

MICHAEL ROLFE PANCREATIC CANCER FOUNDATION
d/b/a
ROLFE PANCREATIC CANCER FOUNDATION

FINANCIAL STATEMENTS

December 31, 2023
And For the Year then Ended

MICHAEL ROLFE PANCREATIC CANCER FOUNDATION
d/b/a
ROLFE PANCREATIC CANCER FOUNDATION

Annual Financial Report

Table of Contents

Independent Auditor's Report.....	1 - 2
Financial Statements	
Statement of Financial Position	3
Statement of Activities.....	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements.....	7 - 13



Desmond & Ahern, Ltd.

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Independent Auditor's Report

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

Opinion

We have audited the accompanying financial statements of Michael Rolfe Pancreatic Cancer Foundation d/b/a Rolfe Pancreatic Cancer Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

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 as of December 31, 2023, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Michael Rolfe Pancreatic Cancer Foundation d/b/a Rolfe Pancreatic Cancer Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Michael Rolfe Pancreatic Cancer Foundation d/b/a Rolfe Pancreatic Cancer Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Michael Rolfe Pancreatic Cancer Foundation d/b/a Rolfe Pancreatic Cancer Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Michael Rolfe Pancreatic Cancer Foundation d/b/a Rolfe Pancreatic Cancer Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Michael Rolfe Pancreatic Cancer Foundation d/b/a Rolfe Pancreatic Cancer Foundation's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 19, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Desmond & Ahern, Ltd

May 23, 2024
Chicago, IL

MICHAEL ROLFE PANCREATIC CANCER FOUNDATION
d/b/a ROLFE PANCREATIC CANCER FOUNDATION
STATEMENT OF FINANCIAL POSITION
As of December 31, 2023 (with comparative totals for 2022)

	<u>2023</u>	<u>2022</u>
<u>Assets</u>		
Current assets		
Cash and cash equivalents	\$ 750,886	\$ 706,368
Contributions receivable	30,000	45,025
Security deposit	4,000	4,000
Prepaid expenses	13,097	13,556
Total current assets	<u>797,983</u>	<u>768,949</u>
Property and Equipment		
Furniture and equipment	21,980	21,980
Leasehold improvements	1,125	1,125
Less accumulated depreciation	<u>(22,071)</u>	<u>(21,167)</u>
Net property and equipment	<u>1,034</u>	<u>1,938</u>
Other Assets		
Operating lease right-of-use-asset	<u>446</u>	<u>5,777</u>
Total other assets	<u>446</u>	<u>5,777</u>
Total Assets	<u><u>\$ 799,463</u></u>	<u><u>\$ 776,664</u></u>
<u>Liabilities and Net Assets</u>		
Current Liabilities		
Grants payable, current	\$ 200,000	\$ 200,000
Accounts payable	7,269	6,352
Accrued payroll and related	15,820	14,120
Operating lease liability	<u>445</u>	<u>5,777</u>
Total current liabilities	<u>223,534</u>	<u>226,249</u>
Total liabilities	<u>223,534</u>	<u>226,249</u>
Net Assets		
Without donor restrictions	495,929	500,415
With donor restrictions	<u>80,000</u>	<u>50,000</u>
Total Net Assets	<u>575,929</u>	<u>550,415</u>
Total Liabilities and Net Assets	<u><u>\$ 799,463</u></u>	<u><u>\$ 776,664</u></u>

See independent auditor's report and notes to financial statements.

MICHAEL ROLFE PANCREATIC CANCER FOUNDATION
d/b/a ROLFE PANCREATIC CANCER FOUNDATION
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2023 (with comparative totals for 2022)

	Without Donor Restrictions	With Donor Restrictions	2023 Total	2022 Total
<u>Public Support and Revenue</u>				
Special Events				
Gross Proceeds	\$ 309,195	\$ -	\$ 309,195	\$ 400,477
Less cost of direct benefit to donors	(168,593)	-	(168,593)	(152,088)
Net revenues from special events	140,602	-	140,602	248,389
Contributions	615,588	-	615,588	456,383
Donated goods and services	5,659	-	5,659	31,926
Interest income	203	-	203	54
Other income	3,088	-	3,088	4,311
Release of restrictions -	50,000	(50,000)	-	-
Contributions with donor restrictions	-	80,000	80,000	50,000
Total revenue	815,140	30,000	845,140	791,063
<u>Expenses</u>				
Program services	605,128	-	605,128	571,910
Management and general	79,817	-	79,817	64,415
Fundraising	134,681	-	134,681	161,316
Total Expenses	819,626	-	819,626	797,641
Change in net assets	(4,486)	30,000	25,514	(6,578)
Net assets, beginning of year	500,415	50,000	550,415	556,993
Net assets, end of year	\$ 495,929	\$ 80,000	\$ 575,929	\$ 550,415

See independent auditor's report and notes to financial statements.

MICHAEL ROLFE PANCREATIC CANCER FOUNDATION
d/b/a ROLFE PANCREATIC CANCER FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2023 (with comparative totals for 2022)

	Program Services	Management and General	Fundraising	2023 Total	2022 Total
Salaries and wages	\$ 191,662	\$ 49,279	\$ 65,645	\$ 306,586	\$ 295,868
Payroll taxes	17,582	4,504	6,020	28,106	24,644
Professional fees	44,804	11,477	15,342	71,623	50,457
Advertising	1,286	330	440	2,056	2,754
Fees	8,776	2,248	25,560	36,584	26,369
Insurance	3,930	1,007	1,346	6,283	5,270
Postage	1,727	443	591	2,761	2,883
Grants	294,247	-	-	294,247	300,000
Meetings	1,464	376	501	2,341	862
Dues and subscriptions	28,697	7,351	9,826	45,874	39,376
Professional development	-	-	-	-	503
Occupancy	5,435	1,393	1,861	8,689	6,713
Office supplies	1,524	387	522	2,433	3,659
Telephone	1,915	490	656	3,061	3,617
Travel	1,514	387	518	2,419	1,718
Depreciation	565	145	194	904	1,022
In-Kind fundraising expenses	-	-	5,659	5,659	31,926
Total Expenses	\$ 605,128	\$ 79,817	\$ 134,681	\$ 819,626	\$ 797,641

See independent auditor's report and notes to financial statements.

MICHAEL ROLFE PANCREATIC CANCER FOUNDATION
d/b/a ROLFE PANCREATIC CANCER FOUNDATION
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2023 (with comparative totals for 2022)

	<u>2023</u>	<u>2022</u>
<u>Cash Flows from Operating Activities</u>		
Change in net assets	\$ 25,514	\$ (6,578)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	904	1,022
Noncash lease adjustment	(1)	-
Changes in assets - (increase) decrease		
Contributions receivable	15,025	(36,173)
Prepaid expenses	459	(2,942)
Changes in liabilities - increase (decrease)		
Accounts payable	917	940
Accrued payroll and related	1,700	747
Grants payable	-	(70,000)
Net cash (used by) provided by operating activities	<u>44,518</u>	<u>(112,984)</u>
Net increase (decrease) in cash and cash equivalents	44,518	(112,984)
Cash and cash equivalents, beginning of year	<u>706,368</u>	<u>819,352</u>
Cash and cash equivalents, end of year	<u><u>\$ 750,886</u></u>	<u><u>\$ 706,368</u></u>

See independent auditor's report and notes to financial statements.

**MICHAEL ROLFE PANCREATIC CANCER FOUNDATION
D/B/A ROLFE PANCREATIC CANCER FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023**

Note 1 – Nature of Operations and Summary of Significant Accounting Policies

Organization

Michael Rolfe Pancreatic Cancer Foundation (the Organization) is an Illinois not-for-profit corporation incorporated on December 27, 1999. The Organization's mission is to serve as a catalyst for the early diagnosis and ultimate cure of pancreatic cancer. The goals of the Organization are to provide personal support to those affected by pancreatic cancer through tailored resources, connections and education, and funding for early detection research.

Basis of Accounting

The accounts and financial statements are maintained on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities in conformity with accounting principles applicable to non-profit organizations.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions as required by Generally Accepted Accounting Principles (GAAP).

Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Items that affect this net asset category principally consist of gifts without restrictions, including those designated by the Board, fees for service and related expenses associated with the core activities of the Organization.

With Donor Restrictions – Net assets subject to donor-imposed restrictions that will be met either by actions of the Organization or the passage of time. Items that affect this net asset category are gifts for which donor-imposed restrictions have not been met, endowment gifts, pledges, and investment returns on endowment funds. If a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as without donor restrictions.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of bank deposits in federally insured accounts. At times, balances may be in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limit. For purposes of the statement of cash flows, the Organization considers all unrestricted highly liquid investments purchased with a maturity of three months or less to be cash equivalents. No cash was paid for taxes or interest during the year ended December 31, 2023.

**MICHAEL ROLFE PANCREATIC CANCER FOUNDATION
D/B/A ROLFE PANCREATIC CANCER FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023**

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

Donated Services

Donated services are reported as contributions when the services (1) create or enhance non-financial assets or (2) would be purchased if they had not been provided by contributions, require specialized skills and are provided by individuals possessing those skills. For the year ended December 31, 2023, the Organization did not receive donated services meeting the criteria for recognition as contributed services.

There are a substantial number of volunteers who donate their time toward the activities and success of the Organization, the value of which is not recognized under generally accepted accounting principles.

In-Kind Contributions

In addition to receiving cash contributions, the Organization receives in-kind contributions from various donors. It is the policy of the Organization to record the estimated fair value of certain in-kind donations as an expense in its financial statements, and similarly increase donation revenues by a like amount. For the year ended December 31, 2023 the Organization received in-kind donations of \$5,659.

Advertising

The Organization's policy is to expense advertising costs as they are incurred. Total advertising costs for the year ended December 31, 2023, included in operating expenses were \$2,056.

Contribution Receivable

The Organization uses the allowance method to determine uncollectible accounts receivable. The allowance is based on prior years' experience and management's analysis of specific receivables. No allowance was deemed necessary as of December 31, 2023.

Support and Revenue

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return- are not recognized until the conditions on which they depend have been met. The Organization 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. When a donor 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. It is the Organization's policy to immediately liquidate donations of common stock.

**MICHAEL ROLFE PANCREATIC CANCER FOUNDATION
D/B/A ROLFE PANCREATIC CANCER FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023**

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

The Organization reports gifts of land, buildings, and equipment as without donor restriction support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support.

Absent explicit donor stipulations regarding how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. During the year ending December 31, 2023 no such gifts of land, buildings, or equipment were received.

The Organization recognizes contract revenue at an amount that reflects consideration to which the Organization expects to be entitled to in exchange for transferring goods or services to a customer. There are currently no contracts that the Organization is engaged, which is based on performance reporting. All contracts recognize revenue in accordance with ASU No. 2014-09 and prior year revenues have been retrospectively adjusted. There was no contract revenue recorded in 2023 for any performance obligations met in the prior year.

The Organization records fundraising benefits revenue equal to the fair value of the direct benefits provided to donors for the exchange portion, and contribution income for the excess received. The Organization typically receives payment for the event in advance based on sponsorship level. Fundraising benefit revenue received in advance is recorded as deferred revenue and recognized at the point in time when the event occurred.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Directly identifiable expenses are charged to specific program or supporting service. Expenses related to more than one function are allocated to program expenses and supporting services as the basis of periodic time and expense reviews made by management.

Property and Equipment

Acquisitions of property and equipment in excess of \$1,000 are capitalized. Property and equipment are stated at cost. Depreciation is recorded by the straight-line method over the estimated useful lives, which is five years. Depreciation expense for the year ended December 31, 2023 was \$904.

**MICHAEL ROLFE PANCREATIC CANCER FOUNDATION
D/B/A ROLFE PANCREATIC CANCER FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023**

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

Income Taxes

The Organization is exempt from federal income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code. Management believes that it did not engage in any unrelated business activities; thus, no provision for income tax has been provided for the financial statements. The Organization's Form 990, *Return of Organization Exempt from Income Tax*, are subject to examination by the IRS, generally for three years after they were filed. The Organization has adopted the requirements for accounting for uncertain tax positions and management has determined that the Organization was not required to record a liability related to uncertain tax positions as of December 31, 2023.

Subsequent Events

Accounting principles generally accepted in the United States of America establish general standards of accounting for, and disclosure of, events that occur after the balance sheet date but before financial statements are issued or are available to be issued. The Organization has evaluated subsequent events through May 23, 2024, which is the date the statements were available to be issued.

Note 2 – Financial Assets and Liquidity Resources

As of December 31, 2023, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, were as follows:

Financial assets at December 31, 2023	
Cash and cash equivalents	\$ 750,886
Contributions receivable	30,000
	<hr/>
Total financial assets available within one year	780,886
Less net assets with donor restrictions	(80,000)
	<hr/>
Financial assets available to meet cash need for general expenditures within one year	\$ 700,886
	<hr/>

The Organization provides program services from which it receives individual, corporation and foundation donations; and considers contributions with donor restrictions for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general operating purposes.

**MICHAEL ROLFE PANCREATIC CANCER FOUNDATION
D/B/A ROLFE PANCREATIC CANCER FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023**

Note 2 – Financial Assets and Liquidity Resources (cont.)

The Organization manages its liquidity and reserves following three guiding principles: 1) operating within a prudent range of financial soundness and stability; 2) maintaining adequate liquid assets to fund near-term operating needs; and 3) maintaining sufficient reserves to provide reasonable assurance that programming is continued, and obligations will be adequately discharged in the future. The level of liquidity and reserves was managed within the policy requirements during the years ended December 31, 2023.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

Note 3 – Lease Commitments

The Organization leases its office space in Chicago, IL under a non-cancelable lease due to expire January 31, 2024.

The following summarizes the line items in the balance sheet which include amounts for office space operating leases as of December 31, 2023:

Operating Leases	
Operating lease right-of-use asset	\$ 446
Operating lease liability	\$ 445

The following summarizes the remaining lease term and discount rate as of December 31, 2023:

Remaining Lease Term	
Operating lease	1 month
Discount Rate	
Operating lease	4.73%

The Organization has made the election afforded in the guidance under ASC Topic 842 which allows the use of risk-free discount rate for the leases, which is based on the borrowing rate for the United States Federal Government for a period comparable to the lease terms.

**MICHAEL ROLFE PANCREATIC CANCER FOUNDATION
D/B/A ROLFE PANCREATIC CANCER FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023**

Note 3 – Lease Commitments (cont.)

The maturities of operating lease liabilities are as follows for the years ending December 31:

2024 - Total minimum lease payments	445
Amount representing interest	-
Present value of lease liabilities	<u>\$ 445</u>

Rent expense under this lease agreement was \$5,111 for the year ended December 31, 2023.

The following summarizes cash flow information related to the leases for the year ended December 31, 2023:

Cash paid for amounts included in the measurement of lease liability:	
Lease expense	<u>\$ 5,331</u>
Lease asset obtained in exchange for lease obligations:	
Operating lease	<u>\$ 446</u>

Note 4 – Grants

The Organization annually awards grants to various organizations to promote research for the early detection of pancreatic cancer. For the year ended December 31, 2023, grants were \$294,247.

The changes in grants payable during 2023 is as follows:

Grants payable at beginning of year	<u>\$ 200,000</u>
New awards	294,247
Awards withdrawn/returned	-
Grants expenses, net	<u>294,247</u>
Payments made	(294,247)
Grants payable at end of year	<u>\$ 200,000</u>

Note 5 – Related Party Transactions

The Foundation paid \$21,120 for professional services in 2023 to a related party. The payment was made in accordance with standard practices and approved by the board of directors. Disclosure of this transaction adheres to GAAP and ASC requirements.

**MICHAEL ROLFE PANCREATIC CANCER FOUNDATION
D/B/A ROLFE PANCREATIC CANCER FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023**

Note 6 – Net Assets with Donor Restrictions

Net assets with donor restrictions as of December 31, 2022:

Time restricted donations	
For 2024 patient support programs	\$ 50,000
For the 2024 Warrior Sponsorship	30,000
	<u>\$ 80,000</u>

Note 7 – 401(k) Retirement Plan

The Organization 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 a provision for an additional matching contribution as approved by the Board of the Organization 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 as of December 31, 2023.