



**KESSLER ORLEAN SILVER**  
CERTIFIED PUBLIC ACCOUNTANTS

**Michael Rolfe Pancreatic Cancer Foundation**

**d/b/a Rolfe Pancreatic Cancer Foundation**

**Financial Statements**

**December 31, 2016 and 2015**

**Michael Rolfe Pancreatic Cancer Foundation**  
**d/b/a Rolfe Pancreatic Cancer Foundation**  
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## Independent Auditor's Report

To the Board of Directors  
Michael Rolfe Pancreatic Cancer Foundation  
d/b/a Rolfe Pancreatic Cancer Foundation  
Chicago, IL

We have audited the accompanying financial statements of Michael Rolfe Pancreatic Cancer Foundation d/b/a Rolfe Pancreatic Cancer Foundation (a not-for-profit corporation), which comprise the statements of financial position as of December 31, 2016 and 2015 and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

### 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 audits. 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 Michael Rolfe Pancreatic Cancer Foundation d/b/a Rolfe Pancreatic Cancer Foundation at December 31, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Respectfully submitted,

*Kessler, Orlean, Silver & Company, P.C.*

**Kessler, Orlean, Silver & Company, P.C.**

Certified Public Accountants

Deerfield, Illinois

June 20, 2017

**Michael Rolfe Pancreatic Cancer Foundation**

**d/b/a Rolfe Pancreatic Cancer Foundation**

**Statements of Financial Position**

**December 31, 2016 and 2015**

	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>Assets</b>						
<b>Current Assets</b>						
Cash	\$ 420,495	\$ -	\$ 420,495	\$ 430,760	\$ -	\$ 430,760
Pledges and Gifts Receivable	-	-	-	-	5,000	5,000
Prepaid Expenses	4,141	-	4,141	3,612	-	3,612
Deposits	2,187	-	2,187	3,687	-	3,687
Total Current Assets	426,823	-	426,823	438,059	5,000	443,059
<b>Fixed Assets</b>						
Furniture and Equipment	17,537	-	17,537	9,955	-	9,955
Less: Accumulated Depreciation	(10,540)	-	(10,540)	(9,353)	-	(9,353)
Net Fixed Assets	6,997	-	6,997	602	-	602
<b>Total Assets</b>	<b>\$ 433,820</b>	<b>\$ -</b>	<b>\$ 433,820</b>	<b>\$ 438,661</b>	<b>\$ 5,000</b>	<b>\$ 443,661</b>
<b>Liabilities and Net Assets</b>						
<b>Current Liabilities</b>						
Accounts Payable and Accrued Liabilities	\$ 20,359	\$ -	\$ 20,359	\$ 13,841	\$ -	\$ 13,841
<b>Net Assets</b>	413,461	-	413,461	424,820	5,000	429,820
<b>Total Liabilities and Net Assets</b>	<b>\$ 433,820</b>	<b>\$ -</b>	<b>\$ 433,820</b>	<b>\$ 438,661</b>	<b>\$ 5,000</b>	<b>\$ 443,661</b>

See accompanying notes to the financial statements.

**Michael Rolfe Pancreatic Cancer Foundation**  
**d/b/a Rolfe Pancreatic Cancer Foundation**  
**Statements of Activities and Changes in Net Assets**  
**For the Years Ended December 31, 2016 and 2015**

	<b>2016</b>			<b>2015</b>		
	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Total</b>	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Total</b>
<b>Support and Revenue</b>						
Contributions	\$ 455,275	\$ -	\$ 455,275	\$ 334,769	\$ -	\$ 334,769
Special Events						
Gross Proceeds	659,183	-	659,183	595,425	-	595,425
Direct Expenses	(434,696)	-	(434,696)	(333,368)	-	(333,368)
Investment Income	2	-	2	2	-	2
Other	163	-	163	2,049	-	2,049
Net Assets Released from Restrictions	5,000	(5,000)	-	26,667	(26,667)	-
 Total Support and Revenue and Assets Released from Restrictions	 684,927	 (5,000)	 679,927	 625,544	 (26,667)	 598,877
<b>Expenses</b>						
Program Services	535,258	-	535,258	410,220	-	410,220
Management and General	62,612	-	62,612	58,644	-	58,644
Fund Raising	98,416	-	98,416	80,167	-	80,167
 Total Expenses	 696,286	 -	 696,286	 549,031	 -	 549,031
<b>Increase (Decrease) in Net Assets</b>	(11,359)	(5,000)	(16,359)	76,513	(26,667)	49,846
<b>Net Assets at Beginning of Year</b>	424,820	5,000	429,820	348,307	31,667	379,974
<b>Net Assets at End of Year</b>	<b>\$ 413,461</b>	<b>\$ -</b>	<b>\$ 413,461</b>	<b>\$ 424,820</b>	<b>\$ 5,000</b>	<b>\$ 429,820</b>

See accompanying notes to the financial statements.

**Michael Rolfe Pancreatic Cancer Foundation**

**d/b/a Rolfe Pancreatic Cancer Foundation**

**Statements of Functional Expenses**

**For the Years Ended December 31, 2016 and 2015**

	2016				2015			
	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total</u>	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total</u>
Grants	\$ 476,623	\$ -	\$ -	\$ 476,623	\$ 361,448	\$ -	\$ -	361,448
Salary	32,050	31,858	53,177	117,085	27,914	29,654	48,696	106,264
Payroll Taxes	2,452	2,437	4,068	8,957	2,165	2,300	3,776	8,241
Professional Services	2,808	6,832	4,660	14,300	2,571	6,749	4,484	13,804
Outside Consultant	2,034	8,135	10,169	20,338	1,868	7,470	9,338	18,676
Supplies	2,065	2,053	3,426	7,544	1,516	1,631	2,679	5,826
Postage	837	832	1,388	3,057	285	303	498	1,086
Advertising	57	-	-	57	440	-	-	440
Occupancy	4,354	4,328	7,225	15,907	3,083	3,276	5,379	11,738
Telephone	805	800	1,337	2,942	771	819	1,344	2,934
Travel and Meals	359	357	595	1,311	156	166	272	594
Meetings	5,137	-	-	5,137	4,763	-	-	4,763
Young Professionals Board	1,827	-	-	1,827	2,128	-	-	2,128
Fees and Charges	-	3,747	10,314	14,061	-	5,325	2,139	7,464
Depreciation, Excludes \$534 and \$217 allocated to Special Events for 2016 and 2015	179	178	296	653	62	66	108	236
Insurance	1,061	1,055	1,761	3,877	833	885	1,454	3,172
Other	2,610	-	-	2,610	217	-	-	217
<b>Total</b>	<b>\$ 535,258</b>	<b>\$ 62,612</b>	<b>\$ 98,416</b>	<b>\$ 696,286</b>	<b>\$ 410,220</b>	<b>\$ 58,644</b>	<b>\$ 80,167</b>	<b>\$ 549,031</b>

See accompanying notes to the financial statements.

**Michael Rolfe Pancreatic Cancer Foundation**

**d/b/a Rolfe Pancreatic Cancer Foundation**

**Statements of Cash Flows**

**For the Years Ended December 31, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Cash Flows from Operating Activities</b>		
Increase (Decrease) in Net Assets	\$ (16,359)	\$ 49,846
<u>Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided (Used) by Operating Activities</u>		
Depreciation	1,187	432
(Increase) Decrease:		
Pledge and Gifts Receivable	5,000	35,312
Prepaid Expenses	(529)	3,687
Deposits	1,500	(2,187)
Increase:		
Accounts Payable and Accrued Liabilities	6,518	3,483
Total Adjustments	13,676	40,727
Net Cash Provided (Used) by Operating Activities	(2,683)	90,573
<b>Cash Flows from Investing Activities</b>		
Purchase of Office Equipment and Furniture	(7,582)	-
Net Cash Provided (Used) by Investing Activities	(7,582)	-
<b>Net Increase (Decrease) in Cash</b>	(10,265)	90,573
<b>Cash, Beginning of Year</b>	430,760	340,187
<b>Cash, End of Year</b>	<u>\$ 420,495</u>	<u>\$ 430,760</u>
<b>Supplemental Disclosure of Cash Flow Information</b>		
Cash Paid for Income Taxes	<u>\$ -</u>	<u>\$ -</u>
Cash Paid for Interest	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the financial statements.



**Michael Rolfe Pancreatic Cancer Foundation**  
**d/b/a Rolfe Pancreatic Cancer Foundation**  
**Notes to Financial Statements**  
**For the Years Ended December 31, 2016 and 2015**

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**Note 1 – Summary of Significant Accounting Policies**

Organization

The Michael Rolfe Pancreatic Cancer Foundation d/b/a Rolfe Pancreatic Cancer Foundation (“the Foundation”) is an Illinois not-for-profit corporation incorporated on December 27, 1999. The Foundation’s mission is to serve as a catalyst for the early diagnosis and ultimate cure of pancreatic cancer. The goals of the Foundation are to advance the development of early detection, fund medical research at leading clinical and academic centers, and provide resources for pancreatic cancer patients and their loved ones throughout the United States. The Foundation is supported through public and private donations, event sponsorships and event attendance.

Basis of Accounting

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

Use of Estimates

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

Cash

The Foundation considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Cash at December 31, 2016 and 2015 consists of bank checking account and money market funds. There were no cash equivalents at December 31, 2016 and 2015.

Contributions and Grants

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Grants and other contributions are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions with restrictions that are met in the same period as receipt are reported as unrestricted support.

Property and Equipment

Property and equipment are carried at cost or at estimated value on date of donation. All purchases in excess of \$1,000 are capitalized while lesser amounts are charged to expense. Depreciation on property and equipment is computed using the straight-line method over the estimated useful lives of the assets, which is five years. Gains and losses from the sale of property and equipment are included in income. Maintenance and repairs are charged to operations.

**Michael Rolfe Pancreatic Cancer Foundation**  
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**Notes to Financial Statements**  
**For the Years Ended December 31, 2016 and 2015**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

Fair Value Disclosures

The fair value of financial instruments including cash, pledges and gifts receivables, prepaid expenses, accounts payable and accrued liabilities approximates the carrying values, principally because of the short maturity of those items.

Financial Statement Presentation

Financial statement presentation follows the recommendation of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-210-45. Under ASC 958-210-45, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. For the year ended December 31, 2016 the Foundation had \$413,461 of unrestricted net assets and \$0- of temporarily restricted net assets. For the year ended December 31, 2015 the Foundation had \$424,820 of unrestricted net assets and \$5,000 of temporarily restricted net assets. The Foundation had no permanently restricted assets in either year.

Income Taxes

The Foundation has been classified by the Internal Revenue Service as an organization exempt from income taxes (not a private foundation) under Internal Revenue Code Section 501(c)(3) and, accordingly, no provision for such taxes is made in the statements. The Foundation continues to operate in compliance with its tax-exempt purpose. Management does not believe its financial statements include uncertain tax positions.

The Foundation files U.S. federal and Illinois state informational tax returns. The federal and state informational tax returns of the Foundation for tax years 2014, 2015, and 2016 can be subject to examinations by tax authorities, generally for three years after they were filed. The Foundation recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. At December 31, 2016 and 2015 there was no interest or penalties relating to income taxes recognized in the statement of activities.

Subsequent Events

Management has evaluated subsequent events through June 20, 2017, the date the financial statements were available to be issued.

**Note 2 – Pledges and Gifts Receivable**

Pledges and gifts receivable consist of pledges and gifts receivable from organizations and individuals which are due within one year or less. At December 31, 2016 there were no pledges or gifts receivable. At December 31, 2015 there was one receivable in the amount of \$5,000 which was collected in 2016.

**Michael Rolfe Pancreatic Cancer Foundation**  
**d/b/a Rolfe Pancreatic Cancer Foundation**  
**Notes to Financial Statements**  
**For the Years Ended December 31, 2016 and 2015**

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**Note 3 – Temporarily Restricted Net Assets**

Temporarily restricted net assets relate to cash and pledges receivable at December 31, 2015 for the “One Thousand Days of Research” campaign. These pledges were collected during 2016.

**Note 4 – Rent Commitment**

At the end of 2009, the Foundation entered into a lease agreement with 17 N. State LLC, an Illinois limited liability company, for office space which expired on February 28, 2016. Beginning March 1, 2016 the Foundation entered into a lease agreement for a new location which continues through February 28, 2021. The future lease commitments on the lease is as follows:

<b>Year</b>	<b>Amount</b>
2017	26,794
2018	27,464
2019	28,146
2020	28,850
Thereafter	<u>4,828</u>
<b>Total</b>	<b><u>\$ 116,082</u></b>

During 2016 and 2015, rent expense equaled \$25,381 and \$20,574, respectively.

**Note 5 – Grants**

The Foundation annually awards grants to various organizations to promote research for the early detection of pancreatic cancer. For the years ended December 31, 2016 and 2015, grants awarded were \$476,623 and \$361,448, respectively.

**Note 6 – 401(k) Retirement Plan**

The Foundation adopted a 401(k) defined contribution benefit plan on June 29, 2012. Employees who are 21 years or older are eligible to participate immediately upon hire. The plan includes a mandatory safe harbor contribution provision of 1% as well as a provision for an additional matching contribution as approved by the Board of the Foundation and a discretionary profit sharing provision. Employees are not eligible for the matching 401(k) contribution and discretionary profit sharing contribution until they complete one full year of service and a minimum of 1,000 hours of work. Employees are fully vested in employer contributions after six years of participation. The vesting grows in 20% increments starting after two years of service. No matching contributions were made in December 31, 2016 and 2015.

**Michael Rolfe Pancreatic Cancer Foundation**  
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**Notes to Financial Statements**  
**For the Years Ended December 31, 2016 and 2015**

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**Note 7– Compensated Absences**

Compensated absences for sick pay and personal time have not been accrued since they cannot be reasonably estimated. The Foundation’s policy is to recognize these costs when actually paid.

**Note 8 – Concentration of Cash**

At December 31, 2016 and 2015, the Foundation maintained cash at a financial institution in excess of the Federal Deposit Insurance Corporation’s (“FDIC”) limit of \$250,000. At December 31, 2016 and 2015, the uninsured balances totaled \$259,276 and \$156,791 respectively.

**Note 9 – Reclassifications**

Certain amounts in the prior year have been reclassified to conform to the current year presentation.