



Conquer Cancer Foundation of the American Society of Clinical Oncology

**Financial Statements
Years Ended December 31, 2020 and 2019**

**Conquer Cancer Foundation of
the American Society of Clinical
Oncology**

Financial Statements
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Conquer Cancer Foundation of the American Society of Clinical Oncology

Contents

Independent Auditor's Report	1 - 2
Financial Statements	
Statements of Financial Position	3
Statements of Activities and Change in Net Assets	4 - 5
Statements of Functional Expenses	6 - 7
Statements of Cash Flows	8
Notes to the Financial Statements	9 - 25



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Independent Auditor's Report

Board of Directors
Conquer Cancer Foundation of the American Society
of Clinical Oncology
Alexandria, Virginia

Opinion

We have audited the financial statements of Conquer Cancer Foundation of the American Society of Clinical Oncology (Conquer Cancer), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities and change in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Conquer Cancer as of December 31, 2020 and 2019, and the change 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Conquer Cancer and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 Conquer Cancer's ability to continue as a going concern within one year after the date that the financial statements are issued or 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 GAAS 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 the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, 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 Conquer Cancer'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 Conquer Cancer'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.

BDO USA, LLP

McLean, Virginia
May 17, 2021

Financial Statements

Conquer Cancer Foundation of the American Society of Clinical Oncology

Statements of Financial Position

December 31,	2020	2019
Assets		
Cash and cash equivalents	\$ 12,722,183	\$ 5,649,132
Investments	89,668,691	76,413,045
Accounts receivable, net	-	610
Contributions receivable, net	5,286,368	6,312,068
Due from American Society of Clinical Oncology, net	-	994,172
Prepaid expenses and other assets	246,172	297,353
Total assets	\$ 107,923,414	\$ 89,666,380
Liabilities and net assets		
Liabilities		
Accounts payable	\$ 6,061,495	\$ 3,104,659
Accrued expenses	2,700	266,424
Refundable advances	2,173,918	3,825,438
Due to American Society of Clinical Oncology, net	1,011,216	-
Total liabilities	9,249,329	7,196,521
Commitments and contingencies		
Net assets		
Without donor restrictions	42,169,176	40,974,084
With donor restrictions	56,504,909	41,495,775
Total net assets	98,674,085	82,469,859
Total liabilities and net assets	\$ 107,923,414	\$ 89,666,380

See accompanying notes to the financial statements.

Conquer Cancer Foundation of the American Society of Clinical Oncology

Statement of Activities and Change in Net Assets

<i>Year Ended December 31, 2020</i>	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Contributions, grants and sponsorships	\$ 6,695,625	\$ 27,184,614	\$ 33,880,239
Dues	948,550	-	948,550
Other	588,794	-	588,794
Net assets released from restrictions	15,025,514	(15,025,514)	-
Total revenue and support	23,258,483	12,159,100	35,417,583
Operating expenses			
Program services			
Research	13,442,497	-	13,442,497
Scientific and medical education	4,840,571	-	4,840,571
Patient and public information	51,420	-	51,420
Quality of care	312,953	-	312,953
Total program operating	18,647,441	-	18,647,441
Supporting services			
Fundraising	5,862,530	-	5,862,530
Administration	712,426	-	712,426
Total supporting services	6,574,956	-	6,574,956
Total operating expenses	25,222,397	-	25,222,397
Change in net assets before other investment return	(1,963,914)	12,159,100	10,195,186
Investment return, net	3,159,006	2,850,034	6,009,040
Change in net assets	1,195,092	15,009,134	16,204,226
Net assets, beginning of year	40,974,084	41,495,775	82,469,859
Net assets, end of year	\$ 42,169,176	\$ 56,504,909	\$ 98,674,085

See accompanying notes to the financial statements.

Conquer Cancer Foundation of the American Society of Clinical Oncology

Statement of Activities and Change in Net Assets

<i>Year Ended December 31, 2019</i>	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Contributions, grants and sponsorships	\$ 7,461,188	\$ 18,887,638	\$ 26,348,826
Dues	736,500	-	736,500
Other	753,110	-	753,110
Net assets released from restrictions	15,251,840	(15,251,840)	-
Total revenue and support	24,202,638	3,635,798	27,838,436
Operating expenses			
Program services			
Research	9,452,168	-	9,452,168
Scientific and medical education	7,486,129	-	7,486,129
Patient and public information	1,481,592	-	1,481,592
Quality of care	158,341	-	158,341
Total program operating	18,578,230	-	18,578,230
Supporting services			
Fundraising	5,728,147	-	5,728,147
Administration	655,154	-	655,154
Total supporting services	6,383,301	-	6,383,301
Total operating expenses	24,961,531	-	24,961,531
Change in net assets before other investment return	(758,893)	3,635,798	2,876,905
Investment return, net	6,474,128	2,924,693	9,398,821
Change in net assets	5,715,235	6,560,491	12,275,726
Net assets, beginning of year	35,258,849	34,935,284	70,194,133
Net assets, end of year	\$ 40,974,084	\$ 41,495,775	\$ 82,469,859

See accompanying notes to the financial statements.

**Conquer Cancer Foundation of the American Society of
Clinical Oncology**

Statement of Functional Expenses

<i>Year Ended December 31, 2020</i>	Program Services				Supporting Services				Total Expenses
	Research	Scientific and Medical Education	Patient and Public Information	Quality of Care	Total Program Services	Fundraising	Administration	Total Supporting Services	
Awards	\$ 10,140,586	\$ 4,173,140	\$ 42,711	\$ 264,301	\$ 14,620,738	\$ 103,658	\$ 16,304	\$ 119,962	\$ 14,740,700
Salaries and benefits	2,420,378	531,004	6,733	37,439	2,995,554	3,389,452	488,752	3,878,204	6,873,758
Technology	130,025	32,147	724	3,827	166,723	745,124	17,853	762,977	929,700
Office services	102,796	23,177	261	1,555	127,789	709,230	46,145	755,375	883,164
Occupancy	270,750	65,743	743	4,456	341,692	277,667	105,674	383,341	725,033
Services and honoraria	248,940	9,102	164	897	259,103	404,549	11,553	416,102	675,205
Sales and marketing	-	-	-	-	-	164,101	-	164,101	164,101
Temporary help and staff development	42,570	5,809	84	478	48,941	41,018	8,921	49,939	98,880
Travel	60,987	394	-	-	61,381	22,459	12,331	34,790	96,171
Publication production	17,307	55	-	-	17,362	5,272	1,696	6,968	24,330
Meetings production	8,158	-	-	-	8,158	-	3,197	3,197	11,355
	\$ 13,442,497	\$ 4,840,571	\$ 51,420	\$ 312,953	\$ 18,647,441	\$ 5,862,530	\$ 712,426	\$ 6,574,956	\$ 25,222,397

See accompanying notes to the financial statements.

**Conquer Cancer Foundation of the American Society of
Clinical Oncology**

Statement of Functional Expenses

<i>Year Ended December 31, 2019</i>	Program Services				Supporting Services				Total Expenses
	Research	Scientific and Medical Education	Patient and Public Information	Quality of Care	Total Program Services	Fundraising	Administration	Total Supporting Services	
Awards	\$ 6,741,975	\$ 6,741,410	\$ 1,354,369	\$ 137,390	\$ 14,975,144	\$ 45,100	\$ -	\$ 45,100	\$ 15,020,244
Salaries and benefits	1,569,438	495,320	81,590	15,673	2,162,021	3,302,019	469,928	3,771,947	5,933,968
Technology	90,153	15,420	1,924	201	107,698	750,955	3,477	754,432	862,130
Office services	143,298	14,135	6,601	463	164,497	459,848	4,992	464,840	629,337
Occupancy	285,054	146,175	28,444	3,038	462,711	420,917	139,319	560,236	1,022,947
Services and honoraria	384,294	21,214	3,797	405	409,710	416,795	9,661	426,456	836,166
Sales and marketing	30,054	-	-	-	30,054	959	-	959	31,013
Temporary help and staff development	35,706	7,974	1,338	142	45,160	29,517	494	30,011	75,171
Travel	111,760	32,594	1,176	777	146,307	172,273	12,722	184,995	331,302
Publication production	13,095	-	-	-	13,095	9,040	2,674	11,714	24,809
Meetings production	47,341	11,887	2,353	252	61,833	120,724	11,887	132,611	194,444
	\$ 9,452,168	\$ 7,486,129	\$ 1,481,592	\$ 158,341	\$ 18,578,230	\$ 5,728,147	\$ 655,154	\$ 6,383,301	\$ 24,961,531

See accompanying notes to the financial statements.

Conquer Cancer Foundation of the American Society of Clinical Oncology

Statements of Cash Flows

Years Ended December 31,	2020	2019
Cash flows from operating activities		
Change in net assets	\$ 16,204,226	\$ 12,275,726
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Net realized and unrealized gain on investments	(4,447,190)	(7,479,049)
Bad debt on contributions receivable	-	11,560
Change in discount on contributions receivable	107,139	312,955
Contributions to net assets with donor restrictions - endowment	(6,504,115)	(6,995,900)
Changes in operating assets and liabilities:		
Accounts receivable	610	279
Contributions receivable	918,561	1,252,428
Due from American Society of Clinical Oncology	994,172	109,859
Prepaid expenses and other assets	51,181	(108,851)
Accounts payable	2,956,836	(104,402)
Accrued expenses	(263,724)	159,316
Refundable advances	(1,651,520)	2,787,826
Due to American Society of Clinical Oncology	1,011,216	-
Net cash provided by operating activities	9,377,392	2,221,747
Cash flows from investing activities		
Proceeds from sales of investments	53,994,847	1,704,767
Purchases of investments	(62,803,303)	(14,520,194)
Net cash used in investing activities	(8,808,456)	(12,815,427)
Cash flows from financing activity		
Contributions to net assets with donor restrictions - endowment	6,504,115	6,995,900
Net cash provided by financing activity	6,504,115	6,995,900
Net increase (decrease) in cash and cash equivalents	7,073,051	(3,597,780)
Cash and cash equivalents, beginning of year	5,649,132	9,246,912
Cash and cash equivalents, end of year	\$ 12,722,183	\$ 5,649,132

See accompanying notes to the financial statements.

Conquer Cancer Foundation of the American Society of Clinical Oncology

Notes to the Financial Statements

1. Organization and Summary of Significant Accounting Policies

Organization

The Conquer Cancer Foundation of the American Society of Clinical Oncology (Conquer Cancer) is a charitable organization dedicated to conquering cancer worldwide by funding breakthrough research and sharing cutting-edge knowledge. Conquer Cancer was created by the American Society of Clinical Oncology (the Society) to raise funds to support cancer research and to support the lifesaving work of the Society and its global network of more than 45,000 oncology professionals in 100 countries. Conquer Cancer is a related entity of the Society and its accounts are included in the Society's consolidated financial statements.

Operating Structure

Conquer Cancer fulfills its mission by focusing its efforts in the following service areas, which are included in the statements of activities and change in net assets:

Research

Conquer Cancer funds and awards multiple research grants for cancer researchers in all spectrums of research activities related to cancer prevention, screening, treatment and outcomes in all cancer types. Awards given include Young Investigator Awards, Career Development Awards, among others.

Scientific and Medical Education

Conquer Cancer helps oncologists worldwide stay up to date on the latest development and discoveries in cancer knowledge. Conquer Cancer supports the efforts of the Society to provide the latest information and education to physicians, researchers and caregivers through meetings, publications, websites, and other resources.

Patient and Public Information

Conquer Cancer helps the Society in providing the public, including patients, the media, legislators, physicians and other health care professionals, with accurate and up-to-date information about cancer, cancer care, treatment, research, prevention, and other issues important to the cancer community. Cancer information in lay terms is available through its free patient education website, Cancer.net.

Quality of Care

Conquer Cancer funds projects that develop evidence-based guidelines, develop and validate quality measures in oncology, and conduct quality improvement and measurement activities.

Conquer Cancer Foundation of the American Society of Clinical Oncology

Notes to the Financial Statements

Basis of accounting

The accompanying financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and are presented in accordance with the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when obligations have been incurred.

Use of estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash equivalents

Short-term, highly liquid investments with original maturities of 90 days or less are considered cash equivalents, except those associated with the investment portfolio.

Investments

Investments with readily determinable fair values are reflected at fair value. All interest, dividends, and realized and unrealized gains and losses on investments are included in the statements of activities and change in net assets.

Contributions receivable

Unconditional promises to give are recorded as contributions receivable and contribution revenue in the period in which Conquer Cancer is notified in writing by the donor of a commitment to contribute. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Contributions receivable are recorded at net present value. Conquer Cancer evaluates outstanding contributions receivable, including the donation history of each donor on a periodic basis. As a result of this evaluation, Conquer Cancer recorded \$0 and \$11,560 of bad debt expense for the years ended December 31, 2020 and 2019, respectively.

Conquer Cancer Foundation of the American Society of Clinical Oncology

Notes to the Financial Statements

Refundable advances

A transfer of assets (i.e. cash received) as a conditional contribution is considered a refundable advance until the conditions have been substantially met or explicitly waived by the donor.

Grants and contributions

Contributions, including unconditional promises to give, are recognized as revenue in the period received or pledged. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions of assets, other than cash, are recorded at their estimated fair value at the date of the gift.

Conquer Cancer had approximately \$1,894,400 and \$1,239,341 in unrecognized condition contributions as of December 31, 2020 and 2019, respectively. The revenue related to these agreements is conditioned on incurring allowable expenditures under the terms of the agreement.

Net assets

To ensure observance of limitations and restrictions placed on the use of resources available to Conquer Cancer, resources are reported in two classes established to reflect the existence of donor restrictions or no donor restrictions:

Net Assets Without Donor Restrictions

Net assets that are available for general operations and not subject to donor (or certain grantor) restrictions include net assets that have been designated by the Board of Directors for a specified purpose. See Note 7 for further information on the composition of net assets without donor restrictions.

Net Assets With Donor Restrictions

Net assets subject to donor (or certain grantor) imposed restrictions are available only for the purposes stated by the donor or at the time specified by the donor. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or use of funds for the activities specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. See Note 8 for more information on the composition of net assets with donor restrictions.

Contributions that are restricted by donors for specific purposes are as follows:

General Award Funds

Consists of awards that provide support for researchers in the field of clinical oncology or other oncology programs.

Conquer Cancer Foundation of the American Society of Clinical Oncology

Notes to the Financial Statements

Young Investigator Award (YIA) Fund

The YIA is a one-year grant that provides funds to physicians during the transition from a fellowship program to a faculty appointment and is intended to provide protected research time, monetary support, and mentoring needed to start a successful research career.

Gianni Bonadonna Breast Cancer Award and Fellowship

The Gianni Bonadonna Breast Cancer Award (Bonadonna Award) is an annual award recognizing an active clinical or translational researcher with a distinguished record of accomplishments in advancing the field of breast cancer. It provides a research fellowship grant.

Career Development Award (CDA) Fund

The CDA is a three-year grant for early career physician-scientists during their first few years of faculty appointment when funding is difficult to obtain.

Advanced Clinical Research Award (ACRA) Fund

The ACRA is a three-year grant that funds cancer researchers in their 4th to 9th year of a full-time faculty appointment in a clinical department at an academic medical institution. These topic-specific grants are designed to fund investigators committed to clinical cancer research.

Merit Award Fund

Merit Awards are awarded to physicians in an oncology fellowship training program or doctoral degree candidates whose high-quality abstracts are selected for presentation at the ASCO Annual Meeting and thematic symposia.

Research Professorships Award Fund

The Research Professorships Award is a five-year grant supporting researchers who have made significant contributions to the direction of cancer research.

Donor Restricted Net Assets in Perpetuity

These represent contributions that are restricted by donors in perpetuity to support a particular purpose. Over time, it is expected that the related investment income will be sufficient to fund the donor-designated award or activity.

Measure of operations

Conquer Cancer includes contributions, grants and sponsorships, dues, and other sources of income as revenue and support from operations. Nonoperating investment return, which includes interest, dividends, realized and unrealized gains and losses, is recognized in the statements of activities and change in net assets.

Conquer Cancer Foundation of the American Society of Clinical Oncology

Notes to the Financial Statements

Revenue Recognition

Conquer Cancer adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU), 2014-09, *Revenue from Contracts with Customers (Topic 606)*, including all subsequent amendments (collectively, ASC 606) and ASU 2018-08, *Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, effective January 1, 2019. See *Accounting Pronouncements Adopted* section for further information regarding the adoption of ASC 606 and ASU 2018-08.

Revenue Accounted for in Accordance with ASU 2018-08

Contributions, Grants and Sponsorships

Grants and sponsorship support related to a specific event is recognized when the related activity (e.g., meeting) takes place. Grants and sponsorships, and other supporting funds received in advance for symposia held in the following year are included in refundable advances in the statements of financial position until the conditions under the agreement are met.

Conquer Cancer receives contributions from individuals, government, private institutions and other organizations. Contributions are transactions under which the donor does not receive commensurate value. Contributions may be either conditional or unconditional transactions. Depending on the type of the agreement, if unconditional, Conquer Cancer recognizes the revenue the earlier of the period received or promised, or if conditional, when the condition has been met. Contributions received are considered to be without donor restriction unless specifically restricted by the donor. Amounts received that are designated for a future period or are restricted by the donor for specific purposes are reported as net assets with donor restrictions. Unconditional promises to give, which do not state a due date, are presumed to be time-restricted by the donor until received and are reported as net assets with donor restrictions. When the donor-imposed restrictions are met, the funds are released with an offset to without donor restrictions support. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service.

Contracts with Customers Accounted for in Accordance with ASC 606

In accordance with the provisions of ASC 606, revenue is recognized when Conquer Cancer satisfies a performance obligation by transferring a promised good to, or performing a service for, a customer. The amount of revenue recognized reflects the consideration Conquer Cancer expects to receive in exchange for satisfying distinct performance obligations. If a performance obligation does not meet the criteria to be considered distinct, Conquer Cancer combines it with other performance obligations until a distinct bundle of goods or services exists. Fees or amounts received in advance of satisfying contractual performance obligations are reflected as deferred revenue in the statements of financial position. Revenue is recognized either over time or at the point in time that contractual obligations are met.

Conquer Cancer Foundation of the American Society of Clinical Oncology

Notes to the Financial Statements

Specifically, for the various types of contracts, Conquer Cancer recognizes revenue as follows:

Dues

Dues are for membership in the Conquer Cancer Council. Revenue is recognized at a point in time using the input method when the membership begins for one year.

Other

Other fees received are recognized at a point in time using the input method as earning process is completed.

Functional expense allocation

The cost of providing various programs and other activities has been summarized on a functional basis in the statements of activities and change in net assets. On the statements of functional expenses, these costs are shown by natural and functional cost category. Direct program costs are shown under the program as well as, limited administrative costs incurred by the program. Administrative costs include general management, legal, human resources, finance, and governance costs. Fundraising costs represents the costs related to soliciting gifts and grants. Certain categories of expenses are attributed to more than one program or supporting function, requiring allocation of these expenses on a reasonable basis consistently applied. The expenses that are allocated include occupancy which is allocated based on square footage and information technology expenses which are allocated based on the proportion of personnel costs in each of the programs.

Conquer Cancer's research award program costs include the costs related to the grant application platform and promotional material. Fundraising also includes platform and other administrative costs specific to fundraising activities.

Income taxes

Conquer Cancer is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). It has been granted public charity status by the Internal Revenue Service (the IRS) and has been classified as other than a private foundation. Conquer Cancer generates unrelated business income from advertising sold as part of the Society's annual meeting. Unrelated business income tax for the years ended December 31, 2020 and 2019 were recognized in 2020.

In accordance with U.S. GAAP, Conquer Cancer may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. Conquer Cancer believes that it has appropriate support for tax positions taken, and therefore, does not have uncertain tax positions that are material to the financial statements. Generally, Conquer Cancer is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before December 31, 2017.

Conquer Cancer Foundation of the American Society of Clinical Oncology

Notes to the Financial Statements

Accounting pronouncements adopted

In August 2018, the FASB issued ASU 2018-13, *Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*. The update modifies certain disclosure requirements in Topic 820, *Fair Value Measurement*. The ASU is effective for Conquer Cancer's financial statements for fiscal years beginning after December 15, 2019 and Conquer Cancer adopted this disclosure framework for 2020. There was no significant impact on fair value disclosures and there was no effect on the change in net assets reported at December 31, 2019 as a result of adopting this ASU.

Recent accounting pronouncement not yet adopted

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which is the leasing standard for both lessees and lessors. Under this update, a lessee will recognize lease assets and liabilities on the statement of financial position for all arrangements with terms longer than 12 months. Lessor accounting remains largely consistent with the existing U.S. GAAP. This ASU is effective for fiscal years beginning after December 15, 2020. The provisions of this ASU must be applied on a retrospective basis for all years presented although certain optional practical expedients are available. In December 2018, the FASB issued ASU 2018-20, *Leases (Topic 842): Narrow-Scope Improvements for Lessors*. These amendments address the following issues facing lessors when applying the lease standard: (a) sales taxes and other similar taxes collected from lessees; (2) certain lessor costs paid directly by lessees; and (c) recognition of variable payments for contracts with lease and non-lease components. The effective date and transition requirements of these updates will be the same as ASU 2016-02. In an effort to provide relief to entities impacted as a result of the COVID-19 pandemic, the FASB issued ASU 2020-05, which delays the effective date of ASC 842 by one year to include all nonpublic entities that have not yet issued their financial statements. The deferred effective date is for fiscal years beginning after December 15, 2021, and interim periods with fiscal years beginning after December 15, 2022. Conquer Cancer is currently evaluating the impact these updates will have on the financial statements.

Conquer Cancer has assessed other accounting pronouncements issued or effective during the years ended December 31, 2020 and 2019 and deemed they were not applicable to Conquer Cancer and are not anticipated to have a material effect on the financial statements.

Reclassifications

Certain amounts in the 2019 financial statements have been reclassified to conform to the 2020 presentation, with no effect on the change in net assets, as previously reported.

Conquer Cancer Foundation of the American Society of Clinical Oncology

Notes to the Financial Statements

2. 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 date, comprise the following at December 31:

	2020	2019
Cash and cash equivalents	\$ 12,722,183	\$ 5,649,132
Investments	89,668,691	76,413,045
Due from affiliate	-	994,172
Accounts and contributions receivable, net	5,286,368	6,312,678
Total financial assets	107,677,242	89,369,027
Less: Financial assets unavailable for general expenditures within one year, due to:		
Contributions receivable	(1,488,846)	(2,623,115)
Donor restricted net assets	(56,504,909)	(41,495,775)
Board-designated net assets	(35,183,548)	(33,803,951)
Refundable advances	(2,173,918)	(3,825,438)
Add: Board approved spending from endowments and quasi-endowments:		
Maximum spending on restricted endowments	1,338,500	1,142,000
Maximum spending on board-designated endowments	1,603,472	1,694,217
	\$ 15,267,993	\$ 10,456,965

Donor-restricted endowment funds and unspent donor-restricted gifts are not available for general use. Board-designated quasi-endowments are included in net assets without donor restrictions and are available to creditors. For purposes of evaluating liquidity, Conquer Cancer treats the Board-designated as not available for general use. Refundable advances include restricted gifts received but deferred as conditional.

The Board-imposed maximum annual spending rate of 6% of average market value from the previous 16 consecutive quarters ending June 30 of each year for Conquer Cancer endowment and quasi-endowments.

3. Concentrations of Credit and Market Risk

Credit risk

Conquer Cancer maintains demand deposits with commercial banks and financial institutions. At times, certain balances held within these accounts may not be fully guaranteed or insured by the U.S. federal government. Amounts on deposit in excess of federally insured limits at December 31, 2020 approximate \$12.5 million. The uninsured portions of cash and cash equivalents are backed solely by the assets of the underlying institution. Therefore, the failure of an underlying institution

Conquer Cancer Foundation of the American Society of Clinical Oncology

Notes to the Financial Statements

could result in financial loss to Conquer Cancer. Historically, Conquer Cancer has not experienced losses related to these accounts.

Credit risk with respect to the contributions receivable consists primarily of amounts due from individuals and corporations. Historically, Conquer Cancer has not experienced significant losses related to receivables and, therefore, believes the credit risk related to contributions receivable is minimal.

Market risk

Conquer Cancer invests funds in various types of marketable securities. Such investments are exposed to market and credit risks. Conquer Cancer's investments may be subject to significant fluctuations in fair value. As a result, the investment balances reported in the accompanying financial statements may not be reflective of the portfolio's value during subsequent periods.

4. Fair Value Measurements

Investments are reported at fair value in accordance with U.S. GAAP that establishes a fair value hierarchy that is based on the valuation inputs used in the fair value measurements. U.S. GAAP defines fair value as the price that would be received to sell an asset or price to transfer a liability between market participants in an orderly transaction on the measurement date. The market in which the reporting entity would sell the asset or transfer the liability with the greatest volume and level of activity for the asset or liability is known as the principal market. When no principal market exists, the most advantageous market is used. This is the market in which the reporting entity would sell the asset or transfer the liability with the price that maximizes the amount that would be received or minimizes the amount that would be paid. Fair value is based on assumptions market participants would make in pricing the asset or liability. Generally, fair value is based on observable quoted market prices or derived from observable market data when such market prices or data are available. When such prices or inputs are not available, the reporting entity should use valuation models.

Conquer Cancer reports certain investments using the net asset value per share as determined by investment managers under the so-called "practical expedient". The practical expedient allows net asset value per share to represent fair value for reporting purposes when the criteria for using this method are met.

Conquer Cancer's assets and liabilities recorded at fair value are recognized based on the priority of inputs used to measure fair value. The input levels used for valuing investments are not necessarily an indication of risk and are categorized into three levels, as follows:

Level 1 - Observable inputs that reflect quoted prices for identical assets or liabilities in active markets, such as stock quotes.

Level 2 - Includes inputs that are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar investments in markets that are not active, or models based on valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the investment.

Conquer Cancer Foundation of the American Society of Clinical Oncology

Notes to the Financial Statements

Level 3 - Unobservable inputs which reflect the reporting entity's assessment of the assumptions that market participants would use in pricing the asset or liability including assumptions about risk, such as bid/ask spreads and liquidity discounts. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation.

The following section describes the valuation methodologies Conquer Cancer uses to measure assets at fair value:

Investments classified within Level 1 are valued based on quotes obtained from active public exchanges or reported on the NASDAQ national market and are stated at the last reported sales price on the day of valuation. Fair value of exchange-traded contracts is based upon exchange settlement prices. Conquer Cancer only invests in Level 1 investments.

Investments are measured on a recurring basis and consist of the following at December 31:

<i>Description</i>	2020	2019
Investments, at fair value:		
Equity mutual funds	\$ 41,653,466	\$ 41,905,589
Alternative mutual funds	-	13,481,762
Fixed income mutual funds	48,015,225	20,706,822
	89,668,691	76,094,173
Investments, at cost:		
Cash and money market funds*	-	318,872
	\$ 89,668,691	\$ 76,413,045

*Cash and money market funds included in the investment portfolio are not subject to the provisions of fair value measurements as they are recorded at cost.

5. Contributions Receivable

Contributions receivable consists of the following at:

<i>December 31,</i>	2020	2019
Receivable in less than one year	\$ 3,856,720	\$ 3,855,290
Receivable in one to five years	1,488,846	2,623,115
	5,345,566	6,478,405
Discount to present value (0.12% - 3.32%)	(59,198)	(166,337)
	\$ 5,286,368	\$ 6,312,068

The change in the discount on contributions receivable is recognized in contributions revenue in the statements of activities and change in net assets. The change in discount on contributions receivable increased contribution revenue by \$107,139 and \$312,955 for the years ended December 31, 2020 and 2019, respectively.

Conquer Cancer Foundation of the American Society of Clinical Oncology

Notes to the Financial Statements

6. Awards Payable

Awards payable, which are included in accounts payable in the accompanying statements of financial position, represent amounts authorized but not paid to grant award recipients. Conquer Cancer has determined that the impact of discounting awards payable beyond one year to their net present value is immaterial to the overall financial statements.

Awards payable are committed for the following periods:

<i>December 31,</i>	2020	2019
Within one year	\$ 4,799,170	\$ 2,255,397
More than one year	1,091,661	816,669
	<u>\$ 5,890,831</u>	<u>\$ 3,072,066</u>

7. Net Assets Without Donor Restrictions

Net assets without donor restrictions consist of the following at:

<i>December 31,</i>	2020	2019
Undesignated	\$ 6,985,628	\$ 7,170,133
Board-designated for:		
Mission Endowment	35,136,645	33,758,513
Lichter Endowment	46,903	45,438
Total Board-designated for quasi-endowments	<u>35,183,548</u>	<u>33,803,951</u>
	<u>\$ 42,169,176</u>	<u>\$ 40,974,084</u>

Conquer Cancer Foundation of the American Society of Clinical Oncology

Notes to the Financial Statements

8. Net Assets With Donor Restrictions

Net assets with donor restrictions consist of the following at:

<i>December 31,</i>	2020	2019
Subject to expenditures for specified purpose:		
General Award Funds	\$ 12,463,158	\$ 7,269,843
Young Investigator Award	1,743,010	1,857,419
Bonadonna Award	1,191,336	1,128,067
Career Development Award	1,046,546	1,006,931
Advanced Clinical Research Award	335,447	168,779
Merit Award Fund	134,919	84,915
Subject to the passage of time:		
General Award Funds	1,201,000	72,500
Young Investigator Award	811,982	362,960
Advanced Clinical Research Award	499,999	500,000
Career Development Award	1,320,052	1,248,000
Merit Award Fund	64,899	56,200
	20,812,348	13,755,614
Endowments (see Note 9):		
Subject to appropriation and expenditure when a specified event occurs:		
Young Investigator Award Fund	31,988,263	24,184,412
Merit Award Fund	2,609,912	2,087,386
Promises to give, proceeds of which have been restricted by donors for:		
Young Investigator Award Fund	1,061,750	1,528,165
Merit Award Fund	293,967	293,967
Underwater endowments	(261,331)	(353,769)
	35,692,561	27,740,161
	\$ 56,504,909	\$ 41,495,775

9. Endowments and Quasi-Endowments

Conquer Cancer's endowments consist of donor-restricted funds which are classified within donor restricted net assets that are perpetual in nature and of funds designated by the Board as a quasi-endowment. Conquer Cancer's current endowments accumulate investment income, gains and losses as part of the endowment as presently instructed by donors and these are classified as net assets with donor restrictions to the extent that they exceed cumulative allocations. Donors, at times, remove the restriction from a portion of the endowment to be used for awards or scholarships. Absent explicit direction from the donor regarding the classification of investment income from the permanently restricted endowments, investment income is recorded in net assets with donor restrictions activities until appropriated for spending.

Conquer Cancer Foundation of the American Society of Clinical Oncology

Notes to the Financial Statements

The Board of Directors has interpreted the Virginia Uniform Prudent Management of Institutional Funds Act (VA UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. As a result of this interpretation, Conquer Cancer retain in perpetuity (a) the original value of initial and subsequent gift amounts, including promises to give at fair value donated to the Endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by Conquer Cancer in a manner consistent with the standard of prudence prescribed by VA UPMIFA. Conquer Cancer considers the following factors in making a determination to appropriate or to accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the organization
- The investment policies of the organization

Investment objectives and risk strategies

Conquer Cancer has adopted an investment policy that attempts to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Conquer Cancer makes reasonable efforts to control risk of loss, and investments are evaluated regularly to ensure that the risk assumed is commensurate with the given investment style and objectives. Conquer Cancer recognizes that some risk is present in all types of securities and investment portfolios, and that some risk is necessary to produce long-term investment results that meet its objectives. Leveraging through the use of futures and margining of marketable securities, unless approved in advance by the Board or employed within alternative investments, is not allowed under the investment policy.

Spending policy

Donor-restricted endowments

Donor-restricted endowments are spent in accordance with the terms of the applicable gift agreements, typically funding the annual amount of the specified award.

Underwater endowments

Conquer Cancer considers an endowment fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. Conquer Cancer has interpreted VA UPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law.

Conquer Cancer Foundation of the American Society of Clinical Oncology

Notes to the Financial Statements

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or VA UPMIFA requires Conquer Cancer to retain as a fund of perpetual duration. In accordance with U.S. GAAP, deficiencies of this nature are reported as net assets with donor restrictions. At December 31, 2020, funds with original gift values of \$8,298,150, with fair values of \$8,036,819 and deficiencies of \$(261,331) were reported in net assets with donor restrictions. At December 31, 2019, funds with original gift values of \$8,159,313, with fair values of \$7,805,544 and deficiencies of \$(353,769) were reported in net assets with donor restrictions (see Note 8).

Board-designated quasi-endowments

Conquer Cancer has an endowment spending policy for its long-term investments designated as a quasi-endowment. The amount to fund annual programs and operations may not exceed 6% of the average market value of Conquer Cancer's quasi-endowment fund balance for the previous 16 consecutive quarters ending June 30 of each year. The actual spending rate in 2020 and 2019 was 4.8% and 4.5%, respectively.

Endowment net asset composition

Endowment funds consists of the following at:

<i>December 31, 2020</i>	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$ -	\$ 33,531,885	\$ 33,531,885
Accumulated investment gain	-	2,160,676	2,160,676
Board-designed quasi-endowment funds	35,183,548	-	35,183,548
	\$ 35,183,548	\$ 35,692,561	\$ 70,876,109

<i>December 31, 2019</i>	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$ -	\$ 27,027,770	\$ 27,027,770
Accumulated investment gain	-	712,391	712,391
Board-designed quasi-endowment funds	33,803,951	-	33,803,951
	\$ 33,803,951	\$ 27,740,161	\$ 61,544,112

Conquer Cancer Foundation of the American Society of Clinical Oncology

Notes to the Financial Statements

Changes in endowment net assets

The following table represents the changes in endowment net assets at:

<i>December 31, 2020</i>	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 33,803,951	\$ 27,740,161	\$ 61,544,112
Contributions	-	6,504,115	6,504,115
Additional board-designations during the year	937,451	-	937,451
Investment return, net	2,045,618	2,786,765	4,832,383
Appropriations of endowment assets pursuant to spending-rate policy	(1,603,472)	(1,338,480)	(2,941,952)
Endowment net assets, end of year	\$ 35,183,548	\$ 35,692,561	\$ 70,876,109

<i>December 31, 2019</i>	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 28,911,921	\$ 17,571,755	\$ 46,483,676
Contributions	-	8,235,900	8,235,900
Additional board-designations during the year	1,253,500	-	1,253,500
Investment return, net	4,879,197	2,772,005	7,651,202
Appropriations of endowment assets pursuant to spending-rate policy	(1,240,667)	(839,499)	(2,080,166)
Endowment net assets, end of year	\$ 33,803,951	\$ 27,740,161	\$ 61,544,112

10. Related Party Transactions

Conquer Cancer solicits contributions in support of the Society's educational and quality programs. Conquer Cancer provided contributions to the Society totaling \$6,135,763 and \$9,115,520 for the years ended December 31, 2020 and 2019, respectively, to support these programs. Conquer Cancer also entered into a guarantee agreement to secure payment of the Society's bond financing.

The Society reimburses Conquer Cancer for the fundraising costs related to the contributions supporting the Society's programs. This reimbursement was \$3,150,000 for both years ended December 31, 2020 and 2019. In addition, the Society provides certain services to Conquer Cancer including staff, office, and equipment rental and general administrative services. Conquer Cancer reimburses the Society for these costs. During the year, there were changes in the shared services agreement between the Society and Conquer Cancer which resulted to an increase in certain expenses recorded in the Conquer Cancer's financial statements. Conquer Cancer was charged rent expense for the use of office space from the Society amounting to \$527,614 and \$602,493 for the years ended December 31, 2020 and 2019.

Conquer Cancer Foundation of the American Society of Clinical Oncology

Notes to the Financial Statements

Further, the Society provides funds to Conquer Cancer in support of its grant programs including funding endowments for Young Investigator awards. The amount provided for support of grant awards totaled \$4,158,500 and \$1,764,000 for the year ended December 31, 2020 and 2019, respectively, and is included in contributions in the statements of activities and change in net assets. The Society collects contributions on behalf of Conquer Cancer.

The amounts due from the Society consist of the following at December 31:

	2020	2019
Contributions for grant programs	\$ 344,819	\$ 1,675,649
Conquer Cancer contributions collected by the Society	113,312	28,138
	\$ 458,131	\$ 1,703,787

The amounts due to the Society consist of the following at December 31:

	2020	2019
Grants for educational programs	\$ 634,117	\$ 112,871
Administrative expenses	835,230	596,744
	\$ 1,469,347	\$ 709,615

11. Commitments and Contingencies

As of December 31, 2020, Conquer Cancer guaranteed \$53,745,000 of the Society's bonds payable consisting of \$38,400,000 of variable interest rate tax exempt bonds payable through 2038 and a \$15,345,000 taxable loan payable through 2027. The debt financed the purchase and build-out of the Society's headquarters in which Conquer Cancer rents space. As a condition of purchasing the bonds and extending the loan to the Society, Truist (formerly BB&T) required Conquer Cancer to guarantee the bonds, and to pledge its unrestricted assets in support of the guarantee. As of December 31, 2020, the Society was current and met the debt agreement covenants. In addition, Conquer Cancer guarantees the Society's \$20,000,000 line-of-credit with Truist. There was no outstanding balance on the line of credit as of December 31, 2020.

12. Risks and Uncertainties

COVID-19

In March 2020, the World Health Organization classified the outbreak of a novel coronavirus which causes Covid-19 infection a global pandemic. The pandemic caused Conquer Cancer to cancel its golf tournament and to hold most events virtually. However, Conquer Cancer was able to raise funds in support of Covid-19 related efforts of the Society. The extent of the impact of the COVID-19 outbreak on the operational and financial performance of Conquer Cancer has been minimized by management taking active measures and at this time, no significant disruption has taken place or is anticipated. Cash liquidity remains strong as does the investment portfolio. The fluidity of this situation precludes any prediction as to the ultimate material adverse impact of COVID-19.

Conquer Cancer Foundation of the American Society of Clinical Oncology

Notes to the Financial Statements

CARES Act

On March 27, 2020, the “Coronavirus Aid, Relief and Economic Security (CARES) Act” was signed into law. The CARES Act, among other things, includes provisions relating to refundable payroll tax credits, deferment of employer side social security payments, net operating loss carryback periods, alternative minimum tax credit refunds, modifications to the net interest deduction limitations, increased limitations on qualified charitable contributions and technical corrections to tax depreciation methods for qualified improvement property.

On December 27, 2020, the Consolidated Appropriations Act, 2021 (the Act) was passed, which includes \$900 billion in stimulus relief as a result of the COVID-19 pandemic. The Organization believes that the Act will have no impact on its operations.

13. Subsequent Events

American Rescue Plan Act of 2021

On March 11, 2021, the American Rescue Plan Act of 2021 (the 2021 Act) was passed, a \$1.9 trillion stimulus relief package that is intended to provide support to individuals and businesses affected by COVID-19. Conquer Cancer is currently evaluating the impact of the 2021 Act, if any.

Conquer Cancer has evaluated subsequent events through Max 17, 2021, which is the date the financial statements were available to be issued. Other than the matter described above, Conquer Cancer is not aware of any other subsequent events which would require recognition or disclosure in the financial statements.