

Annual Financial Report

National Ataxia Foundation (a Nonprofit Foundation)

St. Louis Park, Minnesota

For the Years Ended
December 31, 2019 and 2018

National Ataxia Foundation
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INDEPENDENT AUDITOR'S REPORT

Board of Directors
National Ataxia Foundation
St. Louis Park, Minnesota

Reports on the Financial Statements

We have audited the accompanying financial statements of National Ataxia Foundation (the Foundation), a Minnesota not-for-profit corporation, which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities, functional expenses and cash flows for the years 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 audits 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 Foundation as of December 31, 2019 and 2018, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

ABDO, EICK & MEYERS, LLP
Minneapolis, Minnesota
June 2, 2020

FINANCIAL STATEMENTS

National Ataxia Foundation
 Statements of Financial Position
 December 31, 2019 and 2018

	2019	2018
Assets		
Current Assets		
Cash and cash equivalents	\$ 2,879,037	\$ 2,509,698
Investments	905,128	1,087,598
Accounts receivable, net of allowance of \$0 and \$148 in 2019 and 2018	32,000	7,150
Prepaid expenses	69,810	74,075
Total Current Assets	3,885,975	3,678,521
Equipment	-	24,588
Less: Accumulated Depreciation	-	(24,588)
Property and Equipment, Net	-	-
Total Assets	\$ 3,885,975	\$ 3,678,521
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 24,229	\$ 8,303
Grants payable	20,000	-
Accrued payroll and related expenses	25,832	50,478
Deferred revenue	218,176	116,060
Total Liabilities	288,237	174,841
Net Assets		
Without donor restriction	1,146,855	986,148
With donor restriction	2,450,883	2,517,532
Total Net Assets	3,597,738	3,503,680
Total Liabilities and Net Assets	\$ 3,885,975	\$ 3,678,521

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

National Ataxia Foundation
Statements of Activities
For the Years Ended December 31, 2019 and 2018

	2019			2018		
	Without Donor Restriction	With Donor Restriction	Total	Without Donor Restriction	With Donor Restriction	Total
Support and Revenue						
Public support and revenue						
Contributions, memorials and honorariums	\$ 1,302,802	\$ 1,269,991	\$ 2,572,793	\$ 1,160,727	\$ 1,036,729	\$ 2,197,456
Memberships	20,349	-	20,349	78,371	-	78,371
In-kind contributions	-	-	-	9	-	9
Other revenue						
Conference Income	357,654	-	357,654	218,595	-	218,595
Earned income	10,737	-	10,737	12,399	-	12,399
Investment income (loss)	2,693	129,374	132,067	(8,838)	(42,846)	(51,684)
Miscellaneous	51,549	-	51,549	1,128	-	1,128
Net assets released from restrictions	1,466,014	(1,466,014)	-	454,951	(454,951)	-
Total Support and Revenue	<u>3,211,798</u>	<u>(66,649)</u>	<u>3,145,149</u>	<u>1,917,342</u>	<u>538,932</u>	<u>2,456,274</u>
Expenses						
Program Services						
Research	1,737,512	-	1,737,512	489,575	-	489,575
Education and service	331,633	-	331,633	515,613	-	515,613
Total Program Services	<u>2,069,145</u>	<u>-</u>	<u>2,069,145</u>	<u>1,005,188</u>	<u>-</u>	<u>1,005,188</u>
Supporting Services						
Management and general	558,982	-	558,982	348,965	-	348,965
Fundraising	422,964	-	422,964	357,103	-	357,103
Total Supporting Services	<u>981,946</u>	<u>-</u>	<u>981,946</u>	<u>706,068</u>	<u>-</u>	<u>706,068</u>
Total Expenses	<u>3,051,091</u>	<u>-</u>	<u>3,051,091</u>	<u>1,711,256</u>	<u>-</u>	<u>1,711,256</u>
Change in Net Assets	160,707	(66,649)	94,058	206,086	538,932	745,018
Beginning Net Assets	<u>986,148</u>	<u>2,517,532</u>	<u>3,503,680</u>	<u>780,062</u>	<u>1,978,600</u>	<u>2,758,662</u>
Ending Net Assets	<u>\$ 1,146,855</u>	<u>\$ 2,450,883</u>	<u>\$ 3,597,738</u>	<u>\$ 986,148</u>	<u>\$ 2,517,532</u>	<u>\$ 3,503,680</u>

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

National Ataxia Foundation
 Statements of Functional Expenses
 For the Years Ended December 31, 2019 and 2018

	2019					
	Program Services			Supporting Services		
	Research	Education and Service	Total Program Services	Management and General	Fundraising	Total
Salaries and Related Expenses						
Salaries and wages	\$ 120,268	\$ 113,878	\$ 234,146	\$ 183,434	\$ 224,931	\$ 642,511
Payroll taxes	9,398	9,538	18,936	27,428	17,436	63,800
Fringe benefits	7,037	14,951	21,988	11,906	30,629	64,523
Total Salaries and Related Expenses	<u>136,703</u>	<u>138,367</u>	<u>275,070</u>	<u>222,768</u>	<u>272,996</u>	<u>770,834</u>
Other Expenses						
Occupancy	-	-	-	60,136	-	60,136
Printing, marketing and multimedia	7,719	3,441	11,160	20,013	25,835	57,008
Professional services	1,523	1,289	2,812	162,653	1,252	166,717
Program expense	-	12,769	12,769	126	25,334	38,229
Development	500	-	500	1,602	-	2,102
Insurance	104	83	187	18,609	129	18,925
Dues and subscriptions	5,228	120	5,348	17,154	7,234	29,736
Meeting expense	121,707	172,342	294,049	22,540	67,115	383,704
Office expense	13,636	2,046	15,682	25,078	6,030	46,790
Bank and credit card fees	7,385	-	7,385	4,624	17,039	29,048
Miscellaneous	-	1,176	1,176	3,679	-	4,855
Research grants	1,443,007	-	1,443,007	-	-	1,443,007
Total Expenses	<u>\$ 1,737,512</u>	<u>\$ 331,633</u>	<u>\$ 2,069,145</u>	<u>\$ 558,982</u>	<u>\$ 422,964</u>	<u>\$ 3,051,091</u>

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

National Ataxia Foundation
Statements of Functional Expenses (Continued)
For the Years Ended December 31, 2019 and 2018

	2018					
	Program Services			Supporting Services		
	Research	Education and Service	Total Program Services	Management and General	Fundraising	Total
Salaries and Related Expenses						
Salaries and wages	\$ 89,936	\$ 122,389	\$ 212,325	\$ 53,729	\$ 182,198	\$ 448,252
Payroll taxes	7,715	9,618	17,333	4,762	14,099	36,194
Fringe benefits	5,278	12,878	18,156	28,684	13,539	60,379
Total Salaries and Related Expenses	<u>102,929</u>	<u>144,885</u>	<u>247,814</u>	<u>87,175</u>	<u>209,836</u>	<u>544,825</u>
Other Expenses						
Occupancy	5,478	5,478	10,956	44,431	5,478	60,865
Printing, marketing and multimedia	-	17,872	17,872	10,149	45,399	73,420
Professional services	2,430	2,430	4,860	125,105	2,430	132,395
Program expense	2,720	11,850	14,570	-	9,577	24,147
Development	-	1,312	1,312	9,868	626	11,806
Insurance	532	532	1,064	3,258	532	4,854
Dues and subscriptions	9,200	205	9,405	12,770	12,832	35,007
Meeting expense	31,606	320,764	352,370	19,560	43,414	415,344
Office expense	6,067	4,969	11,036	31,320	7,499	49,855
Bank and credit card fees	1,815	4,476	6,291	4,011	18,372	28,674
Miscellaneous	41	840	881	1,318	1,108	3,307
Research grants	326,757	-	326,757	-	-	326,757
Total Expenses	<u>\$ 489,575</u>	<u>\$ 515,613</u>	<u>\$ 1,005,188</u>	<u>\$ 348,965</u>	<u>\$ 357,103</u>	<u>\$ 1,711,256</u>

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

National Ataxia Foundation
Statements of Cash Flows
For the Years Ended December 31, 2019 and 2018

	2019	2018
Cash Flows from Operating Activities		
Change in net assets	\$ 94,058	\$ 745,018
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Realized and unrealized loss (gain) on investments	(80,059)	109,360
Changes in assets:		
Accounts receivable	(24,850)	6,065
Prepaid expenses	4,265	(42,699)
Changes in liabilities:		
Accounts payable	15,926	(133,633)
Grants payable	20,000	-
Accrued payroll and related expenses	(24,646)	(13,206)
Deferred revenue	102,116	100,335
Net Cash Provided by Operating Activities	106,810	771,240
Cash Flows from Investing Activities		
Purchase of investments	(84,980)	(421,862)
Proceeds from sale of investments	347,509	316,984
Net Cash Provided (Used) by Investing Activities	262,529	(104,878)
Change in Cash and Cash Equivalents	369,339	666,362
Beginning Cash and Cash Equivalents	2,509,698	1,843,336
Ending Cash and Cash Equivalents	\$ 2,879,037	\$ 2,509,698

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

National Ataxia Foundation
Notes to the Financial Statements
December 31, 2019 and 2018

Note 1: Summary of Significant Accounting Policies

A. Nature of Activities

National Ataxia Foundation (the Foundation) was incorporated as a Minnesota nonprofit corporation in 1957 with the primary mission of encouraging and supporting research into hereditary and sporadic ataxia, a group of neurological disorders which are chronic and progressive conditions affecting coordination.

To further the mission, the Foundation provides services in the following program areas:

Education and Service

Increased awareness about hereditary and sporadic ataxia disorders is promoted through a variety of education programs and materials for ataxia families, researchers, physicians, allied health professionals and the general public. The Foundation publishes *Generations*, a quarterly newsletter devoted to ataxia related articles including the latest research and other information beneficial to individuals with ataxia. Other educational materials, such as books, videos and fact sheets are provided to persons with ataxia, family members and health care professionals on a “direct request” basis through the NAF office. The annual ataxia conference, and sponsorship and/or participation in national and international meetings, symposiums and seminars also serve to increase ataxia awareness.

The National Ataxia Foundation attempts to locate people and families with hereditary and sporadic ataxia in order to provide them with information about ataxia. This is accomplished by providing updated information about ataxia to the general public by maintaining a website, creating public service announcements and publishing *Generations*. The Foundation assists individuals and families by identifying clinical resources and making appropriate referrals for neurological care, genetic counseling and gene testing. The Foundation also assists people with locating resources within their own communities, including support groups.

Research

The National Ataxia Foundation encourages and promotes research on hereditary and sporadic ataxias through three research funding programs: (1) ataxia “seed money” for research grants; (2) ataxia fellowship awards; and (3) ataxia young investigator awards. In addition, due to an anonymous donor, the Foundation was able to establish two additional research programs in 2011, the pioneer SCA Translational Research Award: one year \$100,000 grants focusing on research investigations that will facilitate the development of treatments for the Spinocerebellar Ataxias (SCAs) and the Young Investigator (YI-SCA) Award for SCA Research: one-year grants of \$50,000 awarded to encourage young investigators to pursue a career in spinocerebellar ataxia (SCA) research.

The Foundation grants funds for new and innovative research projects which have the potential to expand into major, multi-disciplinary research programs supported by government or private agencies. In addition, the Foundation helps to coordinate research efforts into the causes and early detection of ataxia through existing research centers throughout the world and supports scientific conferences on the ataxia's.

B. Basis of Accounting and Presentation

The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Revenues are recorded when earned and expenses are recorded when a liability is incurred. Contributions received are recorded as an increase in non-donor-restricted or donor-restricted support depending on the existence or nature of any donor restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Net Assets Without Donor Restriction - Those resources over which the Foundation has discretionary control.

Net Assets With Donor Restriction - Those resources subject to donor imposed restrictions, which are satisfied by actions of the Foundation or passage of time, or are to be maintained permanently.

National Ataxia Foundation
Notes to the Financial Statements
December 31, 2019 and 2018

Note 1: Summary of Significant Accounting Policies (Continued)

C. 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

D. Cash and Cash Equivalents

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

E. Investments

Investments are measured at fair value in the statements of financial position. Investment income or loss (including realized gains and losses on investments, interest, and dividends) is included in non-donor-restricted revenue and support unless the income or loss is restricted by donor or law.

F. Accounts Receivable

Accounts receivable consist primarily of amounts billed for services, are unsecured, and are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on the assessment of the current status of individual accounts.

G. Prepaid Expenses

Certain payments to vendors reflect costs applicable to future account periods and are recorded as prepaid items.

H. Deferred Revenue

This represents amounts received in advance for future conferences.

I. Revenue Recognition

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. The Board's general policy is to allocate up to thirty percent of all restricted contributions for unrestricted use unless the contribution was solicited by the Foundation for a specific purpose.

J. Property and Equipment

Property and equipment are capitalized at cost. Depreciation is provided for using the straight-line method over the estimated useful life of the asset. The Foundation considers items with a cost greater than \$2,500 and a useful life greater than one year to be property and equipment. Items below \$2,500 are expensed when purchased.

K. In-kind Contributions

In-kind contributions consist of various assets and expense-related items. These items are recorded at their fair value in the year received.

L. Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The costs are allocated based on time spent by employees or by management's estimates.

National Ataxia Foundation
Notes to the Financial Statements
December 31, 2019 and 2018

Note 1: Summary of Significant Accounting Policies (Continued)

M. Income Taxes

The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is exempt from Federal and State income taxes.

The Foundation has analyzed filing positions with the Internal Revenue Service and the State of Minnesota. The Foundation is subject to routine audits by these jurisdictions; however, the Foundation is currently not under any audits for the tax periods. The Foundation does not anticipate any of its income tax filing positions would result in material adverse effect on the Foundation's financial condition, results of operations or cash flow. No liability has been recorded for uncertain tax positions.

As allowed under accounting principles generally accepted in the United States of America, the Foundation would accrue, if applicable, income tax related interest and penalties in income tax expense in the Foundation's statement of activities. During the years ended December 31, 2019 and 2018, the Foundation did not recognize any interest or penalties. With few exceptions, the Foundation is no longer subject to tax examinations by tax authorities for years before 2016.

N. Reclassifications

Certain reclassifications have been made to prior year amounts to conform with current presentation.

Note 2: Investments

A summary of investments as of December 31, 2019 and 2018 is as follows:

	2019	2018
Cash	\$ 87,813	\$ 32,589
Money Markets	817,315	1,055,009
Total	\$ 905,128	\$ 1,087,598

Investment income for the year ended December 31, 2019 and 2018 consisted of the following:

	2019	2018
Interest/Dividend Income	\$ 57,239	\$ 66,496
Unrealized/Realized Gain (Loss) on Investments	80,059	(109,360)
Investment Advisory Fees	(5,231)	(8,820)
Total Investment Income (Loss)	\$ 132,067	\$ (51,684)

Note 3: Retirement Plan

The Foundation had a simplified employee plan (SEP) for the exclusive benefit of eligible employees and their beneficiaries. Any employee who was at least 21 years old and has performed "service" in at least 2 of the last 5 calendar years was permitted to participate under the SEP. Eligible employees were immediately 100% vested. Contributions to the plan were made at the discretion of the Board of Directors. In September 2019, the Foundation transferred plan assets into a 401k matching plan. For December 31, 2019 and 2018, the amount of SEP expense was \$10,365 and \$13,413, respectively. For December 31, 2019 and 2018, the amount of 401k matching expense was \$9,842 and \$0, respectively.

National Ataxia Foundation
Notes to the Financial Statements
December 31, 2019 and 2018

Note 4: Net Assets With Donor Restrictions

Net assets with donor restrictions were available for the following purposes at December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Annual Meeting and AIM	\$ 121,103	\$ 126,956
AOA2	14,824	-
Clementz Endowment	-	615,000
CRC SCA	709,136	-
Friedreich Fund	14,865	92,074
General Research Fund	368,237	547,719
Katie Campbell Fund	18,194	-
Million Research Fund	123,494	161,525
MSA	22,998	-
SCA Anon Fund	265,098	103,842
SCA Clementz	700,329	165,846
SCA Peterson Unitrust	-	175,037
SCA - Other	92,605	-
Trial Ready Grant	-	529,533
	<u>\$ 2,450,883</u>	<u>\$ 2,517,532</u>
Total		

Note 5: Operating Lease Agreements

The Foundation leases various facilities for operation of its programs. The operating lease payments for the year ended December 31, 2019 and 2018 amounted to \$57,966 and \$58,200, respectively.

Future binding commitments on noncancelable operating leases as of December 31, 2019 are as follows:

<u>Years Ending December 31,</u>	<u>Amount</u>
2020	\$ 31,884
2021	32,336
2022	32,788
2023	33,240
2024	33,693
	<u>163,941</u>
Total	<u>\$ 163,941</u>

Note 6: Grant Awards

Due to a change in the timing of NAF's research grant approval process, \$1,079,500 of 2018 research grant awards were not paid until Q1 2019. This resulted in a positive net income for the Foundation in 2018. This is a one-time event.

Note 7: Fair Value Investments

The Foundation measures the fair value of its financial instruments using a three-tier hierarchy, which prioritizes the inputs used in measuring 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 significant unobservable inputs (level 3 measurements). The Foundation determines fair value by:

Level 1 - inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active market that the Foundation has the ability to access, and where transactions occur within.

Level 2 - inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - inputs to the valuation methodology reflect management's assumptions about significant unobservable inputs that market participants would use in pricing the asset or liability.

The asset's and 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.

Following is a description of the valuation methodology used for each asset measured at fair value on a recurring basis:

- Money market funds are measured at cost which approximates fair value.
- Equity securities and equity and fixed income funds are valued at quoted market prices.
- Debt securities are valued using quotes from pricing vendors based on recent trading activity and other observable market data.

The methods above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair value. Furthermore, while the Foundation 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.

National Ataxia Foundation
Notes to the Financial Statements
December 31, 2019 and 2018

Note 7: Fair Value Investments (Continued)

Information regarding assets measured at fair value on a recurring basis as of December 31, 2019 and 2018 were as follows:

	2019			Total Assets Measured at Fair Value
	Fair Value Measurements Using			
	Level 1	Level 2	Level 3	
Short-term Investments:				
Cash	\$ 87,813	\$ -	\$ -	\$ 87,813
Money market	817,315	-	-	817,315
Total Assets at Fair Value	<u>\$ 905,128</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 905,128</u>
	2018			
	Fair Value Measurements Using			
	Level 1	Level 2	Level 3	Total Assets Measured at Fair Value
Short-term Investments:				
Cash	\$ 32,589	\$ -	\$ -	\$ 32,589
Money market	1,055,009	-	-	1,055,009
Total Assets at Fair Value	<u>\$ 1,087,598</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,087,598</u>

The Foundation does not have any liabilities measured at fair value on a recurring basis nor any assets or liabilities measured at fair value on a nonrecurring basis.

Note 8: Concentrations

From time to time, the Foundation's cash balances at financial institutions exceed Federal Deposit Insurance Corporation ("FDIC") insurance limits of \$250,000. In the years ending December 31, 2019 and 2018, the Foundation exceeded that limit by \$2,539,408 and \$1,913,233, respectively. Management does not believe this presents a significant risk to the Foundation.

Note 9: Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position dates, comprise the following:

	2019	2018
Cash and Cash Equivalents	\$ 2,879,037	\$ 2,509,698
Investments	905,128	1,087,598
Accounts Receivable	32,000	7,150
Total Financial Assets Available Within One Year	<u>3,816,165</u>	<u>3,604,446</u>
Less: Amounts unavailable for general expenditures within one year due to:		
Restricted by donors	<u>(2,450,883)</u>	<u>(2,517,532)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 1,365,282</u>	<u>\$ 1,086,914</u>

As part of our liquidity management, the Foundation structures its financial assets to be available as its general expenditures, liabilities, and other obligations become due. The Foundation invests cash in excess of monthly requirements in short-term investments such as money market funds, certificates of deposit, savings accounts, or other similar investments.

National Ataxia Foundation
Notes to the Financial Statements
December 31, 2019 and 2018

Note 10: Subsequent Events

Subsequent events have been evaluated through June 2, 2020, which is the date the financial statements were available to be issued.

In December 2019, a novel strain of coronavirus (COVID-19) surfaced. The spread of COVID-19 around the world in the first quarter of 2020 has caused significant volatility in U.S. and international markets. There is significant uncertainty around the breadth and duration of business disruptions related to COVID-19, as well as the impact on the U.S. and international economies, and such, the Foundation is unable to determine if it will have a material impact to its operations.

In May, 2020, the Foundation entered into a promissory note agreement in the amount of \$141,800 pursuant to the Paycheck Protection Program (PPP) created by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and governed by the Small Business Administration (SBA). The note accrues interest at 1 percent per annum, and is scheduled to mature April 2022. Up to 100 percent of the loan is forgivable when used to pay specified payroll and other costs within eight weeks of receiving the funding, however, not more than 25 percent of the forgiveness amount can be attributable to non-payroll costs.