

Parkinson Foundation of the National Capital Area

Financial Statements
and Independent Auditor's Report

June 30, 2024 and 2023

Parkinson Foundation of the National Capital Area

Financial Statements
June 30, 2024 and 2023

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INDEPENDENT AUDITOR’S REPORT

To the Board of Directors of
Parkinson Foundation of the National Capital Area

Opinion

We have audited the accompanying financial statements of Parkinson Foundation of the National Capital Area (“the Foundation”), which comprise the statements of financial position as of June 30, 2024 and 2023; the related statements of activities, functional expenses, and cash flows for the years 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 the Foundation as of June 30, 2024 and 2023, 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.

Basis for Opinion

We conducted our audits 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 the Foundation 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.

Responsibilities of Management for the Financial Statements (continued)

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 the 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, including omissions, 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 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 the 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 the Foundation's ability to continue as a going concern for a reasonable period of time.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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.

Handwritten signature in black ink that reads "Rogers + Company PLLC". The signature is written in a cursive, slightly stylized font.

Vienna, Virginia
December 9, 2024

Parkinson Foundation of the National Capital Area

Statements of Financial Position June 30, 2024 and 2023

	2024	2023
Assets		
Cash and cash equivalents	\$ 191,055	\$ 283,927
Investments	1,486,798	1,336,355
Certificates of deposit	2,377,525	2,124,192
Property and equipment, net	34,196	35,589
	<u>4,089,574</u>	<u>3,780,063</u>
Total assets	<u>\$ 4,089,574</u>	<u>\$ 3,780,063</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 53,890	\$ 51,164
	<u>53,890</u>	<u>51,164</u>
Total liabilities	<u>53,890</u>	<u>51,164</u>
Net Assets		
Without donor restrictions:		
Undesignated	3,141,962	2,945,007
Board-designated quasi-endowment fund	893,722	783,892
	<u>4,035,684</u>	<u>3,728,899</u>
Total without donor restrictions	<u>4,035,684</u>	<u>3,728,899</u>
Total net assets	<u>4,035,684</u>	<u>3,728,899</u>
Total liabilities and net assets	<u>\$ 4,089,574</u>	<u>\$ 3,780,063</u>

See accompanying notes.

Parkinson Foundation of the National Capital Area

Statement of Activities For the Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Contributions	\$ 327,236	\$ 14,928	\$ 342,164
Walk Off Parkinson's	248,038	-	248,038
In-kind contributions	602,494	-	602,494
Sponsorships	48,997	-	48,997
Symposium registrations	15,286	-	15,286
Wellness registrations	42,877	-	42,877
Investment return, net	227,718	-	227,718
Other revenue	58,632	-	58,632
Released from restrictions	14,928	(14,928)	-
Total revenue and support	1,586,206	-	1,586,206
Expenses			
Program services	1,070,514	-	1,070,514
Supporting services:			
Management and general	157,448	-	157,448
Fundraising	51,459	-	51,459
Total supporting services	208,907	-	208,907
Total expenses	1,279,421	-	1,279,421
Change in Net Assets	306,785	-	306,785
Net Assets, beginning of year	3,728,899	-	3,728,899
Net Assets, end of year	\$ 4,035,684	\$ -	\$ 4,035,684

See accompanying notes.

Parkinson Foundation of the National Capital Area

Statement of Activities For the Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Contributions	\$ 438,249	\$ -	\$ 438,249
Walk Off Parkinson's	266,873	-	266,873
In-kind contributions	519,092	-	519,092
Sponsorships	87,946	-	87,946
Symposium registrations	24,974	-	24,974
Wellness registrations	40,131	-	40,131
Investment return, net	115,488	-	115,488
Other revenue	2,884	-	2,884
Released from restrictions	5,120	(5,120)	-
Total revenue and support	<u>1,500,757</u>	<u>(5,120)</u>	<u>1,495,637</u>
Expenses			
Program services	<u>1,092,083</u>	-	<u>1,092,083</u>
Supporting services:			
Management and general	151,165	-	151,165
Fundraising	<u>79,702</u>	-	<u>79,702</u>
Total supporting services	<u>230,867</u>	-	<u>230,867</u>
Total expenses	<u>1,322,950</u>	-	<u>1,322,950</u>
Change in Net Assets	177,807	(5,120)	172,687
Net Assets, beginning of year	<u>3,551,092</u>	<u>5,120</u>	<u>3,556,212</u>
Net Assets, end of year	<u><u>\$ 3,728,899</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,728,899</u></u>

See accompanying notes.

Parkinson Foundation of the National Capital Area

Statement of Functional Expenses
For the Year Ended June 30, 2024

	Program Services	Supporting Services			Total
		Management and General	Fundraising	Total Supporting Services	
Salaries and benefits	\$ 327,435	\$ 80,284	\$ 40,783	\$ 121,067	\$ 448,502
Walk Off Parkinson's	25,368	175	-	175	25,543
Parkinson's Mobile Resource Unit	4,178	-	-	-	4,178
Symposium	143,928	608	-	608	144,536
Consulting service	20,987	-	4,800	4,800	25,787
In-kind expense	412,101	1,616	-	1,616	413,717
Wellness program expenses	108,404	4,350	-	4,350	112,754
Occupancy	8,089	1,983	1,008	2,991	11,080
Accounting	-	42,531	-	42,531	42,531
Legal	-	35	-	35	35
Professional fees	5,000	-	-	-	5,000
Computer supplies and expenses	22	296	-	296	318
Postage	652	700	300	1,000	1,652
Membership dues and subscriptions	4,056	2,016	-	2,016	6,072
Office supplies and expenses	204	3,968	150	4,118	4,322
Bank and credit fees	2,231	1,686	2,374	4,060	6,291
Insurance	-	12,204	-	12,204	12,204
Telephone	4,754	2,866	-	2,866	7,620
Depreciation and amortization	-	1,393	-	1,393	1,393
Meeting expenses	157	240	-	240	397
Advertising	2,596	-	2,044	2,044	4,640
Travel	312	497	-	497	809
Miscellaneous	40	-	-	-	40
Total Expenses	\$ 1,070,514	\$ 157,448	\$ 51,459	\$ 208,907	\$ 1,279,421

See accompanying notes.

Parkinson Foundation of the National Capital Area

Statement of Functional Expenses
For the Year Ended June 30, 2023

	Program Services	Supporting Services			Total
		Management and General	Fundraising	Total Supporting Services	
Salaries and benefits	\$ 385,737	\$ 75,866	\$ 48,163	\$ 124,029	\$ 509,766
Walk Off Parkinson's	18,265	122	38	160	18,425
Parkinson's Mobile Resource Unit	10,217	-	-	-	10,217
Symposium	138,086	-	-	-	138,086
Consulting service	24,800	-	5,000	5,000	29,800
In-kind expense	364,028	1,676	-	1,676	365,704
Wellness program expenses	91,968	-	-	-	91,968
Occupancy	8,141	1,601	1,016	2,617	10,758
Accounting	-	42,924	-	42,924	42,924
Printing, mailshop, and design	952	212	212	424	1,376
Computer supplies and expenses	4,290	925	444	1,369	5,659
Postage	1,454	377	432	809	2,263
Membership dues and subscriptions	23,189	3,572	13,365	16,937	40,126
Office supplies and expenses	934	2,940	493	3,433	4,367
Bank and credit fees	7,786	2,569	5,288	7,857	15,643
Insurance	-	11,186	-	11,186	11,186
Telephone	5,580	2,866	-	2,866	8,446
Depreciation and amortization	-	3,097	-	3,097	3,097
Meeting expenses	612	717	-	717	1,329
Advertising	5,435	-	2,718	2,718	8,153
Travel	527	419	29	448	975
Miscellaneous	82	96	2,504	2,600	2,682
Total Expenses	\$ 1,092,083	\$ 151,165	\$ 79,702	\$ 230,867	\$ 1,322,950

See accompanying notes.

Parkinson Foundation of the National Capital Area

Statements of Cash Flows For the Years Ended June 30, 2024 and 2023

	2024	2023
Cash Flows from Operating Activities		
Change in net assets	\$ 306,785	\$ 172,687
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Realized and unrealized gain on investments	(125,261)	(74,742)
Depreciation and amortization	1,393	3,097
Donated securities	(16,466)	(27,961)
Change in operating assets and liabilities:		
Increase (decrease) in:		
Accounts payable and accrued expenses	2,726	(47,593)
Net cash provided by operating activities	169,177	25,488
Cash Flows from Investing Activities		
Purchases of fixed assets	-	(2,119)
Purchases of investments	(39,474)	(184,480)
Purchases of certificates of deposit	(4,569,333)	(5,462,000)
Proceeds from sales of investments	30,758	13,660
Proceeds from maturities of certificates of deposit	4,316,000	4,908,726
Net cash used in investing activities	(262,049)	(726,213)
Net Decrease in Cash and Cash Equivalents	(92,872)	(700,725)
Cash and Cash Equivalents, beginning of year	283,927	984,652
Cash and Cash Equivalents, end of year	\$ 191,055	\$ 283,927
Supplementary Disclosure of Noncash Operating and Financing Activities		
Operating activities – donated securities	\$ 16,466	\$ 27,961

See accompanying notes.

Parkinson Foundation of the National Capital Area

Notes to Financial Statements
June 30, 2024 and 2023

1. Nature of Operations

The Parkinson Foundation of the National Capital Area (“the Foundation”) is an independent nonprofit organization with the majority of those it serves residing in Maryland, Virginia, and Washington, D.C. The Foundation provides programs and services for people with Parkinson’s and their care partners to improve their quality of life.

2. Summary of Significant Accounting Policies

Basis of Accounting and Classification of Net Assets

The Foundation’s financial statements are prepared on the accrual basis of accounting. Net assets are reported based on the presence or absence of donor-imposed restrictions.

- *Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing Board has designated, from net assets without donor restrictions, net assets for a Board-designated quasi-endowment.
- *Net Assets With Donor Restrictions* – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events 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.

Cash Equivalents

For the purpose of reporting cash flows, the Foundation considers all highly liquid investment instruments purchased with a maturity of three months or less to be cash equivalents. Excluded from this definition of cash equivalents are amounts held for investment.

Parkinson Foundation of the National Capital Area

Notes to Financial Statements
June 30, 2024 and 2023

2. Summary of Significant Accounting Policies (continued)

Investments

Investments are stated at fair value as determined by quoted market prices. Mutual funds are carried at fair value based on their published unit values. All realized and unrealized gains and losses, netted with investment management fees, are included as a component of net investment return in the accompanying statements of activities.

Certificates of Deposit

The Foundation held certificates of deposit totaling \$2,377,525 and \$2,124,192 at June 30, 2024 and 2023, respectively, with original maturity dates greater than a period of 90 days that are carried at amortized cost. Interest earned on the certificates of deposit is included in the accompanying statements of activities. These certificates of deposit do not qualify as securities as defined in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 320, *Investments – Debt and Equity Securities*. Therefore, these investments are not included in the fair value disclosures required by FASB ASC 820, *Fair Value Measurements and Disclosures*.

Property and Equipment

Property and equipment acquisitions with a cost greater than \$1,000 and a projected useful life exceeding one year are capitalized and recorded at cost. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the assets, which is three years for furniture, fixtures, and equipment assets. Upon disposal of depreciable assets, the cost and related accumulated depreciation and amortization are eliminated from the accounts and the resulting gain or loss is credited or charged to income. Expenditures for repairs and maintenance are expensed as incurred.

Revenue Recognition

Revenue Accounted for in Accordance with Contribution Accounting

Grants and contributions, including sponsorships, that are nonreciprocal are recognized as revenue when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. The Foundation reports gifts of cash and other assets as restricted support if they are received or promised with donor stipulations that limit the use of the donated funds to one of the Foundation's programs or to a future year.

Parkinson Foundation of the National Capital Area

Notes to Financial Statements
June 30, 2024 and 2023

2. Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Revenue Accounted for in Accordance with Contribution Accounting (continued)

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 statements of activities as net assets released from restrictions.

The Foundation also organizes a walk to raise awareness of Parkinson's disease. Contributions received from the walk are recognized when cash, securities, or other assets, or an unconditional promise to give, is received.

Conditional contributions contain a donor-imposed condition that represents a barrier that must be overcome before the Foundation is entitled to the assets transferred or promised. Failure to overcome the barrier gives the donor a right of return of the assets it has transferred or gives the promisor a right of release from its obligation to transfer its assets. Additionally, the Foundation has sponsorship agreements. The agreements contain substantial conditions that must be met prior to recognition of revenue. Conditional contributions are recognized as revenue, either with or without donor restrictions, when donor-imposed conditions are substantially met, and any barriers are overcome. Donor restrictions are also satisfied when qualifying expenditures are incurred for the donor-specified program.

Donated services that meet the criteria for recognition are recognized at fair value at the time of donation. These services benefit the general programs and consist primarily of donated professional services, goods, and materials. The Foundation also receives in-kind contributions of facilities and the use of event space. The value of these donated services and facilities is included in the financial statements as both revenue and expense.

Revenue Accounted for as Contracts with Customers

Revenue is recognized when the Foundation 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 the Foundation expects to receive in exchange for satisfying distinct performance obligations. If a performance obligation does not meet the criteria to be considered distinct, the Foundation combines it with other performance obligations until a distinct bundle of goods or services exists.

Parkinson Foundation of the National Capital Area

Notes to Financial Statements
June 30, 2024 and 2023

2. Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Revenue Accounted for as Contracts with Customers (continued)

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.

Registration fees are revenue for the symposium and other events and services. Revenue is recognized when the symposium and other events are held and services are provided. Amounts received in advance are deferred and recognized when the performance obligations are met.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Subsequent Events

In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through December 9, 2024, the date the financial statements were available to be issued.

Parkinson Foundation of the National Capital Area

Notes to Financial Statements
June 30, 2024 and 2023

3. Liquidity and Availability

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following at June 30:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 191,055	\$ 283,927
Investments	1,486,798	1,336,355
Certificates of deposit	2,377,525	2,124,192
Less: Board-designated quasi-endowment fund	<u>(893,722)</u>	<u>(783,892)</u>
Total available for general expenditures	<u>\$ 3,161,656</u>	<u>\$ 2,960,582</u>

Financial assets that are subject to donor or other internal Board restrictions that make them unavailable for general expenditures within one year of the statements of financial position date have been deducted from funds available for general expenditures.

The Foundation monitors the balance of its cash and cash equivalents on hand, with a goal to maintain balances at levels sufficient to meet at least 90 days of normal operating expenses. The Foundation structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, as part of its liquidity management, the Foundation invests the excess of its short-term operating needs in money market and mutual funds, and certificates of deposit.

4. Concentration of Credit Risk

Financial instruments that potentially subject the Foundation to significant concentrations of credit risk consist of cash and cash equivalents, certificates of deposit, and investments. The Foundation maintains cash deposit and transaction accounts, along with certificates of deposit and investments, with various financial institutions and these values, from time to time, exceed insurable limits under the Federal Deposit Insurance Corporation (FDIC) and Securities Investor Protection Corporation (SIPC). The Foundation has not experienced any credit losses on its cash and cash equivalents, certificates of deposit, and investments to date as it relates to FDIC and SIPC insurance limits. Management periodically assesses the financial condition of these financial institutions and believes that the risk of any credit loss is minimal.

Parkinson Foundation of the National Capital Area

Notes to Financial Statements
June 30, 2024 and 2023

5. Investments and Fair Value Measurements

The Foundation follows FASB ASC 820, *Fair Value Measurements and Disclosures*, for its financial assets. This standard establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value measurement standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or other valuation techniques) to determine fair value. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the entity's perceived risk of that instrument.

The inputs used in measuring fair value are categorized into three levels. Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and liabilities and have the highest priority. Level 2 is based upon observable inputs other than quoted market prices, and Level 3 is based on unobservable inputs. Transfers between levels in the fair value hierarchy are recognized at the end of the reporting period. In general, and where applicable, the Foundation uses quoted prices in active markets for identical assets to determine fair value. This pricing methodology applies to Level 1 investments.

The following table presents the Foundation's fair value hierarchy for those investments measured on a recurring basis at June 30, 2024:

	Level 1	Level 2	Level 3	Total fair value
Mutual funds:				
US mid cap	\$ 499,508	\$ -	\$ -	\$ 499,508
Emerging markets	68,137	-	-	68,137
Real estate	35,999	-	-	35,999
International large cap	169,696	-	-	169,696
International small/mid cap	41,631	-	-	41,631
Global bond fund	101,949	-	-	101,949
Short term bond fund	43,822	-	-	43,822
Intermediate-term bond	213,085	-	-	213,085
Inflation-protected bond	92,532	-	-	92,532
Exchange-traded funds	161,022	-	-	161,022
Stocks	28,069	-	-	28,069
Money market funds	31,348	-	-	31,348
Total investments	<u>\$ 1,486,798</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,486,798</u>

Parkinson Foundation of the National Capital Area

Notes to Financial Statements
June 30, 2024 and 2023

5. Investments and Fair Value Measurements (continued)

The following table presents the Foundation's fair value hierarchy for those investments measured on a recurring basis at June 30, 2023:

	Level 1	Level 2	Level 3	Total fair value
Mutual funds:				
US mid cap	\$ 422,614	\$ -	\$ -	\$ 422,614
Emerging markets	60,653	-	-	60,653
Real estate	34,829	-	-	34,829
International large cap	155,678	-	-	155,678
International small/mid cap	38,142	-	-	38,142
Global bond fund	93,521	-	-	93,521
Short term bond fund	43,437	-	-	43,437
Intermediate-term bond	209,220	-	-	209,220
Inflation-protected bond	92,102	-	-	92,102
Exchange-traded funds	155,085	-	-	155,085
Stocks	20,903	-	-	20,903
Money market funds	10,171	-	-	10,171
Total investments	\$ 1,336,355	\$ -	\$ -	\$ 1,336,355

Net investment return consists of the following for the years ended June 30:

	2024	2023
Interest and dividends	\$ 137,054	\$ 69,830
Realized gain (loss)	535	(68)
Unrealized gain	124,726	74,810
Less: in-kind investment management fees	(34,597)	(29,084)
Total investment return, net	\$ 227,718	\$ 115,488

Parkinson Foundation of the National Capital Area

Notes to Financial Statements
June 30, 2024 and 2023

6. Property and Equipment

Property and equipment consists of the following at June 30:

	<u>2024</u>	<u>2023</u>
Website	\$ 32,500	\$ 32,500
Computer equipment	21,660	21,660
Furniture and fixtures	1,136	1,136
Vehicle	<u>5,000</u>	<u>5,000</u>
Total property and equipment	60,296	60,296
Less: accumulated depreciation and amortization	<u>(26,100)</u>	<u>(24,707)</u>
Property and equipment, net	<u><u>\$ 34,196</u></u>	<u><u>\$ 35,589</u></u>

7. Employee Retention Credit

The Employee Retention Credit (ERC) was established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act in March 2020. It was intended to help businesses retain their workforces and avoid layoffs during the coronavirus pandemic. It provides a per employee credit to eligible businesses based on a percentage of qualified wages and health insurance benefits paid to employees. It works as a refundable payroll tax credit claimed quarterly, and it can provide reductions to payroll taxes or cash refunds. The CARES Act did not allow businesses that received Paycheck Protection Program (PPP) loans to also claim the ERC, but the Consolidated Appropriations Act, which was enacted at the end of 2020, retroactively removed the limitation so entities that had applied for or received PPP loans could still get the ERC.

During the year ended June 30, 2024, the Foundation filed refund claims in the amount of \$58,632 with the Internal Revenue Service, which is included in other revenue in the accompanying statements of activities.

Parkinson Foundation of the National Capital Area

Notes to Financial Statements
June 30, 2024 and 2023

8. Board-Designated Quasi-Endowment Fund

The Foundation's Board-designated quasi-endowment fund ("the Fund") was established in 2012 through a capital campaign to help support program services. The principal of the Fund resulted from internal designation and is classified as net assets without donor restrictions. Accordingly, the Fund is not subject to the Virginia Uniform Prudent Management of Institutional Funds Act.

Return Objectives, Risk Parameters, and Strategies

The Foundation's investment policy provides for a strategy of long-term growth of the Fund. Under this policy, funds are invested with the goal of maximizing total returns, avoiding unnecessary risk, and generating income to support the spending policy. The Foundation employs a diversified asset allocation that currently places greater emphasis on fixed income investments. The Foundation uses professional fund managers for advice in managing the funds.

Composition of Funds

For the purposes of this disclosure, the Fund's net assets include those assets of unrestricted funds that were raised as a result of a capital campaign, but exclude any contributions receivable.

Changes in Board-Designated Quasi-Endowment Fund

Changes in the Fund were as follows for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Board-designated quasi-endowment fund, beginning balance	\$ 783,892	\$ 705,802
Interest and dividends	26,748	27,589
Unrealized gain	<u>83,082</u>	<u>50,501</u>
Board-designated quasi-endowment fund, ending balance	<u>\$ 893,722</u>	<u>\$ 783,892</u>

Parkinson Foundation of the National Capital Area

Notes to Financial Statements
June 30, 2024 and 2023

9. In-Kind Contributions

During the years ended June 30, 2024 and 2023, the Foundation was the beneficiary of donated services and materials, which allowed the Foundation to provide greater resources toward various programs.

The following in-kind contributions have been included in the accompanying statements of activities for the years ended June 30:

	2024	2023
Facility use	\$ 180,985	\$ 183,800
Instructor fees	67,101	84,101
Symposium	143,100	113,545
Advertising	114,076	95,043
Parkinson Pointers in-kind	18,395	-
Office rent and parking	11,080	10,758
Professional services	45,097	31,709
Venue rental	22,190	-
Other	470	136
Total in-kind contributions	<u>\$ 602,494</u>	<u>\$ 519,092</u>

Contributed facility use are used for program and supporting services. Contributed facility use are recognized at fair value based on current market rates for facility use.

Contributed instructor fees are used for program services which are related to various instructors' fees for Parkinson Pointers lectures. Contributed instructor fees are recognized at fair value based on the current market rates for similar services.

Contributed symposium are used for program services which are related to various speakers' fees for PFNCA Annual Symposium. Contributed symposium are recognized at fair value based on the current market rates for similar services.

Contributed advertising is valued using estimated principal market prices of identical or similar products. Contributed advertising is used for program services.

Contributed Parkinson Pointers are used for program services for use of space, speaker fees, and food and beverage provided for the Parkinson Pointers free lecture series. Contributed Parkinson Pointers are recognized at fair value based on current market rates for similar services.

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Notes to Financial Statements
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9. In-Kind Contributions (continued)

Contributed office rent and parking are used for program and supporting services. Contributed office rent and parking are recognized at fair value based on current market rates for facility use.

Contributed professional services represent investment management fees as well as various other speaker fees, space, and food and beverage related to seminar. Contributed professional services are used for program and supporting services and are recognized based on current rates for similar professional services.

Contributed venue rental are used for program services related to venue rentals for various events and seminars. Contributed venue rental are recognized at fair value based on current market rates for similar venue rentals.

Contributed other are used for program services related to vendor fee for health fair. Contributed other are recognized at fair value based on current market rates for similar other services.

10. Commitments and Contingencies

License Agreements

In November 2020, the Foundation entered into a license agreement for use of an office space in Silver Spring, Maryland. This license agreement is on a month-to-month basis at no cost. For the years ended June 30, 2024 and 2023, the Foundation recorded in-kind contribution for donated rent and corresponding occupancy expenses of \$11,080 and \$10,758, respectively.

11. Retirement Plan

The Foundation participates in a standardized 401(k) profit sharing plan. All employees may participate after the completion of three consecutive months of eligible service beginning on the employee's date of hire. Employees may defer salary as a percentage of eligible compensation. The Foundation makes matching contributions in an amount equal to 100% of an employee's contributions, not to exceed 6% of the employee's annual salary. Pension expense was \$17,539 and \$22,451 for the years ended June 30, 2024 and 2023, respectively.

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12. Functionalized Expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The Foundation allocates the majority of its expenses directly to specific functions. The expenses that are allocated indirectly include salaries, payroll taxes, and employee benefits, which are allocated on the basis of estimates of time and effort. Additionally, other natural expenses are allocated utilizing an overhead cost allocation methodology based on actual staff time and effort spent on the specific function for each category of expenses.

13. Income Taxes

The Foundation is recognized as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (IRC), and is exempt from income taxes except for taxes on unrelated business activities. No tax expense is recorded in the accompanying financial statements as there was no unrelated business income. Contributions to the Foundation are deductible as provided in IRC Section 170(b)(1)(A)(vi). Management has evaluated the Foundation's tax positions and concluded that the Foundation's financial statements do not include any uncertain tax positions.