

**THE T.J. MARTELL FOUNDATION FOR  
CANCER RESEARCH**

**Financial Statements  
For the Year Ended  
December 31, 2019**

**THE T.J. MARTELL FOUNDATION FOR CANCER RESEARCH**

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For the Year Ended December 31, 2019**

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BORLAND  
BENEFIELD

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
The T.J. Martell Foundation  
for Cancer Research

We have audited the accompanying financial statements of the T.J. Martell Foundation for Cancer Research (a nonprofit organization), which comprise the balance sheet for the year ended December 31, 2019, and the related statement of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

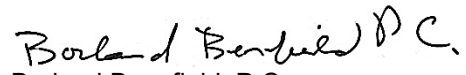
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the T.J. Martell Foundation for Cancer Research as of December 31, 2019, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

  
Borland Benefield, P.C.  
Birmingham, Alabama  
March 30, 2021



THE T.J. MARTELL FOUNDATION FOR CANCER RESEARCH

Balance Sheet  
As of December 31, 2019

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**Assets**

Cash and cash equivalents	\$ 1,851,816
Investments	2,301,064
Accounts receivable, net	286,307
Inventory	23,685
Prepaid expenses	43,660
Property and equipment, net	<u>34,703</u>

**Total Assets**

\$ 4,541,235

**Liabilities**

Accounts payable and accrued expenses	\$ 189,618
Grants payable	381,005
Deferred income	<u>595,364</u>
Total Liabilities	<u>1,165,987</u>

**Net Assets**

Without donor restriction	3,362,248
With donor restriction	<u>13,000</u>
Total Net Assets	<u>3,375,248</u>

**Total Liabilities and Net Assets**

\$ 4,541,235

See accompanying notes to financial statements.

**THE T.J. MARTELL FOUNDATION FOR CANCER RESEARCH**

**Statement of Activities  
For the Year Ended December 31, 2019**

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>
<b>Revenue and Support</b>			
Grants and contributions	\$ 505,698	\$ -	\$ 505,698
Donated services	397,041	-	397,041
Miscellaneous	57,750	-	57,750
Special events			
Contribution from special events	1,882,008	753,897	2,635,905
Special events, net of direct expenses	1,000,627	-	1,000,627
Investment income, net	191,765	-	191,765
Net assets released from restrictions	844,544	(844,544)	-
<b>Total Revenue and Support</b>	<u>4,879,433</u>	<u>(90,647)</u>	<u>4,788,786</u>
<b>Expenses</b>			
Program services	3,115,968	-	3,115,968
Supporting services:			
Management and general	2,814,101	-	2,814,101
Fundraising	858,497	-	858,497
<b>Total Expenses</b>	<u>6,788,566</u>	<u>-</u>	<u>6,788,566</u>
<b>Change in Net Assets</b>	(1,909,133)	(90,647)	(1,999,780)
<b>Net Assets, Beginning of Year</b>	<u>3,733,881</u>	<u>103,647</u>	<u>3,837,528</u>
<b>Prior Period Adjustment</b>	<u>1,537,500</u>	<u>-</u>	<u>1,537,500</u>
<b>Net Assets, Beginning of Year Restated</b>	<u>5,271,381</u>	<u>103,647</u>	<u>5,375,028</u>
<b>Net Assets, End of Year</b>	<u>\$ 3,362,248</u>	<u>\$ 13,000</u>	<u>\$ 3,375,248</u>

*See accompanying notes to financial statements.*

**THE T.J. MARTELL FOUNDATION FOR CANCER RESEARCH**

**Statement of Functional Expenses  
For the Year Ended December 31, 2019**

	<b>Program Service Expenses</b>	<b>Supporting Services</b>		<b>Total Supporting Services</b>	<b>Total Expenses</b>
		<b>Management and General</b>	<b>Fundraising</b>		
<b>Personnel Costs</b>					
Salaries	\$ 750,326	\$ 57,717	\$ 346,304	\$ 404,021	\$ 1,154,347
Payroll taxes and benefits	180,669	13,898	83,386	97,284	277,953
Total personnel costs	<u>930,995</u>	<u>71,615</u>	<u>429,690</u>	<u>501,305</u>	<u>1,432,300</u>
Expenses under review	-	2,704,105	-	2,704,105	2,704,105
Grants	1,487,500	-	-	-	1,487,500
In-kind	198,521	-	198,521	198,521	397,042
Office rent, utilities and supplies	148,437	11,418	68,509	79,927	228,364
Professional fees	117,590	9,045	54,272	63,317	180,907
Meetings and travel	79,040	6,080	36,480	42,560	121,600
Information technology	66,554	5,120	30,717	35,837	102,391
Public relations, education, and advertising	30,809	2,370	14,220	16,590	47,399
Insurance	22,983	1,768	10,607	12,375	35,358
Bank and credit card processing fees	17,100	1,315	7,892	9,207	26,307
Depreciation and amortization	7,982	614	3,684	4,298	12,280
Equipment rental	7,348	565	3,392	3,957	11,305
Miscellaneous expenses	1,019	79	471	550	1,569
Dues and subscriptions	90	7	42	49	139
<b>Total Expenses</b>	<u>\$ 3,115,968</u>	<u>\$ 2,814,101</u>	<u>\$ 858,497</u>	<u>\$ 3,672,598</u>	<u>\$ 6,788,566</u>

*See accompanying notes to financial statements.*



**THE T.J. MARTELL FOUNDATION FOR CANCER RESEARCH**

**Statement of Cash Flows  
For the Year Ended December 31, 2019**

<b>Reconciliation of Change in Net Assets to Net Cash Flows From</b>	
<b>Operating Activities</b>	
Change in net assets	\$ (1,999,780)
Adjustments to reconcile net assets to net cash flows from operating activities:	
Depreciation and amortization	12,280
Unrealized holding (gain)	(103,845)
Fair value of donated securities	(40,863)
Discount on grants payable	9,978
Bad debts	8,445
Changes in operating assets and liabilities:	
Decrease in:	
Accounts receivable	184,076
Unconditional promises to give	118,112
Other current assets	143,442
(Increase) decrease in:	
Grants payable	(140,022)
Accounts payable and accrued expenses	883
Deferred income	350,358
<b>Net Cash Flows Used By Operating Activities</b>	<u>(1,456,936)</u>
<b>Cash Flows From Investing Activities</b>	
Purchase of property and equipment	(15,500)
Proceeds from sale of donated securities	40,863
Purchase of investments	(87,595)
<b>Net Cash Flows Used By Investing Activities</b>	<u>(62,232)</u>
<b>Net (Decrease) in Cash and Cash Equivalents</b>	(1,519,168)
<b>Cash and Cash Equivalent, Beginning of Year</b>	<u>3,370,984</u>
<b>Cash and Cash Equivalent, End of Year</b>	<u>\$ 1,851,816</u>

*See accompanying notes to financial statements.*

# THE T.J. MARTELL FOUNDATION FOR CANCER RESEARCH

## Notes to Financial Statements For the Year Ended December 31, 2019

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### Note 1 - Nature of the Foundation

The T.J. Martell Foundation for Cancer Research (the Foundation), founded in 1975, is a New York nonprofit organization. The Foundation is dedicated to raising funds for the innovative initial and ongoing research of the treatments and cures for cancer. The Foundation's board of directors authorizes grants to various institutions for the purpose of cancer research. All fundraising and management and general expenses are in support of the Foundation's sole mission to provide grants.

### Note 2 - Summary of Significant Accounting Policies

Basis of Presentation - The financial statements of the Foundation have been prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP), which require the Foundation to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of the Foundation's management and the board of directors.

Net Assets with Donor Restrictions - Net assets subject to stipulations imposed by donors, and granters. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Measure of Operations - The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Foundation's ongoing services and interest and dividends earned on investments. Nonoperating activities are limited to realized and unrealized gains (losses) on investments, and other activities considered to be of a more unusual or nonrecurring nature.

Estimates - The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents - For purposes of the statement of cash flows, the Foundation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents exclude deposits.

Investments - Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values, based on quoted market prices, on the balance sheets. Unrealized gains and losses are included in the changes in net assets without donor restrictions for the gains and losses that are not donor restricted, and in the changes in net assets with donor restriction for the gains and losses that are restricted for the support of certain of the Foundation's programs. Investment fees are netted against the investment income.

*See accompanying independent auditor's report.*

## THE T.J. MARTELL FOUNDATION FOR CANCER RESEARCH

### Notes to Financial Statements (continued) For the Year Ended December 31, 2019

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#### Note 2 - Summary of Significant Accounting Policies (continued)

Fair Value Measurement - U.S. GAAP establishes a 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 and liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 - Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Foundation has the ability to access at the measurement date;
- Level 2 - Inputs other than quoted prices that are observable for the assets or liability either directly or indirectly, including inputs that are not considered to be active;
- Level 3 - Inputs that are unobservable.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad criteria data, liquidity statistics, and other factors. An investment's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the Foundation. The Foundation considers observable data to be that market data, which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, provided by multiple, independent sources that are actively involved in the relevant market. The categorization of an investment within the hierarchy is based upon the pricing transparency of the investment and does not necessarily correspond to the Foundation's perceived risk of that investment.

Accounts Receivable - Accounts receivable consist of amounts unpaid from special events less an allowance for doubtful accounts. All accounts receivable are expected to be collected in one year.

Allowance for Doubtful Accounts – The Foundation did not report an allowance for doubtful accounts for the year ended December 31, 2019. The Foundation provides for losses on accounts receivable using the allowance method. The allowance is based on management's knowledge of which individual receivables are likely to not be collected. It is the Foundation's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

Contributions Receivable - Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in contribution revenue. Conditional promises to give are not included as support until the conditions are met.

Property and Equipment - Property and equipment are stated at cost, or for donated items, at the fair market value of the asset on the date of the gift. Depreciation is provided principally on the straight-line method at rates based on the following estimated useful lives.

*See accompanying independent auditor's report.*

## THE T.J. MARTELL FOUNDATION FOR CANCER RESEARCH

### Notes to Financial Statements (continued) For the Year Ended December 31, 2019

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#### Note 2 - Summary of Significant Accounting Policies (continued)

Furniture and fixtures	7-10 years
Computer equipment	5 years
Website costs	5 years
Leasehold improvements	15 years

The cost of assets sold or otherwise disposed of and the accumulated depreciation thereon are eliminated from the accounts and the resulting gain or loss is reflected in income except for assets traded where no cash is received. Expenditures for maintenance and repairs are charged to expenses as incurred; replacements and betterments in excess of \$500 that extend the useful lives, are capitalized.

Grant Allocations Payable - Grants are recognized at the date of a formal, unconditional promise to give commitment. Grants that are expected to be paid in future years are recorded at present value of expected future payments. At December 31, 2019, grants were discounted using treasury rate at the time of the multi-year commitment, which was 2.18 percent.

Deferred Income - Payments received for special events to be held after December 31, 2019, are recorded as deferred income, and recognized as revenue when the events occur, and the funds are earned.

Contributions - Contributions, including unconditional pledges, received are recorded as made, as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Donated Services - The Foundation receives donated services from specialized providers and others that create or enhance non-financial assets and allow the Foundation to fulfill its mission. The donated services would typically need to be purchased if not provided by donation and are recorded in the financial statements at their estimated fair market value (see Note 13).

Non-cash donations, other than professional services, are recorded as support at their estimated fair value at the date of donation.

Functional Allocation of Expenses - The costs of providing various programs and support services have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, natural expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques such as time and effort and square footage.

*See accompanying independent auditor's report.*

## THE T.J. MARTELL FOUNDATION FOR CANCER RESEARCH

### Notes to Financial Statements (continued) For the Year Ended December 31, 2019

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#### Note 2 - Summary of Significant Accounting Policies (continued)

Revenue from Contracts with Customers - During 2019, the Foundation adopted ASC Topic 606, Revenue from Contracts with Customers (“ASC 606”), which provides guidance for reporting revenue from the Foundation’s contracts to provide goods or services to customers. The guidance requires recognition of revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration that it expects to be entitled to receive in exchange for those goods or services recognized as performance obligations are satisfied. The majority of the Foundation’s revenue-generating transactions are excluded from the scope of ASC 606, including revenue generated from financial instruments, such as securities, and from donor contributions.

Revenue-generating transactions that are within the scope of ASC 606 are described as follows:

*Special events revenue* – revenue from special events are recognized when they event occurs.

The Foundation did not have an aggregate effect of modification resulting from adoption of ASC 606, and no financial statement line items were affected by this change in accounting standard.

Income Taxes - The Foundation is a tax-exempt entity as defined by Section 501(c)(3) of the Internal Revenue Code, though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Foundation has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Foundation has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

#### Note 3 - Concentration of Credit Risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash and cash equivalents, investments, accounts, and pledges receivable. The Foundation maintains its cash in demand deposit accounts, the balances of which, at times, may exceed federally insured limits. Exposure to credit risk is reduced by placing such deposits in high quality financial institutions. Investments are exposed to various risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statement of financial position. Concentration of credit risk with respect to accounts and pledges receivable is reduced due to the fact that the receivables are from prominent individuals and/or corporations. The Foundation has set up an allowance for doubtful accounts to cover any amounts not expected to be collected in the near future.

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See accompanying independent auditor’s report.

## THE T.J. MARTELL FOUNDATION FOR CANCER RESEARCH

### Notes to Financial Statements (continued) For the Year Ended December 31, 2019

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#### Note 4 – Availability and Liquidity

The following represents the Foundation's financial assets at December 31, 2019:

Financial assets at year end	
Cash	\$ 1,851,816
Investments	2,301,064
Accounts receivable, net	<u>286,307</u>
Total financial assets	4,439,187
Less: Net assets with donor restrictions	<u>(13,000)</u>
Financial assets available to meet general expenditures within one year	<u><u>\$ 4,452,187</u></u>

The Foundation's goal is generally to maintain financial assets to meet 30 days of operating expenses, net of in-kind expenses which approximately \$397,042.

#### Note 5 – Investments

The classification of the investment securities at fair value as follows at December 31, 2019:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Bond Funds	\$ 2,301,064	\$ -	\$ -	\$ 2,301,064

The following schedule summarizes the investment return for the year ended December 31, 2019. All investment earnings are available for the unrestricted use of the Foundation.

Interest income from cash accounts	\$ 1,052
Dividend and interest income from investments	86,868
Realized and unrealized gain( loss) on investments	<u>103,845</u>
	<u><u>\$ 191,765</u></u>

#### Note 6 – Property and Equipment

Property and equipment consist of the following at December 31:

Computer equipment	\$ 10,352
Furniture and fixtures	2,629
Leasehold improvements	4,960
Website costs	<u>36,000</u>
	53,941
Less: Accumulated depreciation	<u>(19,238)</u>
	<u><u>\$ 34,703</u></u>

Depreciation expense for the years ended December 31, 2019 was \$12,280.

*See accompanying independent auditor's report.*

## THE T.J. MARTELL FOUNDATION FOR CANCER RESEARCH

### Notes to Financial Statements (continued) For the Year Ended December 31, 2019

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#### Note 7 - Retirement Plan

The Foundation's board of directors authorizes annual contributions to a Simplified Employee Pension Individual Retirement Account (SEP IRA). The Foundation contributes an amount calculated as a percentage of an employee's annual salary. SEP IRA expense for the years ended December 31, 2019 totaled \$25,062.

#### Note 8 - Commitments and Contingencies

The Foundation leases various office spaces under operating leases that have various expiration dates through 2022. The following is a schedule by year of future minimum rental payments required under the operating leases which have a remaining non-cancelable lease term in excess of one year at December 31, 2019:

2020	\$	72,650
2021		74,832
2022		63,910
	\$	<u>211,392</u>

Rent expense for the years ended December 31, 2019 was \$148,283.

#### Note 9 - Program Grants

The following grants were authorized and payable by the Foundation in support of cancer research as of and for the years ended December 31:

	<u>Payable</u>
Grantee:	
Emory Winship Cancer Institute	<u>\$ 400,000</u>
	400,000
Less: Discount	<u>(18,995)</u>
	<u>\$ 381,005</u>

The following summarizes grant activity for the years ended December 31, 2019:

Grants payable, beginning of year	\$ 2,008,527
Grants awarded	
Vanderbilt Ingram Cancer Center	500,000
Columbia University Irving Medical Center	300,000
Children's Hospital Los Angeles	250,000
Memorial Sloan Kettering Cancer Center	75,000
MD Anderson Cancer Center	100,000
City of Hope	100,000
University of California, San Francisco	<u>62,500</u>
	1,387,500
Payments made	<u>(2,996,027)</u>
Total Grants Payable, December 31, 2019	400,000
Less: Discount amortization	<u>(18,995)</u>
Grants payable, net	<u>\$ 381,005</u>

See accompanying independent auditor's report.

**THE T.J. MARTELL FOUNDATION FOR CANCER RESEARCH**

**Notes to Financial Statements (continued)  
For the Year Ended December 31, 2019**

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**Note 9 - Program Grants (continued)**

Future minimum payments under the Emory Winship Cancer Institute Grant are as follows for years ending December 31:

2020	\$ 100,000
2021	100,000
2022	100,000
2023	100,000
	<u>\$ 400,000</u>

**Note 10 – Special Events**

Special events support for the years ended December 31, 2019 consists of the following:

	<u>Income</u>	<u>Expenses</u>	<u>Net</u>
Nashville events	\$ 2,140,247	\$ 808,873	\$ 1,331,374
New York events	2,539,114	1,046,033	1,493,081
Los Angeles events	1,279,536	496,740	782,796
Others	36,462	7,181	29,281
	<u>\$ 5,995,359</u>	<u>\$ 2,358,827</u>	<u>\$ 3,636,532</u>

**Note 11 – Net Assets with Donor Restrictions**

Net assets with donor restrictions consisted of \$13,000 for the year ended December 31, 2019 and are restricted for the Foundation's programs. Net assets with donor restrictions consist of the following:

<u>Restricted Purpose</u>	<u>Amount</u>
2019 Recnac Fest for Multiple Myeloma Research benefitting Scripps MD Anderson Cancer Center - San Diego	<u>13,000</u>
Net Assets with Donor Restrictions at December 31, 2019	<u>\$ 13,000</u>

**Note 12 – Related Party Transactions**

The Foundation received professional services from several companies that are owned by members of the Foundation's Board of Directors. During the fiscal year ended December 31, 2019, the Foundation paid \$17,172 for these professional services.

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*See accompanying independent auditor's report.*



## THE T.J. MARTELL FOUNDATION FOR CANCER RESEARCH

### Notes to Financial Statements (continued) For the Year Ended December 31, 2019

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#### **Note 13 – Donated Services**

During the years ended December 31, 2019, the Foundation received a substantial amount of airtime to broadcast public service announcements with a value of \$397,041. The announcements were provided by various companies through a board member of the Foundation, which is an employee at one of these companies. The fair value of the announcements is included as part of donated services and public relations, education, and advertising expense.

#### **Note 14 - Allocation of Joint Costs**

The Foundation has allocated the joint costs of the airtime received to broadcast public service announcements. This activity with a value of \$397,041 at December 31, 2019, includes both programmatic and fundraising components.

For the year ended December 31, 2019, the allocation of this joint cost was allocated \$198,520 to program expenses and \$198,521 to fundraising expenses.

#### **Note 15 – Expenses Under Review**

During 2020, the Foundation became aware of possible misuses of corporate assets that took place during 2017, 2018 and 2019. These assets were identified and are being investigated. The expenses under investigation during 2019 are presented on the Statement of Functional Expenses as “Expenses under review.”

#### **Note 16 – Prior Period Adjustment**

During the audit of the Foundation’s 2019 financial statements, it was discovered that grants authorized and paid during 2019 were improperly expensed during the year ended December 31, 2018. A prior period adjustment for the grant expenses was required, and beginning net assets are appropriately restated.

#### **Note 17 – Subsequent Events**

Subsequent events have been evaluated through March 30, 2021, which is the date the financial statements were available to be issued. The Foundation is not aware of any material subsequent events.