



**NATIONAL BREAST CANCER COALITION FUND**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

NATIONAL BREAST CANCER COALITION FUND

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DECEMBER 31, 2020

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## Independent Auditors' Report

To the Board of Directors  
National Breast Cancer Coalition Fund  
Washington, D.C.

We have audited the accompanying financial statements of the National Breast Cancer Coalition Fund (NBCC) which comprise the statement of financial position as of December 31, 2020, and the related statements 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.

### *Auditors' 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 auditors' 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 auditors consider 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 National Breast Cancer Coalition Fund 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.

To the Board of Directors  
National Breast Cancer Coalition Fund

***Report on Summarized Comparative Information***

We have previously audited NBCC's 2019 financial statements, and we expressed an unmodified audit opinion on those financial statements in our report dated May 12, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Councilor, Buchanan + Mitchell, P.C.*

Washington, D.C.  
June 10, 2021

Certified Public Accountants

**NATIONAL BREAST CANCER COALITION FUND**

**STATEMENT OF FINANCIAL POSITION**

**DECEMBER 31, 2020**

**(WITH COMPARATIVE TOTALS AS OF DECEMBER 31, 2019)**

|  | 2020         | 2019         |
|--|--------------|--------------|
| <b>Assets</b>  |              |              |
| <b>Current Assets</b>  |              |              |
| Cash and Cash Equivalents  | \$ 2,006,190 | \$ 1,222,922 |
| Investments  | 47,626       | -            |
| Accounts Receivable  | 21,950       | 52,324       |
| Pledges and Grants Receivable                                    | 482,693      | 427,042      |
| Due from National Breast Cancer Coalition                        | 7,345        | 50,963       |
| Prepaid Expenses   | 52,001       | 157,025      |
| Total Current Assets   | 2,617,805    | 1,910,276    |
| <b>Pledges and Grants Receivable,</b><br>Net of Current Portion  | 603,897      | 79,961       |
| <b>Property and Equipment</b>                                    |              |              |
| Furniture and Equipment  | 233,178      | 229,715      |
| Software   | 20,702       | 20,702       |
| Website  | 343,137      | 331,809      |
| Leasehold Improvements   | 355,772      | 355,772      |
| Equipment under Capital Lease                                    | 36,337       | 36,337       |
|  | 989,126      | 974,335      |
| Less Accumulated Depreciation and Amortization                   | (915,775)    | (798,567)    |
| Total Property and Equipment                                     | 73,351       | 175,768      |
| <b>Deposits</b>  | 57,134       | 57,134       |
| <b>Total Assets</b>  | \$ 3,352,187 | \$ 2,223,139 |
| <b>Liabilities</b>   |              |              |
| <b>Current Liabilities</b>                                       |              |              |
| Accounts Payable   | \$ 109,026   | \$ 86,493    |
| Accrued Expenses   | 54,794       | 41,565       |
| Deferred Rent  | 12,298       | 70,228       |
| Obligation under Capital Lease                                   | 4,797        | 7,843        |
| Total Current Liabilities  | 180,915      | 206,129      |
| <b>Deferred Rent, Net of Current Portion</b>                     | -            | 96,220       |
| <b>Obligation under Capital Lease,</b><br>Net of Current Portion | -            | 4,797        |
| Total Liabilities  | 180,915      | 307,146      |
| <b>Net Assets</b>  |              |              |
| <b>Without Donor Restrictions</b>                                | 2,046,523    | 1,356,666    |
| <b>With Donor Restrictions</b>                                   |              |              |
| Restrictions for Purpose   | 510,120      | 483,369      |
| General Support Restricted for Future Periods                    | 614,629      | 75,958       |
| Total Net Assets With Donor Restrictions                         | 1,124,749    | 559,327      |
| Total Net Assets   | 3,171,272    | 1,915,993    |
| <b>Total Liabilities and Net Assets</b>                          | \$ 3,352,187 | \$ 2,223,139 |

*See accompanying Notes to Financial Statements.*

**NATIONAL BREAST CANCER COALITION FUND**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2020  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2019)**

|  | Without Donor<br>Restrictions | With Donor<br>Restrictions | 2020<br>Total       | 2019<br>Total       |
|--|-------------------------------|----------------------------|---------------------|---------------------|
| <b>Revenues</b>  |                               |                            |                     |                     |
| Events   | \$ 620,186                    | \$ -                       | \$ 620,186          | \$ 1,167,116        |
| Less Costs of Direct Benefits to Donors                      | (40,019)                      | -                          | (40,019)            | (437,763)           |
| Grants and Contributions                                     | 2,440,236                     | 1,040,788                  | 3,481,024           | 2,648,680           |
| In-Kind Contributions  | 62,689                        | -                          | 62,689              | 38,844              |
| Interest Income  | 2,040                         | -                          | 2,040               | 3,376               |
| Other Income   | 6,586                         | -                          | 6,586               | 184                 |
| Net Assets Released from Restrictions                        | 475,366                       | (475,366)                  | -                   | -                   |
| <b>Total Revenues</b>  | <b>3,567,084</b>              | <b>565,422</b>             | <b>4,132,506</b>    | <b>3,420,437</b>    |
| <b>Expenses</b>  |                               |                            |                     |                     |
| <b>Programs</b>  |                               |                            |                     |                     |
| Education and Training                                       | 698,901                       | -                          | 698,901             | 941,879             |
| Public Information, Communication,<br>and Outreach           | 332,787                       | -                          | 332,787             | 297,841             |
| Catalytic Research Projects<br>and Collaborations            | 751,984                       | -                          | 751,984             | 616,536             |
| Public Policy  | 331,528                       | -                          | 331,528             | 461,846             |
| Grassroots Advocacy Field Network<br>Development and Support | 232,952                       | -                          | 232,952             | 208,006             |
| Other Programs   | 20,458                        | -                          | 20,458              | 114,516             |
| <b>Total Programs</b>  | <b>2,368,610</b>              | <b>-</b>                   | <b>2,368,610</b>    | <b>2,640,624</b>    |
| Management and General                                       | 232,813                       | -                          | 232,813             | 196,766             |
| Fundraising  | 275,804                       | -                          | 275,804             | 299,203             |
| <b>Total Expenses</b>  | <b>2,877,227</b>              | <b>-</b>                   | <b>2,877,227</b>    | <b>3,136,593</b>    |
| Change in Net Assets   | 689,857                       | 565,422                    | 1,255,279           | 283,844             |
| Net Assets, Beginning of Year                                | 1,356,666                     | 559,327                    | 1,915,993           | 1,632,149           |
| <b>Net Assets, End of Year</b>                               | <b>\$ 2,046,523</b>           | <b>\$ 1,124,749</b>        | <b>\$ 3,171,272</b> | <b>\$ 1,915,993</b> |

*See accompanying Notes to Financial Statements.*

NATIONAL BREAST CANCER COALITION FUND

STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2020  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2019)

|                                  | Education<br>and<br>Training | Public<br>Information,<br>Communication,<br>and<br>Outreach | Catalytic<br>Research<br>Projects and<br>Collaborations | Public<br>Policy  | Grassroots<br>Advocacy<br>Field Network<br>Development<br>and Support | Other<br>Programs | Total<br>Programs   | Management<br>and<br>General | Fundraising       | 2020<br>Total       | 2019<br>Total       |
|----------------------------------|------------------------------|---|---|-------------------|---|-------------------|---------------------|------------------------------|-------------------|---------------------|---------------------|
| Salaries                         | \$ 425,581                   | \$ 136,523  | \$ 355,747  | \$ 32,030         | \$ 148,324  | \$ 12,838         | \$ 1,111,043        | \$ 85,144                    | \$ 95,030         | \$ 1,291,217        | \$ 1,060,534        |
| Payroll Taxes                    | 32,921                       | 10,561  | 27,519  | 2,478             | 11,474  | 993               | 85,946              | 5,978                        | 7,336             | 99,260              | 80,883              |
| Retirement Plan Contributions    | 7,886                        | 4,056   | 8,794   | 769               | 6,923   | 354               | 28,782              | 2,879                        | 3,217             | 34,878              | 21,792              |
| Other Employee Benefits          | 38,697                       | 14,727  | 30,304  | 3,237             | 15,484  | 1,187             | 103,636             | 8,932                        | 11,486            | 124,054             | 87,190              |
| Consultants                      | 23,250                       | 45,880  | 60,677  | 60,763            | 600   | -                 | 191,170             | 955                          | 37,773            | 229,898             | 339,812             |
| Legal Fees                       | -                            | -   | 20,175  | -                 | -   | 153               | 20,328              | 58,333                       | -                 | 78,661              | 44,002              |
| Accounting Fees                  | -                            | -   | -   | -                 | -   | -                 | -                   | 26,300                       | -                 | 26,300              | 26,755              |
| Staff Development/Recruitment    | 85                           | 732   | 71  | 6                 | 594   | 3                 | 1,491               | 1,435                        | 114               | 3,040               | 16,065              |
| Printing/Copying/Design/Graphic  | 4,247                        | 18,750  | 5,039   | 179               | 6,236   | 85                | 34,536              | 1,151                        | 22,761            | 58,448              | 59,662              |
| Publications and Subscriptions   | -                            | 440   | -   | -                 | -   | 857               | 1,297               | 1,516                        | 5,649             | 8,462               | 8,215               |
| Postage                          | 1,472                        | 2,122   | 2,785   | 73                | 376   | 43                | 6,871               | 719                          | 8,952             | 16,542              | 21,554              |
| Office Supplies                  | 2,234                        | 924   | 1,642   | 115               | 715   | 59                | 5,689               | 780                          | 1,051             | 7,520               | 12,455              |
| Meetings and Events              | 18,690                       | 302   | 127,297   | -                 | -   | -                 | 146,289             | 2,748                        | -                 | 149,037             | 461,553             |
| Scholarships                     | -                            | -   | -   | -                 | -   | -                 | -                   | -                            | -                 | -                   | 49,836              |
| Occupancy                        | 63,107                       | 21,068  | 41,071  | 3,203             | 19,397  | 1,928             | 149,774             | 15,976                       | 15,322            | 181,072             | 192,497             |
| Telecommunications               | 32,548                       | 48,802  | 32,994  | 1,231             | 7,811   | 686               | 124,072             | 8,025                        | 25,434            | 157,531             | 154,702             |
| Depreciation and Amortization    | 39,910                       | 13,592  | 27,425  | 2,047             | 12,919  | 1,057             | 96,950              | 7,818                        | 12,440            | 117,208             | 63,673              |
| Equipment                        | 530                          | 184   | 383   | 26                | 188   | 12                | 1,323               | 141                          | 164               | 1,628               | 3,113               |
| Travel                           | 96                           | 6,832   | 5,798   | 52                | -   | -                 | 12,778              | 477                          | 185               | 13,440              | 72,992              |
| Insurance                        | 3,781                        | 1,297   | 2,572   | 195               | 1,117   | 138               | 9,100               | 729                          | 1,179             | 11,008              | 11,192              |
| Public Relations and Advertising | -                            | 4,799   | -   | -                 | -   | -                 | 4,799               | -                            | -                 | 4,799               | 1,212               |
| Dues and Fees                    | 2,639                        | 1,196   | 1,691   | 124               | 794   | 65                | 6,509               | 2,692                        | 18,675            | 27,876              | 28,533              |
| Grants                           | -                            | -   | -   | 225,000           | -   | -                 | 225,000             | -                            | -                 | 225,000             | 305,000             |
| Bank Fees                        | 1,227                        | -   | -   | -                 | -   | -                 | 1,227               | 85                           | 9,036             | 10,348              | 13,313              |
| Interest                         | -                            | -   | -   | -                 | -   | -                 | -                   | -                            | -                 | -                   | 58                  |
| <b>Total Expenses</b>            | <b>\$ 698,901</b>            | <b>\$ 332,787</b>   | <b>\$ 751,984</b>                                       | <b>\$ 331,528</b> | <b>\$ 232,952</b>   | <b>\$ 20,458</b>  | <b>\$ 2,368,610</b> | <b>\$ 232,813</b>            | <b>\$ 275,804</b> | <b>\$ 2,877,227</b> | <b>\$ 3,136,593</b> |

See accompanying Notes to Financial Statements.

**NATIONAL BREAST CANCER COALITION FUND**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2019)**

|  | 2020                | 2019                |
|--|---------------------|---------------------|
| <b>Cash Flows from Operating Activities</b>  |                     |                     |
| Change in Net Assets   | \$ 1,255,279        | \$ 283,844          |
| Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities |                     |                     |
| Donated Securities Received  | (74,354)            | -                   |
| Proceeds from Sales of Donated Securities  | 26,728              | -                   |
| Depreciation and Amortization  | 117,208             | 63,673              |
| <u>(Increase) Decrease in Assets</u>   |                     |                     |
| Accounts Receivable  | 30,374              | -                   |
| Pledges and Grants Receivable  | (579,587)           | 336,237             |
| Due from National Breast Cancer Coalition  | 43,618              | 171                 |
| Prepaid Expenses   | 105,024             | (54,558)            |
| <u>Increase (Decrease) in Liabilities</u>  |                     |                     |
| Accounts Payable   | 22,533              | (47,200)            |
| Accrued Expenses   | 13,229              | (3,484)             |
| Deferred Rent  | (154,150)           | (63,960)            |
| Net Cash Provided by Operating Activities  | 805,902             | 514,723             |
| <b>Cash Flows from Investing Activities</b>  |                     |                     |
| Purchases of Property and Equipment  | (14,791)            | (54,660)            |
| Net Cash Used in Investing Activities  | (14,791)            | (54,660)            |
| <b>Cash Flows from Financing Activities</b>  |                     |                     |
| Payments of Capital Lease Obligation   | (7,843)             | (7,387)             |
| Net Cash Used in Financing Activities  | (7,843)             | (7,387)             |
| Net Increase in Cash and Cash Equivalents  | 783,268             | 452,676             |
| Cash and Cash Equivalents, Beginning of Year   | 1,222,922           | 770,246             |
| <b>Cash and Cash Equivalents, End of Year</b>  | <b>\$ 2,006,190</b> | <b>\$ 1,222,922</b> |

*See accompanying Notes to Financial Statements*



# NATIONAL BREAST CANCER COALITION FUND

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2020

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### 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *Organization*

The National Breast Cancer Coalition Fund (NBCC) is a nonprofit organization incorporated under the laws of the Commonwealth of Pennsylvania on December 19, 1991. The purpose of the organization is to eradicate breast cancer through focusing national attention on breast cancer and by involving patients and others as advocates for action, advances, and change.

NBCC's mission is "to end breast cancer through the power of action and advocacy". NBCC has a strategic plan of action to achieve the mission. The plan focuses on primary prevention, stopping women from getting breast cancer, and understanding and preventing metastasis (the spread of cancer), which is responsible for most breast cancer deaths. The blueprint is designed around three goals: research needed to end breast cancer; global access to the necessary information and lifesaving interventions; and the influence of leaders everywhere in the strategies to end breast cancer.

#### *Programs of NBCC include:*

*Education and Training* - The Center for NBCC Advocacy Training supplies the education, tools, training, and action that enable breast cancer survivors and other advocates to understand complex medical and scientific information and to take leadership roles in clinical, scientific, funding, and policy decision-making that affect breast cancer.

The Advocate Leadership Summit is a three-day educational and strategy-building session to train and empower breast cancer survivors and other advocates by providing information and background about breast cancer as well as the tools and tactics necessary to take a leadership role in breast cancer advocacy.

Project LEAD<sup>®</sup>, NBCC's innovative science training course, is designed to help breast cancer activists influence research and public policy. An intensive two-to-six-day program, Project LEAD<sup>®</sup> prepares advocates for participation in the wide range of forums where breast cancer research decisions are made. Project LEAD<sup>®</sup> includes:

- Project LEAD<sup>®</sup> Institute: Annual intensive six-day course in core science training for advocate leaders to learn the language and concepts of science with a focus on the biology of breast cancer, genetics, epidemiology, research design, and advocacy.
- Advanced Project LEAD<sup>®</sup>: Ongoing educational and training sessions for advocates who excel in science and have successfully completed Project LEAD<sup>®</sup> focusing on enhancing critical thinking and research skills.
- Clinical Trials Project LEAD<sup>®</sup>: Advanced, intensive training for graduates of Project LEAD<sup>®</sup> in the key aspects of clinical trial design, implementation, and oversight.
- Project LEAD<sup>®</sup> Workshop: Two-and-a-half-day, entry-level course in breast cancer science that teaches how to critically analyze research and evaluate breast information in the media.
- Continuing Education for Project LEAD<sup>®</sup> Graduates: Continued scientific education and research involvement, including LEADgrads Online resources, Advanced Topics sessions at various scientific meetings, and LEADcasts - online webinars with well-known researchers.

NATIONAL BREAST CANCER COALITION FUND

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020

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1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*Programs of NBCC include: (Continued)*

- Online Center for Advocacy Training: NBCC's esteemed training experiences brought directly to advocates in a convenient and understandable digital format.
- Team Leader Training: Prepares grassroots leaders to understand the legislative process and to forward NBCC's annual public policy agenda.

*Public Information, Communications, and Outreach* - NBCC has undertaken an expansive effort to change the conversation around breast cancer to a dialogue about knowing how to end the disease.

- Breast Cancer Information Campaigns: The NBCC website and print and electronic communications help educate the public with facts about breast cancer. NBCC's expert staff analyze research studies and media coverage and present the truth behind the news.
- Global Influence: The NBCC executive team, Board of Directors, and advocate leadership represent the breast cancer community, advocating on its behalf and serving on scientific, medical, and research bodies at the national and international levels.

Through all of these programs, NBCC supports and facilitates the research needed to end breast cancer, global access to the necessary information and lifesaving interventions, and the influence of leaders everywhere in the strategies to end breast cancer.

*Catalytic Research Projects and Collaborations* - NBCC's Artemis Project® is centered around strategic summits, catalytic workshops, and collaborative efforts with a multi-disciplinary and diverse group of stakeholders. This advocate-led, innovative approach allows scientists, industry representatives, and regulators to work collaboratively with advocates to develop and implement strategic research plans that could have a significant impact on primary prevention and saving lives. Projects include:

- Artemis Project® for a Preventive Breast Cancer Vaccine: A strategic plan for the development of a preventive in breast cancer.
- Artemis Project® on the Preventive of Metastasis: Determining the process by which breast cancer spreads and becomes lethal, and how to intervene to stop it.
- Seed Grants for Research: NBCC has awarded seed grants to allow scientists to begin the research required in key areas identified in the collaborative research plans.

*Clinical Trials Initiative* - NBCC works with industry and the research community on clinical trials that meet the criteria of NBCC's Clinical Trial Project. We involve breast cancer activists in all aspects of clinical trial design, implementation, and oversight. We work to improve access to quality clinical trials and, thus, treatment and care for women with breast cancer and strategies for those at risk.

*Public Policy* - Public policy plays a significant role in all aspects of breast cancer. NBCC focuses its public policy advocacy on priorities that will have a major impact on ending breast cancer, including those that will increase funding for meaningful breast cancer research, provide access to high-quality health care and clinical trials, and expand the influence of breast cancer advocates everywhere breast cancer decisions are made.

NATIONAL BREAST CANCER COALITION FUND

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020

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1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*Programs of NBCC include: (Continued)*

NBCC hosts a series of Congressional Forums on Capitol Hill designed to educate policymakers on issues vital to the breast cancer community. NBCC provides members of Congress and their staff up-to-date information about breast cancer and reports on research discoveries that affect policy and appropriations. NBCC leadership often testifies before Congressional committees on substantive breast cancer issues.

*Grassroots Advocacy Field Network Development and Support* - NBCC provides resources and support to member organizations nationwide and enhances education and training among diverse populations of breast cancer activists.

All organization and individual members of NBCC's National Action Network receive email alerts throughout the year, usually twice each month, with important information and timely actions for their advocacy. NBCC also convenes regular conference calls and webinars for the grassroots field network to provide individualized guidance, informational materials, and peer-to-peer support.

*Other Programs* - Through the Clinical Trials Initiative, NBCC works with the research community to involve breast cancer activists in all aspects of clinical trial design, implementation and oversight and increase the number of high-quality trials conducted. NBCC's acclaimed publication, Guide to Quality Breast Cancer Care, is available free of charge on the NBCC website. The Guide provides information for patients to use when evaluating the quality of their health care and developing strategies for getting the best care available.

The operations of NBCC are primarily funded by grants, contributions, and special events.

*Cash and Cash Equivalents*

NBCC considers all short-term investments with an original maturity of three months or less to be cash equivalents, excluding amounts held as investments.

*Investments*

Equity investments are recorded at fair value using quotations on national exchanges. Debt securities are recorded at fair value using readily available pricing sources for comparable investments. Investment income, including realized and unrealized gains and losses, is included in the statement of activities.

*Accounts Receivable and Pledges and Grants Receivable*

Accounts receivable and pledges and grants receivable consist of amounts due which were not received by NBCC at year end. The management of NBCC believes that all such amounts are fully collectible and no reserve for doubtful accounts has been established. Amounts receivable due in more than one year are discounted at 0.362%.

NATIONAL BREAST CANCER COALITION FUND

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020

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1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*Property and Equipment*

NBCC capitalizes all property and equipment acquisitions in excess of \$1,000. Property and equipment are recorded at cost, if purchased, or at fair value, at date of donation, if contributed. Depreciation of property and equipment is provided using the straight-line method over the estimated life of the asset.

*Allocation of Functional Expenses*

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. These expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, payroll taxes, retirement plan contributions, other employee benefits, rent, depreciation and amortization, and other office related expenses, which are allocated on the basis of estimates of time and effort by employees. Expenses directly identifiable to specific programs and supporting activities are allocated accordingly.

*Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses. Actual results could differ from those estimates.

*Basis of Accounting*

The accompanying financial statements are presented on the accrual basis of accounting. Consequently, revenue is recognized when earned and expenses when incurred.

*Financial Statement Presentation*

The financial statements of NBCC have been prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP), which requires NBCC 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 NBCC. These net assets may be used at the discretion of NBCC's management and the Board of Directors.

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

NATIONAL BREAST CANCER COALITION FUND

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020

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1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*Revenue and Support*

NBCC reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. Unconditional contributions with donor restrictions for which the restrictions are met in the year received are considered net assets without donor restrictions for financial statement purposes. Contributions received with donor-imposed conditions and restrictions that are met in the same reporting period are reported as support without donor restrictions. When a donor 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. Event revenue is recognized in the period the event occurs.

*In-Kind Contributions*

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, and are performed by people with those skills, and would otherwise be purchased by NBCC. During the year ended December 31, 2020, NBCC received donated legal fees and other services of approximately \$63,000 which is related to management and general services and events.

*Prior Year Information*

The financial statements include certain prior year summarized comparative totals as of and for the year ended December 31, 2019. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the financial statements for the year ended December 31, 2019, from which the summarized information was derived.

*Income Taxes*

NBCC is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code) and has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code.

NBCC requires that a tax position be recognized or derecognized based on a “more-likely-than-not” threshold. This applies to positions taken or expected to be taken in a tax return. NBCC does not believe its financial statements include, or reflect, any uncertain tax positions.

NBCC’s Form 990, *Return of Organization Exempt from Income Tax*, is subject to examination by the Internal Revenue Service generally for three years after it is filed.

*Reclassifications*

Certain amounts for 2019 have been reclassified for comparative purposes.

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2. RELATED PARTY TRANSACTIONS

NBCC shares staff and board members with the National Breast Cancer Coalition (the Coalition), a nonprofit organization exempt under Internal Revenue Code Section 501(c)(4). NBCC is reimbursed by the Coalition for certain personnel, office expenses, and combined bills. NBCC incurred approximately \$181,000 of reimbursable expenses paid on behalf of the Coalition during 2020. NBCC made a grant of \$225,000 to the Coalition for the year ended December 31, 2020. The grant to the Coalition was used for direct lobbying expenses. The grant was made in accordance with NBCC's 501(h) election for the year.

3. LIQUIDITY AND AVAILABILITY OF RESOURCES

NBCC's cash flows have seasonal variations due to the timing of contributions and a concentration of contributions in the first half of the year. NBCC manages its liquidity to meet general expenditures, liabilities, and other obligations as they become due. To meet unanticipated or seasonal needs, NBCC maintains a line of credit with a bank for \$150,000. There is no outstanding balance as of December 31, 2020.

As of December 31, 2020, the following financial assets and liquidity sources were available for general operating expenditures in the year ending December 31, 2021:

*Financial Assets*

|   |                  |
|---|------------------|
| Cash and Cash Equivalents                               | \$ 2,006,190     |
| Investments   | 47,626           |
| Accounts Receivable                                     | 21,950           |
| Pledges and Grants Receivable Due in Less Than One Year | 482,693          |
| Less Donor Restricted Net Assets for Purpose            | <u>(510,120)</u> |
| Total Financial Assets Available within One Year        | 2,048,339        |

Other Liquidity Resources

|   |                     |
|---|---------------------|
| Available Line of Credit  | <u>150,000</u>      |
| Total Financial Assets and Liquid Resources Available within One Year | <u>\$ 2,198,339</u> |

4. LINE OF CREDIT AGREEMENT

NBCC maintains a \$150,000 revolving line of credit from a local bank. The line of credit expires on May 30, 2022. Substantially all of the assets of NBCC are used as collateral for the line of credit. The line of credit contains certain restrictive covenants. Interest is payable monthly based on the *Wall Street Journal's* prime rate plus 0% with a floor of 3.25%. NBCC did not have any funds outstanding on the line of credit at December 31, 2020.

5. INVESTMENTS AND FAIR VALUE MEASUREMENTS

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels as follows:

**Level 1** - inputs to the valuation methodology are quoted prices for identical assets or liabilities in active markets (examples include equity securities);

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**5. INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)**

*Level 2* - inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability other than quoted prices, either directly or indirectly, including inputs in markets that are not considered to be active (examples include corporate and municipal bonds); and

*Level 3* - inputs to the valuation methodology are unobservable and significant to the fair value measurement. The inputs into the determination of fair value require significant management judgment (examples include certain private equity securities, alternate investments, and split-interest agreements).

The following presents NBCC's assets measured at fair value as of December 31, 2020:

|                         | Fair Value | Level 1<br>Inputs | Level 2<br>Inputs | Level 3<br>Inputs |
|-------------------------|------------|-------------------|-------------------|-------------------|
| Mutual Funds - Equities | \$ 27,603  | \$ 27,603         | \$ -              | \$ -              |
| Mutual Funds - Bonds    | 20,023     | 20,023            | -                 | -                 |
| Total                   | \$ 47,626  | \$ 47,626         | \$ -              | \$ -              |

**6. OPERATING LEASE**

During 2014, NBCC entered into a lease (the Lease) for office space and is obligated under the Lease through 2021. Under the terms of the Lease, the base rent increases annually based on scheduled increases provided for in the Lease. The Lease included incentives of approximately 3.5 months of free rent and approximately \$373,000 to build out the office space. Under accounting principles generally accepted in the United States of America (GAAP), all rental payments, including fixed rent increases, are recognized on a straight-line basis over the term of the lease. Lease incentives are amortized over the life of the lease on a straight-line basis as an offset to rent expense. The difference between the GAAP rent expense and the required lease payments, as well as any unamortized lease incentives, are reflected as deferred rent in the accompanying statement of financial position. During 2020, NBCC exercised its option to terminate the lease agreement early on February 21, 2021. Rent expense totaled approximately \$167,000 for the year ended December 31, 2020.

**7. PLEDGES AND GRANTS RECEIVABLE**

Unconditional promises to give at December 31, 2020, are as follows:

|   |              |
|---|--------------|
| Pledges and Grants Receivable in Less Than One Year | \$ 482,693   |
| Pledges and Grants Receivable in One to Five Years  | 606,000      |
| Total Pledges and Grants Receivable                 | 1,088,693    |
| Less Discount to Present Value                      | (2,103)      |
| Net Contributions and Grants Receivable             | \$ 1,086,590 |

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**8. RETIREMENT PLAN**

NBCC maintains a 401(k) plan (the Plan). NBCC may elect to make an annual safe harbor contribution for all eligible employees. In addition, NBCC may make discretionary contributions. To be eligible, employees must have attained age 21 and completed one year of service. Participants may elect to make voluntary contributions to the Plan. The total contribution under the Plan for the year ended December 31, 2020, was approximately \$38,000. NBCC's portion of the contribution was approximately \$35,000. NBCC was reimbursed by the Coalition for the remaining \$3,000 of the contribution.

**9. CONTINGENCIES**

The spread of COVID-19 (coronavirus disease) has had a disruptive impact on the daily life and operations of individuals, businesses, and companies around the world. There is uncertainty about financial and economic impacts in all sectors of the economy. The financial markets have experienced significant volatility, and this may continue for an extended period of time. In light of these circumstances, management continues to assess how best to adapt to changed circumstances.

**10. NET ASSETS WITH DONOR RESTRICTIONS**

As of December 31, 2020, net assets with donor restrictions consisted of the following:

|   |                     |
|---|---------------------|
| Artemis Project                                       | \$ 300,000          |
| Center for Advocacy Training                          | 73,961              |
| Clinical Trials and Research                          | 36,159              |
| Public Policy   | 100,000             |
| Time Restriction - General Support for Future Periods | <u>614,629</u>      |
| Total Net Assets With Donor Restrictions              | <u>\$ 1,124,749</u> |

Net assets released from restrictions for the year ended December 31, 2020, were as follows:

|   |                   |
|---|-------------------|
| Artemis Project                                       | \$ 300,000        |
| Center for Advocacy Training                          | 109,408           |
| Time Restriction - General Support for Future Periods | <u>65,958</u>     |
| Total Releases from Donor Restrictions                | <u>\$ 475,366</u> |

**11. CONCENTRATIONS**

As of December 31, 2020, one donor comprised approximately 83% of total pledges and grants receivable due to a multi-year contribution promised in 2020. For the year ended December 31, 2020, approximately 41% of total revenue was received from two donors.

NBCC maintains a bank account at a financial institution located in Washington, D.C., which at times during the year exceeded the Federal Deposit Insurance Corporation limit. Management believes the risk in these situations to be minimal.



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**12. JOINT COST ALLOCATION**

NBCC incurred joint costs in 2020 for informational materials that included fundraising appeals. The costs were allocated as follows:

|                             |                  |
|-----------------------------|------------------|
| Program Services            | \$ 10,628        |
| Fundraising and Development | 7,970            |
| Administration              | <u>8,381</u>     |
| Total                       | <u>\$ 26,979</u> |

**13. SMALL BUSINESS ADMINISTRATION (SBA) LOAN**

During 2020, the Small Business Administration (SBA) waived repayment of NBCC's first SBA loan under the Paycheck Protection Program (PPP) in the amount of approximately \$221,000. As such, the amount is included in grants and contributions on the statement of activities as of December 31, 2020. In addition, subsequent to year end NBCC has received a second Small Business Administration (SBA) loan under the Paycheck Protection Program (PPP) in the amount of approximately \$248,000. The PPP provides cash-flow assistance through 100% federally guaranteed loans to eligible recipients to maintain payroll during the COVID-19 public health emergency and cover certain other expenses. If NBCC maintains its workforce and meets certain requirements, up to 100% of the loan may be forgiven by the SBA. No more than 40% of the forgiven amount may be for non-payroll costs. Loans under the PPP have an interest rate of 1% and a five-year maturity date, if not forgiven.

**14. SUBSEQUENT EVENTS**

Subsequent events were evaluated through June 10, 2021, which is the date the financial statements were available to be issued.