

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

Financial Statements

Years ended December 31, 2017 and 2016



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

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

We have audited the accompanying financial statements of Michael Rolfe Pancreatic Cancer Foundation d/b/a Rolfe Pancreatic Cancer Foundation (a not-for-profit corporation), which comprise the statement of financial position as of December 31, 2017 and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Michael Rolfe Pancreatic Cancer Foundation d/b/a Rolfe Pancreatic Cancer Foundation at December 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States.

Prior Period Financial Statements

The financial statements of Michael Rolfe Pancreatic Cancer Foundation as of December 31, 2016, were audited by Kessler, Orlean, Silver & Company, P.C. which combined its practice with Wipfli LLP as of January 1, 2018 and whose report dated June 20, 2017 expressed an unmodified opinion on those statements.

Respectfully submitted,

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

May 16, 2018
Deerfield, Illinois

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

Statements of Financial Position

December 31, 2017 and 2016

	2017			2016		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Current Assets						
Cash	\$ 352,508	\$ 80,388	\$ 432,896	\$ 420,495	\$ -	\$ 420,495
Receivables	20,000	-	20,000	-	-	-
Prepaid Expenses	14,103	-	14,103	4,141	-	4,141
Deposits	2,187	-	2,187	2,187	-	2,187
Total Current Assets	388,798	80,388	469,186	426,823	-	426,823
Fixed Assets						
Furniture and Equipment	17,537	-	17,537	17,537	-	17,537
Less: Accumulated Depreciation	(12,170)	-	(12,170)	(10,540)	-	(10,540)
Net Fixed Assets	5,367	-	5,367	6,997	-	6,997
Total Assets	\$ 394,165	\$ 80,388	\$ 474,553	\$ 433,820	\$ -	\$ 433,820
			Liabilities and Net Assets			
Current Liabilities						
Accounts Payable and Accrued Liabilities	\$ 15,172	\$ -	\$ 15,172	\$ 20,359	\$ -	\$ 20,359
Net Assets	378,993	80,388	459,381	413,461	-	413,461
Total Liabilities and Net Assets	\$ 394,165	\$ 80,388	\$ 474,553	\$ 433,820	\$ -	\$ 433,820

See accompanying notes to the financial statements.

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

Statements of Activities and Changes in Net Assets
For the Years Ended December 31, 2017 and 2016

	2017			2016		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Support and Revenue						
Contributions	\$ 350,271	\$ 80,388	\$ 430,659	\$ 455,275	\$ -	\$ 455,275
Special Events						
Gross Proceeds	628,747	-	628,747	659,183	-	659,183
Direct Expenses	(337,493)	-	(337,493)	(434,696)	-	(434,696)
Investment Income	2	-	2	2	-	2
Other	59	-	59	163	-	163
Net Assets Released from Restrictions	-	-	-	5,000	(5,000)	-
Total Support and Revenue and Assets Released from Restrictions	641,586	80,388	721,974	684,927	(5,000)	679,927
Expenses						
Program Services	536,863	-	536,863	535,258	-	535,258
Management and General	57,152	-	57,152	62,612	-	62,612
Fund Raising	82,039	-	82,039	98,416	-	98,416
Total Expenses	676,054	-	676,054	696,286	-	696,286
Increase (Decrease) in Net Assets	(34,468)	80,388	45,920	(11,359)	(5,000)	(16,359)
Net Assets at Beginning of Year	413,461	-	413,461	424,820	5,000	429,820
Net Assets at End of Year	\$ 378,993	\$ 80,388	\$ 459,381	\$ 413,461	\$ -	\$ 413,461

See accompanying notes to the financial statements.

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

Statements of Functional Expenses
For the Years Ended December 31, 2017 and 2016

	2017			2016				
	Program Services	Management and General	Fund Raising	Total	Program Services	Management and General	Fund Raising	Total
Grants	\$ 399,981	\$ -	\$ -	\$ 399,981	\$ 476,623	\$ -	\$ -	\$ 476,623
Salary	27,915	29,890	48,992	106,797	32,050	31,858	53,177	117,085
Payroll Taxes	2,102	2,252	3,690	8,044	2,452	2,437	4,068	8,957
Professional Services	89,799	7,235	5,552	102,586	2,808	6,832	4,660	14,300
Outside Consultant	-	-	-	-	2,034	8,135	10,169	20,338
Supplies	1,956	2,095	3,433	7,484	2,065	2,053	3,426	7,544
Postage	533	570	935	2,038	837	832	1,388	3,057
Advertising	-	-	-	-	57	-	-	57
Occupancy	4,277	4,578	7,506	16,361	4,354	4,328	7,225	15,907
Telephone	917	979	1,610	3,506	805	800	1,337	2,942
Travel and Meals	307	329	539	1,175	359	357	595	1,311
Meetings	4,722	-	-	4,722	5,137	-	-	5,137
Young Professionals Board	185	-	-	185	1,827	-	-	1,827
Fees and Charges	-	7,954	7,701	15,655	-	3,747	10,314	14,061
Depreciation, Excludes \$742 and \$534 allocated to Special Events for 2017 and 2016	232	249	407	888	179	178	296	653
Insurance	954	1,021	1,674	3,649	1,061	1,055	1,761	3,877
Other	2,983	-	-	2,983	2,610	-	-	2,610
Total	\$ 536,863	\$ 57,152	\$ 82,039	\$ 676,054	\$ 535,258	\$ 62,612	\$ 98,416	\$ 696,286

See accompanying notes to the financial statements.

Michael Rolfe Pancreatic Cancer Foundation

d/b/a Rolfe Pancreatic Cancer Foundation

Statements of Cash Flows

For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash Flows from Operating Activities		
Increase (Decrease) in Net Assets	\$ 45,920	\$ (16,359)
<u>Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided (Used) by Operating Activities</u>		
Depreciation	1,630	1,187
(Increase) Decrease:		
Pledge and Gifts Receivable	-	5,000
Receivables	(20,000)	-
Prepaid Expenses	(9,962)	(529)
Deposits	-	1,500
Increase (Decrease):		
Accounts Payable and Accrued Liabilities	(5,187)	6,518
 Total Adjustments	<u>(33,519)</u>	<u>13,676</u>
 Net Cash Provided (Used) by Operating Activities	<u>12,401</u>	<u>(2,683)</u>
 Cash Flows from Investing Activities		
Purchase of Furniture and Equipment	-	(7,582)
 Net Cash Provided (Used) by Investing Activities	<u>-</u>	<u>(7,582)</u>
 Net Increase (Decrease) in Cash	12,401	(10,265)
 Cash, Beginning of Year	<u>420,495</u>	<u>430,760</u>
 Cash, End of Year	<u><u>\$ 432,896</u></u>	<u><u>\$ 420,495</u></u>

See accompanying notes to the financial statements.

Michael Rolfe Pancreatic Cancer Foundation
d/b/a Rolfe Pancreatic Cancer Foundation
Notes to Financial Statements
For the Years Ended December 31, 2017 and 2016

Note 1 – Summary of Significant Accounting Policies

Organization

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

Basis of Accounting

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

Use of Estimates

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

Cash

The Foundation considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Cash at December 31, 2017 and 2016 consists of bank checking account and money market funds. There were no cash equivalents at December 31, 2017 and 2016.

Contributions and Grants

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

Property and Equipment

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

Michael Rolfe Pancreatic Cancer Foundation
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Notes to Financial Statements
For the Years Ended December 31, 2017 and 2016

Note 1 – Summary of Significant Accounting Policies (Continued)

Fair Value Disclosures

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

Financial Statement Presentation

Financial statement presentation follows the recommendation of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 958-210-45. Under ASC 958-210-45, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. For the year ended December 31, 2017 the Foundation had \$378,993 of unrestricted net assets and \$80,388 of temporarily restricted net assets. For the year ended December 31, 2016 the Foundation had \$413,461 of unrestricted net assets and \$-0- of temporarily restricted net assets. The Foundation had no permanently restricted assets in either year.

Income Taxes

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

The Foundation files U.S. federal and Illinois state informational tax returns. The federal and state informational tax returns of the Foundation for tax years 2015, 2016, and 2017 can be subject to examinations by tax authorities, generally for three years after they were filed. The Foundation recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. At December 31, 2017 and 2016 there was no interest or penalties relating to income taxes recognized in the statement of activities.

Subsequent Events

Management has evaluated subsequent events through May 16, 2018, the date the financial statements were available to be issued.

Recently Issued Accounting Standards

In May 2014, the FASB issued Accounting Standards Update (“ASU”) No. 2014-09, Revenue from Contracts with Customers (Topic 606). This ASU, as amended, provides comprehensive guidance on the recognition of revenue from customers arising from the transfer of goods and services, guidance on accounting for certain contract costs, and new disclosures. The new standard supersedes current revenue recognition requirements in FASB ASC Topic 605, Revenue Recognition, and most industry-specific guidance.

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Notes to Financial Statements
For the Years Ended December 31, 2017 and 2016

Recently Issued Accounting Standards (Continued)

When adopted, the amendments in the ASU must be applied using one of two retrospective methods. ASU No. 2014-09 is effective for nonpublic entities for annual periods beginning after December 15, 2018. The Foundation is currently evaluating the impact of the provisions of ASC 606.

On August 18, 2016, the FASB issued ASU 2016-14 (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities (“Update”). The Update reduces the number of net asset classes from three to two, those with donor restrictions and those without, requires all nonprofit organizations to report expenses by nature and function and improves information presented in financial statements and notes that is useful in assessing a not-for-profit's liquidity, financial performance, and cash flows. The amendments in this Update are effective for annual financial statements issued for fiscal years beginning after December 15, 2017, and for interim periods within fiscal years beginning after December 15, 2018. Early application of the amendments in this Update is permitted. The Foundation is currently in the process of determining the impact of the new standard, and has not elected to early implement the amendments.

Note 2 – Temporarily Restricted Net Assets

Temporarily restricted net assets relate to cash received as of December 31, 2017 which the donor(s) has/have stated is purpose restricted for use after 2017.

Note 3 – Rent Commitment

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

Year	Amount
2018	27,464
2019	28,146
2020	28,850
2021	4,828
Total	\$ 89,288

During 2017 and 2016, rent expense equaled \$26,794 and \$25,381, respectively.

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Notes to Financial Statements
For the Years Ended December 31, 2017 and 2016

Note 4 – Grants

The Foundation annually awards grants to various organizations to promote research for the early detection of pancreatic cancer. For the years ended December 31, 2017 and 2016, grants awarded were \$399,981 and \$476,623, respectively.

Note 5 – 401(k) Retirement Plan

The Foundation adopted a 401(k) defined contribution benefit plan on June 29, 2012. Employees who are 21 years or older are eligible to participate immediately upon hire. The plan includes a mandatory safe harbor contribution provision of 1% as well as a provision for an additional matching contribution as approved by the Board of the Foundation and a discretionary profit sharing provision. Employees are not eligible for the matching 401(k) contribution and discretionary profit sharing contribution until they complete one full year of service and a minimum of 1,000 hours of work. Employees are fully vested in employer contributions after six years of participation. The vesting grows in 20% increments starting after two years of service. No matching contributions were made in December 31, 2017 and 2016.

Note 6– Compensated Absences

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

Note 7 – Concentration of Cash

At December 31, 2017 and 2016, the Foundation maintained cash at a financial institution in excess of the Federal Deposit Insurance Corporation’s (“FDIC”) limit of \$250,000. At December 31, 2017 and 2016, the uninsured balances totaled \$132,275 and \$259,276 respectively.

Note 8– Future Commitments

During 2017, the Foundation entered into 2 separate contracts for events to be held during 2018. Total deposits of \$6,250 were made during 2017 on these events. The remaining commitment for these events is approximately \$27,000.