

Chordoma Foundation

FINANCIAL STATEMENTS

for the year ended December 31, 2021

CHORDOMA FOUNDATION

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Langdon & Company ^{LLP}
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Chordoma Foundation

Opinion

We have audited the accompanying financial statements of Chordoma Foundation (the "Foundation"), which comprise the statement of financial position as of December 31, 2021, 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 Chordoma Foundation as of December 31, 2021, and the changes in their net assets and their 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 Chordoma 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 Chordoma 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 the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

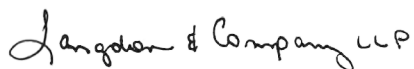
In performing an audit in accordance with generally accepted auditing standards, we:

- 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 Chordoma 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 Chordoma 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 the Foundation's 2020 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated May 14, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.



Garner, North Carolina
May 19, 2022

CHORDOMA FOUNDATION

STATEMENT OF FINANCIAL POSITION

as of December 31, 2021
with comparative totals for 2020

ASSETS		<u>2021</u>	<u>2020</u>
Current assets:			
Cash and cash equivalents		\$ 5,869,762	\$ 5,025,739
Unconditional promises to give (less allowance for doubtful accounts of \$55,000 and \$100,000 at December 31, 2021 and 2020, respectively)		352,728	1,171,852
Employee Retention Credit receivable		34,262	-
Prepaid expenses		21,334	13,820
Total current assets		<u>6,278,086</u>	<u>6,211,411</u>
Fixed assets:			
Computer equipment and furniture		52,564	53,689
Leasehold improvements		7,540	7,540
Less accumulated depreciation		<u>(40,257)</u>	<u>(36,480)</u>
		<u>19,847</u>	<u>24,749</u>
Other assets:			
Unconditional promises to give in one to five years, net		<u>231,762</u>	<u>109,665</u>
Total other assets		<u>231,762</u>	<u>109,665</u>
Total assets		<u>\$ 6,529,695</u>	<u>\$ 6,345,825</u>
LIABILITIES AND NET ASSETS			
Current liabilities:			
Accounts payable		\$ 100,937	\$ 61,770
Grants payable to other organizations - current		1,436,505	845,747
Lab expense payable		347,704	135,353
Accrued wages and payroll taxes		86,099	69,818
Accrued vacation		27,596	20,784
Deferred rent		11,177	15,379
Total current liabilities		<u>2,010,018</u>	<u>1,148,851</u>
Grants payable to other organizations - long-term, net		<u>121,646</u>	<u>499,213</u>
Net assets:			
Without donor restrictions:			
Undesignated		2,233,372	1,703,355
Board-designated fund		1,016,729	1,016,729
With donor restrictions		<u>1,147,930</u>	<u>1,977,677</u>
Total net assets		<u>4,398,031</u>	<u>4,697,761</u>
Total liabilities and net assets		<u>\$ 6,529,695</u>	<u>\$ 6,345,825</u>

*The accompanying notes are an integral
part of the financial statements.*

CHORDOMA FOUNDATION

STATEMENT OF ACTIVITIES

for the year ended December 31, 2021
with comparative totals for 2020

	2021			2020
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Total</u>
Public support and revenue:				
Contributions	\$ 1,386,127	\$ 1,416,261	\$2,802,388	\$ 2,334,581
In-kind contributions	202,823	-	202,823	205,352
Interest income	1,432	-	1,432	5,729
Paycheck Protection Program proceeds	127,300	-	127,300	120,400
Employee Retention Credit	98,114		98,114	-
Other income	25,080	-	25,080	1,775
Total public support and revenue	<u>1,840,876</u>	<u>1,416,261</u>	<u>3,257,137</u>	<u>2,667,837</u>
Net assets released from restrictions	<u>2,234,958</u>	<u>(2,234,958)</u>	<u>-</u>	<u>-</u>
Total public support and revenue	<u>4,075,834</u>	<u>(818,697)</u>	<u>3,257,137</u>	<u>2,667,837</u>
Expenses:				
Program services	2,885,532	-	2,885,532	2,003,515
Management and general	273,624	-	273,624	276,469
Fundraising	384,411	-	384,411	412,693
Total expenses	<u>3,543,567</u>	<u>-</u>	<u>3,543,567</u>	<u>2,692,677</u>
Change in net assets from operations	532,267	(818,697)	(286,430)	(24,840)
Other changes in net assets:				
Foreign currency (loss) gain (see Note 3)	<u>(2,250)</u>	<u>(11,050)</u>	<u>(13,300)</u>	<u>19,022</u>
Change in net assets	530,017	(829,747)	(299,730)	(5,818)
Net assets, beginning of year	<u>2,720,084</u>	<u>1,977,677</u>	<u>4,697,761</u>	<u>4,703,579</u>
Net assets, end of year	<u>\$ 3,250,101</u>	<u>\$ 1,147,930</u>	<u>\$4,398,031</u>	<u>\$ 4,697,761</u>

*The accompanying notes are an integral
part of the financial statements.*

CHORDOMA FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

for the year ended December 31, 2021
with comparative totals for 2020

	2021						2020	
	Program Services			Supporting Services				
	<u>Research</u>	<u>Patient Services</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Supporting Services</u>	<u>Grand Total</u>	<u>Grand Total</u>
Compensation, taxes and benefits	\$ 318,298	\$ 258,979	\$ 577,277	\$ 121,554	\$ 278,333	\$ 399,887	\$ 977,164	\$ 959,325
Research grants and contracts	1,924,627	1,000	1,925,627	-	-	-	1,925,627	1,140,771
In-kind contributions	-	133,593	133,593	69,230	-	69,230	202,823	205,352
Events	1,296	1,296	2,592	-	-	-	2,592	2,074
Advertising and promotion	169	2,868	3,037	4,707	7,426	12,133	15,170	15,328
Information technology	19,067	30,204	49,271	26,258	34,143	60,401	109,672	130,507
Office and occupancy	13,547	17,659	31,206	9,544	37,784	47,328	78,534	79,228
Travel and meetings	1,294	978	2,272	5,064	13,977	19,041	21,313	18,243
Contracted services	90,347	62,548	152,895	22,384	11,937	34,321	187,216	112,961
Insurance	4,127	3,635	7,762	6,169	811	6,980	14,742	20,769
Depreciation	-	-	-	8,714	-	8,714	8,714	8,119
Total expenses	<u>\$ 2,372,772</u>	<u>\$ 512,760</u>	<u>\$ 2,885,532</u>	<u>\$ 273,624</u>	<u>\$ 384,411</u>	<u>\$ 658,035</u>	<u>\$ 3,543,567</u>	<u>\$ 2,692,677</u>

The accompanying notes are an integral
part of the financial statements.

CHORDOMA FOUNDATION

STATEMENT OF CASH FLOWS

for the year ended December 31, 2021
with comparative totals for 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Cash received from contributors, grantors and programs	\$ 3,702,347	\$ 4,521,477
Cash paid to employees, grantees and suppliers	(2,855,944)	(3,277,599)
Interest and dividends received	<u>1,432</u>	<u>5,729</u>
Net cash provided by operating activities	<u>847,835</u>	<u>1,249,607</u>
Cash flows from investing activities:		
Purchases of property and equipment	<u>(3,812)</u>	<u>(16,252)</u>
Net cash used in investing activities	<u>(3,812)</u>	<u>(16,252)</u>
Net increase in cash	844,023	1,233,355
Cash at beginning of year	<u>5,025,739</u>	<u>3,792,384</u>
Cash at end of year	<u>\$ 5,869,762</u>	<u>\$ 5,025,739</u>

*The accompanying notes are an integral
part of the financial statements.*

CHORDOMA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

1. **OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Foundation

Chordoma Foundation (the “Foundation”) is a not-for-profit Foundation formed under the General Statutes of North Carolina. The Foundation was incorporated in February 2007 to work to improve the lives of chordoma patients by accelerating the development of effective treatments and by helping patients get the best care possible.

The Foundation initiates and funds research, facilitates information exchange and collaboration among researchers, and provides scientific resources necessary for research. Through the efforts of the Foundation, research projects are proactively funded as strategic priorities for advancing the development of new treatments for chordoma. The Foundation also helps to create, collect, store, and distribute the information and biological materials that researchers need in order to study chordoma and develop new treatments. The Foundation further enhances the study of chordoma by connecting physicians, scientists, and companies from across the world to share information and collaborate on projects they can only achieve together. Finally, the Foundation is committed to patients dealing with the diagnosis of chordoma by providing accurate information about treatment options and clinical trials, referring patients to experienced doctors, and matching patients with trained peer-support mentors.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Foundation maintains its cash accounts with various financial institutions which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts.

Computer Equipment and Furniture

Computer equipment and furniture are recorded at cost if purchased or at estimated fair value at the date of the gift, if donated, less accumulated depreciation. Maintenance and repairs are expensed as incurred. Gains or losses on dispositions are included in the statement of activities. Purchases of \$500 or more are capitalized and depreciated. Assets are depreciated using the straight-line method over the estimated useful lives, which range from 3 – 7 years.

Estimates

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

CHORDOMA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

1. **OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor restrictions. As discussed in Note 6, the governing board has designated, from net assets without donor restrictions, net assets for an operating reserve.

Net Assets With Donor Restrictions – Net assets subject to donor-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.

Revenue Recognition

All contributions are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor-imposed restrictions. In-kind contributions of services, materials, or facilities that meet the recording criteria as defined by accounting guidance are recorded at their estimated fair market value on the date of the donation. Such contributions are recorded as in-kind contributions and a corresponding expense on the statement of activities. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give due in the next year are recorded at their net realizable value, less an allowance for uncollectible accounts. The allowance is based on prior experience, donor history and management's best estimate. It is the Foundation's policy to charge off accounts receivable when management determines the receivable will not be collected. Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value using a risk adjusted discount rate. The Foundation's revenue primarily consists of contributions from individuals, corporations and foundations. As of December 31, 2021 and 2020, 44% and 67%, respectively, of unconditional promises to give were due from two donors.

The Foundation recognizes the fair value of contributed services received if such services a) create or enhance nonfinancial assets or b) required specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed. Volunteers and members of the community perform various services for the Foundation, and these services are significant and form an integral part of the efforts of the Foundation.

CHORDOMA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

1. **OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

Revenue Recognition *(Continued)*

The Foundation does not control the activities of the volunteers as it would paid employees, and there is not a clearly measurable basis for an amount of contributed services to be recorded. Therefore, the Foundation does not record the amount of volunteer services rendered as a contribution and a corresponding amount as an expense.

During the years ended December 31, 2021 and 2020 the Foundation received in-kind services and advertising totaling \$202,823 and \$205,352, respectively.

Employee Retention Credit – The Foundation has applied for and received the Employer Retention Credit (ERC), a credit against certain payroll taxes allowed to an eligible employer for qualifying wages. This program was established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act and further amended by the Consolidated Appropriations Act (CAA) and the American Rescue Plan (ARP). Laws and regulations concerning government programs, including ERC are complex and subject to varying interpretations. For the year ended December 31, 2021, the Foundation has recorded \$98,114 in ERC revenue on the accompanying Statement of Activities and corresponding receivable of \$34,262 on the accompanying Statement of Financial Position.

Paycheck Protection Program (“PPP”)

Funds received pursuant to PPP under Division A, Title I of the CARES Act, enacted March 27, 2020, have been recorded as a conditional contribution. Under the terms of the PPP, the Foundation will initially recognize the funds as a refundable advance and, as conditions for forgiveness are met, recognize contribution revenue. All conditions were met during the year and the loan was forgiven and is reflected on the accompanying Statement of Activities as “Paycheck Protection Program proceeds”.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. 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.

Expenses that are allocated include compensation, taxes and benefits, contracted services, events, information technology, office and occupancy, travel and meetings, advertising and promotion, and insurance, which are all allocated on the basis of estimates of time and effort.

CHORDOMA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

1. **OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

Income Taxes

The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified as a publicly supported Foundation. During the years ended December 31, 2021 and 2020, the Foundation did not have income subject to taxation as unrelated business income.

The Foundation evaluates any uncertain tax positions. Accordingly, the Foundation's policy is to record a liability for any tax position taken that is beneficial to the Foundation, including any related interest and penalties, when it is more likely than not the position of management with respect to a transaction or class of transactions will be overturned by a taxing authority upon examination. Management does not believe any significant income tax uncertainties exist as of December 31, 2021 or 2020.

Advertising Expenses

The cost of advertising is expensed as incurred. The Foundation incurred \$15,170 and \$15,328 in advertising costs for the year ended December 31, 2021 and 2020, respectively.

Comparative Totals

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended December 31, 2020, from which the summarized information was derived.

Reclassifications

Certain items included in the 2020 financial statements have been reclassified to conform to the 2021 presentation. Change in net assets of the Foundation previously reported for 2020 were not affected by these reclassifications.

2. **LIQUIDITY AND AVAILABILITY**

The Foundation is substantially supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Foundation must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. The Foundation considers all expenditures related to its ongoing activities of research and patient education as well as the conduct of services undertaken to support those activities to be general expenditures. As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

CHORDOMA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

2. LIQUIDITY AND AVAILABILITY (Continued)

In accordance with the Foundation's liquidity plan, the board of directors internally designates funds with a targeted goal of maintaining six months of operating expenses in reserves, which was \$1,016,729 as of December 31, 2021 and 2020. The Foundation can access reserve funds by obtaining approval from the board of directors.

The following reflects the Foundation's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. Amounts not available include the board-designated contingency fund, which could be drawn upon if the governing board approves that action.

	<u>2021</u>	<u>2020</u>
Financial assets at year-end:		
Cash and cash equivalents	\$5,869,762	\$5,025,739
Unconditional promises to give	<u>352,728</u>	<u>1,171,852</u>
	<u>6,222,490</u>	<u>6,197,591</u>
Less amounts not available to be used within one year, due to:		
Donor-imposed restrictions	(1,067,930)	(1,744,943)
Board-designated fund	<u>(1,016,729)</u>	<u>(1,016,729)</u>
	<u>(2,084,659)</u>	<u>(2,761,672)</u>
Financial assets available to meet general expenditures within one year	<u>\$4,137,831</u>	<u>\$3,435,919</u>

3. UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give are summarized as follows:

	<u>2021</u>	<u>2020</u>
Unconditional promises to give in less than one year	<u>\$ 386,990</u>	<u>\$ 1,171,852</u>
Unconditional promises to give in greater than one year	\$ 235,000	\$ 110,000
Less discounts to net present value (rates ranging from 0.16% to .97%)	<u>3,238</u>	<u>335</u>
Total unconditional promises to give in greater than one year	<u>\$ 231,762</u>	<u>\$ 109,665</u>

Foreign currency transaction (losses) gains resulting from exchange rate fluctuations on transactions denominated in a currency other than the functional currency totaled approximately \$(13,300) and \$19,023 in 2021 and 2020, respectively, and have been reported separately in the accompanying statement of activities.

CHORDOMA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

4. GRANTS PAYABLE

All research grants are recognized when they are unconditionally promised to the recipient. Those expenses are recorded in the statement of functional expenses as program expenses. Grants to be paid in more than one year are discounted using 3.25% for 2021 and 2020.

Grants payable are summarized as follows:

	<u>2021</u>	<u>2020</u>
2021	\$ -	\$ 981,100
2022	1,436,505	430,437
2023	146,250	90,000
2024	-	15,000
2025	-	20,000
Total grants payable	1,582,755	1,536,537
Less allowance on grants payable	20,000	40,000
Less discount on long-term grants	4,604	16,224
Less current portion	1,436,505	845,747
Net grants payable - long-term	<u>\$ 121,646</u>	<u>\$ 634,566</u>

Amortization of discounts on grants payable is reported in the statement of activities in the same program service functional expense classification in which the promise to give was initially reported.

5. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes as of December 31:

	<u>2021</u>	<u>2020</u>
Subject to the passage of time	\$ 420,616	\$ 296,172
Patient education	17,776	-
IT Improvements	-	9,569
Research	709,538	1,671,936
Total	<u>\$ 1,147,930</u>	<u>\$ 1,977,677</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Subject to the passage of time	\$ 235,556	\$ 467,816
Subject to expenditure for specified purpose:		
Research	1,969,237	1,253,769
IT Improvements	9,569	8,431
Patient education	20,596	4,974
Total	<u>\$ 2,234,958</u>	<u>\$ 1,734,990</u>

CHORDOMA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

6. **BOARD OPERATING RESERVE**

The Board of Directors has designated \$1,016,729 of the Foundation's net assets without donor restrictions as of December 31, 2021 and 2020, to be used in the event of a downturn in donations or an increase in expenses due to an unforeseen circumstance.

7. **OPERATING LEASE**

The Foundation's non-cancelable lease agreement, as amended, expires May 31, 2023 for office space in a building owned by an unrelated party. The future minimum lease payments are as follows:

<u>Year Ending December 31,</u>	
2022	\$ 41,618
2023	17,678
	<u>\$ 59,296</u>

The rental expense for the years ended December 31, 2021 and 2020 was \$35,588 and \$33,210.

On April 15, 2021, the Foundation transitioned to a virtual office environment and subleased the space previously occupied by the Foundation. The future minimum lease rentals to be received under the sublease are as follows:

<u>Year Ending December 31,</u>	
2022	34,109
2023	14,437
	<u>\$ 48,546</u>

8. **RELATED PARTY TRANSACTIONS**

The Foundation received an in-kind donation of legal services from a law firm in which one of the partners is also a member of the Board of Directors of the Foundation. The donation of services was estimated to be \$37,504 and \$59,890 for the years ended December 31, 2021 and 2020, respectively. The donation is included in in-kind contributions on the Foundation's statement of activities and a corresponding expense has been recorded as in-kind contributions on the statement of functional expenses.

The Foundation also receives significant contributions from Board members. Contributions received from Board members were \$232,369 and \$219,375 for the years ended December 31, 2021 and 2020, respectively. Included in accounts receivable is \$210,000 and \$81,184 from board members for the years ended December 31, 2021 and 2020, respectively.

CHORDOMA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

9. RETIREMENT PLAN

The Foundation offers a simple IRA plan which allows all employees who receive at least \$5,000 in compensation during the calendar year and have earned at least \$5,000 in one prior year to participate. The Foundation matches up to 3% of the employee's compensation. Employee contributions are subject to certain limitations. Employer contributions for the year ended December 31, 2021 and 2020 totaled \$17,738 and \$21,244, respectively.

10. CONTINGENCY

The COVID-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The United States and global markets experienced significant declines in value resulting from uncertainty caused by the pandemic. The Foundation is closely monitoring its investment portfolio and its liquidity and is actively working to minimize the impact of these declines. The extent of the impact of COVID-19 on the Foundation's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impacts on the Foundation's employees and vendors, all of which at present, cannot be determined. Accordingly, the extent to which COVID-19 may impact the Foundation's financial position and changes in net assets and cash flows is uncertain and the accompanying financial statements include no adjustments relating to the effects of this pandemic.

11. SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 19, 2022, the date which the financial statements are available for issue.