2021 were (unaudited):

Early Awareness:

Educational Resources:

- 34,000 pieces of literature and awareness items were distributed around the country
- 800K page views on ovarian.org website
 - 128,823 – Signs & Symptoms Education
 - 66,566 – Types & Stages of Ovarian Cancer
 - 51,793 – Ovarian Cancer Diagnosis
 - 35,525 – Ovarian Cancer Education
 - 30,601 – Survivor Stories

Quality of Life:

Faces of Hope®

- 1,029 TEAL Totes were distributed to women newly diagnosed with ovarian cancer
- 401 TEAL Totes/Kits were provided to women with a recurrence of ovarian cancer

Savor Health® Ina

- 85 new users downloaded and received nutritional guidance, 211 users in total

Ask the Experts

- 32,000 people attended the educational live series

NOCC CancerConnect Online Community

- 2,200 active users participating in the online support community

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

Note 1: Organization (Continued)

Quality of Life (Continued)

Comfort for the Soul

4,342 meals served to women in treatment for ovarian cancer

Comfort for the Mind

52 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

Financial Assistance Program

61 finance assistance grants to women in treatment for ovarian cancer

Community Outreach

Together in TEAL® - Ending Ovarian Cancer

17 awareness events nationally

546 Teams fought for the cause

544 Survivors were honored

17,200 participants and donors came Together in TEAL®

Team TEAL® - Make a difference with your Miles

7 endurance events nationally

2,260 participants and donors

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.

Financial Statement 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.

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

Note 2: Summary of Significant Accounting Policies (Continued)
Financial Statement Presentation (Continued)

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.

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, 2021 and 2020 (See Note 3).

Use of Estimates

Management uses estimates and assumptions in preparing 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 the functional allocation of expenses, depreciable lives of fixed assets, and the collectability of receivables. It is at least reasonably possible that the significant estimates used will change within the next year. Actual results could vary from estimates.

Property and Equipment

Property and equipment are stated at cost when purchased or fair value at the date the equipment is donated, less accumulated depreciation and amortization. Major expenditures and expenditures which substantially increase useful lives are capitalized. Maintenance and repairs, which do not improve or extend the lives of the respective assets, are included in the statements of activities and changes in net assets when incurred.

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

Note 2: Summary of Significant Accounting Policies (Continued)

Property and Equipment (Continued)

When property and equipment is sold or otherwise disposed of, the asset and related accumulated depreciation and amortization are removed, and any gain or loss is included in the statements 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
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Accrued Vacation

NOCC's employees are entitled to paid vacation depending upon the length of service. Accrued vacation represents vacation earned, but not taken.

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.

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 statements of activities and changes in net assets or accrued in the statements 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.

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).

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

Note 2: Summary of Significant Accounting Policies (Continued)

Fair Value Measurements (Continued)

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.

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, 2021.

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.

Contributions Receivable and 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, depending on the nature of the restrictions.

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
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Note 2: Summary of Significant Accounting Policies (Continued)

Contributions Receivable and Promises to Give (Continued)

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, 2021 and 2020 and no provision was made for uncollectible receivables as of these dates. 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.

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, 2021 and 2020 totaled \$168,341 and \$54,370, respectively.

Deferred Rent

NOCC has entered into an operating lease agreement containing provisions for future rent increases and periods of reduced rent payments. In accordance with U.S. GAAP, NOCC records monthly rent expense equal to the total of the payments due over the lease term, divided by the number of months of the lease term. The difference between rent expense recorded and the amount paid is credited or charged to deferred rent.

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. 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.

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
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Note 2: Summary of Significant Accounting Policies (Continued)

Recent Accounting Pronouncements

In February 2016, the FASB issued Accounting Standards Update (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 statements of activities and changes in net assets. Currently, leases are classified as either capital or operating, with only capital leases recognized on the statements 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 financial position but expects that the guidance will not result in significant changes to the results of operations.

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit (NPO) Entities for Contributed Nonfinancial Assets*, as an update to ASC 958. The ASU requires an NPO present contributed nonfinancial assets as a separate line item in the statement of activities and changes in net assets, apart from contributions of cash and other financial assets, and disclose a disaggregation of the amount of contributed nonfinancial assets by category, and qualitative information about monetizing or utilizing contributed nonfinancial assets, a description of the valuation techniques used to arrive at a fair value measure, and any donor-imposed restrictions associated with the contributed nonfinancial assets. The new standard is effective for all NPO entities for annual periods beginning after June 15, 2021 and should be applied on a retrospective basis. Early adoption is permitted. NOCC will adopt this update for the year ending December 31, 2022.

Date of Management's Review

NOCC has evaluated subsequent events through November 10, 2022, the date the financial statements were available to be issued.

Note 3: Donated Tote Bags Inventory

Inventory consists of donated tote bags received but not distributed as of December 31, 2021 and 2020. Beginning in 2017, management determined that the value of the inventory should be \$1 per tote bag. NOCC plans to distribute the tote bags during future awareness events.

NATIONAL OVARIAN CANCER COALITION, INC.
NOTES TO THE FINANCIAL STATEMENTS
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Note 4: 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, 2021 and 2020 the trust assets consisted of money accounts and mutual funds. As of December 31, 2021 and 2020, the interest in this trust was valued at:

	2021	2020
Beneficial interests in assets held by others	\$ 1,249,262	\$ 1,184,357

Distributions from this trust for the years ended December 31, 2021 and 2020 were \$70,644 and \$66,138, 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, 2021 and 2020 was \$64,904 and \$90,566, respectively, and are included in the accompanying statements of activities and changes in net assets with individual donations.

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, 2021 and 2020 were \$10,000 and \$9,200, respectively, and are included in the accompanying statements of activities and changes in net assets with individual donations.

Note 5: 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:

		Fair Value	Quoted Prices in Active Markets for Identical Assets/Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equity securities	2021	\$ 1,030,873	\$ 1,030,873	\$ -	\$ -
Fixed income	2021	\$ 218,389	\$ 218,389	-	-
		\$ 1,249,262	\$ 1,249,262	\$ -	\$ -
Equity securities	2020	\$ 1,000,493	\$ 1,000,493	\$ -	\$ -
Fixed income	2020	\$ 183,864	\$ 183,864	-	-
		\$ 1,184,357	\$ 1,184,357	\$ -	\$ -

NATIONAL OVARIAN CANCER COALITION, INC.
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Note 6: Net Assets With Donor Restrictions

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

	2021	2020
Earlier Awareness	\$ 20,000	\$ 65,000
Quality of Life	587,664	306,814
Together in TEAL	67,512	112,125
	\$ 675,176	\$ 483,939

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

	2021	2020
Earlier Awareness	\$ 129,035	\$ 3,000
Quality of Life	388,150	14,537
Together in TEAL	44,613	90,230
	\$ 561,798	\$ 107,767

Note 7: Operating Leases

Headquarters - Dallas, Texas

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

On December 27, 2016, NOCC signed an amendment to its lease agreement 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.

NATIONAL OVARIAN CANCER COALITION, INC.
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Note 7: Operating Leases (Continued)

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

Years ending December 31,

2022	\$ 77,045
2023	77,056
2024	78,916
2025	80,777
2026	82,637
2027 and thereafter	221,865

Rental expense under these agreements for the years ended December 31, 2021 and 2020 was \$85,542 and \$92,966, respectively.

NOCC incurred additional rental expense for storage for the years ended December 31, 2021 and 2020 of \$37,590 and \$34,556, respectively.

Note 8: 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 was included in the statement of financial position as of December 31, 2020. The Organization did not receive a second PPP loan in the year ended December 31, 2021.

In July 2020, the Organization applied and obtained an Economic Injury Disaster Loan under the *Coronavirus Aid, Relief, and Economic Security Act (CARES Act)* totaling \$150,000 through the Small Business Administration (SBA). This loan has a term of 30 years with a maturity date of June 2050 and is secured by the collateral of all tangible and intangible assets of NOCC. Principal and interest at fixed rate of 2.75% per annum are due and payable in monthly installments of \$641 starting July 2022. In March 2022, The SBA granted NOCC an additional 6-month deferment for the first payment. Interest will continue to accrue, and voluntary full or partial payments may be made without prepayment penalties during the deferment. At December 31, 2021 and 2020, the outstanding balance of the loan was \$150,000.

Interest expense for the years ended December 31, 2021 and 2020 was \$6,188 and \$0, respectively.

NATIONAL OVARIAN CANCER COALITION, INC.
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Note 8: Notes Payable (Continued)

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

2022	\$ -
2023	-
2024	2,396
2025	3,677
2026	3,780
2027 and thereafter	140,147
Total	<u>\$ 150,000</u>

Note 9: 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, 2021 and 2020 were \$27,543 and \$21,804, respectively.

Note 10: 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.
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Note 10: 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, 2021	\$ 3,923,141
Less those unavailable for general expenditures within one year, due to:	
Donor-imposed restrictions	<u>(675,176)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 3,247,965</u>