

**CANCER ASSOCIATION OF GREATER  
NEW ORLEANS, INC.**

**NEW ORLEANS, LOUISIANA**

**FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEARS ENDED  
DECEMBER 31, 2017 AND 2016**



**ERICKSEN KRENTEL<sup>LLP</sup>**

CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
Cancer Association of Greater New Orleans, Inc.

We have audited the accompanying financial statements of Cancer Association of Greater New Orleans, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities, 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 of America; 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.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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.



To the Board of Directors of  
Cancer Association of Greater New Orleans, Inc.  
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***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cancer Association of Greater New Orleans, Inc. as of 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 of America.

***Prior Period Financial Statements***

The financial statements of Cancer Association of Greater New Orleans, Inc. as of December 31, 2016, were audited by other auditors whose report dated July 17, 2017, expressed an unmodified opinion on those statements.

***Other Matters***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The combining statements of activities and functional expenses and the United Way Budget Form 3, pages 18 – 23 are presented for purposes of additional analyses and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

August 22, 2018  
New Orleans, Louisiana

*Erickson Krentel LLP*  
Certified Public Accountants

**CANCER ASSOCIATION OF GREATER NEW ORLEANS**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
<b><u>ASSETS:</u></b>		
Cash and cash equivalents	\$ 541,388	\$ 637,781
Receivables	66,165	184,269
Prepaid expenses and other assets	5,883	5,667
Inventory	604	676
Investment in equity security and mineral rights	34,437	34,437
Investments in stocks and bonds	1,539,544	1,345,348
Property and equipment, net of accumulated depreciation of \$7,121 and \$6,754	<u>-</u>	<u>367</u>
Total assets	<u>\$ 2,188,021</u>	<u>\$ 2,208,545</u>
<b><u>LIABILITIES:</u></b>		
Accounts payable and accrued liabilities	\$ 5,763	\$ 5,043
Due to Breastoration	121,847	158,650
Accrued expenses	<u>10,500</u>	<u>12,300</u>
Total liabilities	<u>138,110</u>	<u>175,993</u>
<b><u>NET ASSETS:</u></b>		
Unrestricted:		
Undesignated	747,073	740,737
Board designated reserve fund	1,246,088	1,105,744
Temporarily restricted	<u>56,750</u>	<u>186,071</u>
Total net assets	<u>2,049,911</u>	<u>2,032,552</u>
Total liabilities and net assets	<u>\$ 2,188,021</u>	<u>\$ 2,208,545</u>

See accompanying NOTES TO FINANCIAL STATEMENTS

**CANCER ASSOCIATION OF GREATER NEW ORLEANS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b><u>REVENUES AND OTHER SUPPORT:</u></b>			
<b>REVENUES</b>			
Received directly			
Contributions	\$ 39,662	\$ -	\$ 39,662
Combined Federal Campaign	2,994	-	2,994
Other	54,703	-	54,703
Royalties	13,778	-	13,778
Special events	68,822	-	68,822
Grants	70,500	-	70,500
Received indirectly			
United Way designation	26,148	-	26,148
United Way allocation	<u>57,595</u>	<u>56,750</u>	<u>114,345</u>
 Total revenues	 <u>334,202</u>	 <u>56,750</u>	 <u>390,952</u>
 <b>OTHER SUPPORT</b>			
Unrealized gain on investments	5,495	-	5,495
Realized gain, net of investment fees	194,113	-	194,113
BP Oil Spill Claim	-	-	-
Net assets released from restrictions - satisfaction of program restrictions	<u>186,071</u>	<u>(186,071)</u>	<u>-</u>
 Total other support	 <u>385,679</u>	 <u>(186,071)</u>	 <u>199,608</u>
 Total revenues and other support	 <u>719,881</u>	 <u>(129,321)</u>	 <u>590,560</u>
 <b><u>EXPENSES:</u></b>			
Program services:			
Education	37,273	-	37,273
Patient Services	455,977	-	455,977
Supporting services	<u>79,951</u>	<u>-</u>	<u>79,951</u>
 Total expenses	 <u>573,201</u>	 <u>-</u>	 <u>573,201</u>
 Change in net assets	 <u>\$ 146,680</u>	 <u>\$ (129,321)</u>	 <u>\$ 17,359</u>

See accompanying NOTES TO FINANCIAL STATEMENTS

**CANCER ASSOCIATION OF GREATER NEW ORLEANS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b><u>REVENUES AND OTHER SUPPORT:</u></b>			
REVENUES			
Received directly			
Contributions	\$ 23,652	\$ -	\$ 23,652
Combined Federal Campaign	5,778	-	5,778
Other	34,267	-	34,267
Royalties	11,342	-	11,342
Special events	68,372	-	68,372
Grants	159,176	121,309	280,485
Received indirectly			
United Way designation	39,737	-	39,737
United Way allocation	<u>66,019</u>	<u>64,762</u>	<u>130,781</u>
 Total revenues	 <u>408,343</u>	 <u>186,071</u>	 <u>594,414</u>
 OTHER SUPPORT			
Unrealized gain on investments	75,121	-	75,121
Realized gain, net of investment fees	4,576	-	4,576
BP Oil Spill Claim	95,408	-	95,408
Net assets released from restrictions - satisfaction of program restrictions	<u>183,154</u>	<u>(183,154)</u>	<u>-</u>
 Total other support	 <u>358,259</u>	 <u>(183,154)</u>	 <u>175,105</u>
 Total revenues and other support	 <u>766,602</u>	 <u>2,917</u>	 <u>769,519</u>
 <b><u>EXPENSES:</u></b>			
Program services:			
Education	34,234	-	34,234
Patient Services	397,300	-	397,300
Supporting services	<u>81,218</u>	<u>-</u>	<u>81,218</u>
 Total expenses	 <u>512,752</u>	 <u>-</u>	 <u>512,752</u>
 Change in net assets	 <u>\$ 253,850</u>	 <u>\$ 2,917</u>	 <u>\$ 256,767</u>

See accompanying NOTES TO FINANCIAL STATEMENTS

**CANCER ASSOCIATION OF GREATER NEW ORLEANS**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Net assets- January 1, 2016	\$1,592,631	\$ 183,154	\$1,775,785
Change in net assets	<u>253,850</u>	<u>2,917</u>	<u>256,767</u>
Net assets - December 31, 2016	1,846,481	186,071	2,032,552
Change in net assets	<u>146,680</u>	<u>(129,321)</u>	<u>17,359</u>
Net assets - December 31, 2017	<u>\$1,993,161</u>	<u>\$ 56,750</u>	<u>\$2,049,911</u>

See accompanying NOTES TO FINANCIAL STATEMENTS



**CANCER ASSOCIATION OF GREATER NEW ORLEANS**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	Program Services			
	Education	Patient Services	Support Services	Total
Salaries	\$ 21,651	\$ 140,733	\$ 54,128	\$ 216,512
Printing and publications	5,292	-	-	5,292
Specific assistance to individuals	-	248,102	-	248,102
Employee benefits	1,742	11,320	4,354	17,416
Professional fees	1,070	6,955	2,675	10,700
Office supplies and other	1,271	8,267	3,179	12,717
Occupancy	1,660	10,791	4,151	16,602
Payroll taxes	1,822	11,845	4,556	18,223
Postage and shipping	201	1,305	502	2,008
Telephone	834	5,420	2,085	8,339
Travel and local transportation	26	169	65	260
Fundraising expense	1,649	10,716	4,121	16,486
Depreciation and amortization	37	239	91	367
Interest	18	115	44	177
Total functional expenses	<u>\$ 37,273</u>	<u>\$ 455,977</u>	<u>\$ 79,951</u>	<u>\$ 573,201</u>

See accompanying NOTES TO FINANCIAL STATEMENTS

**CANCER ASSOCIATION OF GREATER NEW ORLEANS**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Program Services</u>		<u>Support</u>	
	<u>Education</u>	<u>Patient</u> <u>Services</u>	<u>Services</u>	<u>Total</u>
Salaries	\$ 20,685	\$ 134,455	\$ 51,714	\$ 206,854
Printing and publications	1,748	-	-	1,748
Specific assistance to individuals	-	187,599	-	187,599
Employee benefits	1,708	11,099	4,269	17,076
Professional fees	1,257	8,171	3,143	12,571
Office supplies and other	3,929	26,573	9,822	40,324
Occupancy	1,654	10,752	4,136	16,542
Payroll taxes	1,673	10,873	4,182	16,728
Postage and shipping	262	1,704	655	2,621
Telephone	415	2,699	1,038	4,152
Travel and local transportation	14	95	36	145
Fundraising expense	668	4,341	1,670	6,679
Depreciation and amortization	221	1,439	553	2,213
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total functional expenses	<u>\$ 34,234</u>	<u>\$ 399,800</u>	<u>\$ 81,218</u>	<u>\$ 515,252</u>

See accompanying NOTES TO FINANCIAL STATEMENTS

**CANCER ASSOCIATION OF GREATER NEW ORLEANS**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
<b><u>CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES:</u></b>		
Change in net assets	\$ 17,359	\$ 256,767
Adjustments to reconcile change in net assets to net cash from (used for) operating activities:		
Depreciation and amortization	367	2,214
Unrealized gain on investments	(5,495)	(75,121)
Realized loss on investments	(194,113)	(4,576)
Changes in assets and liabilities:		
(Increase) decrease in receivables	118,104	(43,005)
(Increase) decrease in prepaids	(216)	(1,950)
(Increase) decrease in inventory	72	-
Increase (decrease) in accounts payable	720	(16,077)
Increase (decrease) in accrued liabilities	(1,800)	-
Increase (decrease) in due to Breastoration	<u>(36,803)</u>	<u>16,064</u>
Net cash from (used for) operating activities	<u>(101,805)</u>	<u>134,316</u>
<b><u>CASH FLOWS FROM (USED FOR) INVESTING ACTIVITIES:</u></b>		
Sales of investments, net	<u>5,412</u>	<u>3,786</u>
Net cash from investing activities	<u>5,412</u>	<u>3,786</u>
Net increase (decrease) in cash and cash equivalents	(96,393)	138,102
Cash and cash equivalents, beginning of year	<u>637,781</u>	<u>499,679</u>
Cash and cash equivalents, end of year	<u><u>\$ 541,388</u></u>	<u><u>\$ 637,781</u></u>

See accompanying NOTES TO FINANCIAL STATEMENTS

**CANCER ASSOCIATION OF GREATER NEW ORLEANS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017 AND 2016**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

Cancer Association of Greater New Orleans, Inc. (the Association) was incorporated on February 23, 1959. The Association does business in various locations in South Louisiana as the Cancer Associations of South Louisiana, of Southeast Louisiana, and of St. Charles, St. John, Tangipahoa, and Washington Parishes. The Association's mission is to eradicate and defeat cancer through local programs of research, education, and patient services.

Cancer Association of Greater New Orleans, Inc. is a not-for-profit organization as described in Section 501(c) (3) of the Internal Revenue Code and is exempt from federal and state income taxes.

**Basis of Accounting**

The financial statements of the Association have been prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred. All significant receivables, payables, and other liabilities are recorded.

**Basis of Presentation**

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its Accounting Standards Codification (ASC) 958-210-50-3, *Financial Statements of Not-for-Profit Organizations*. Under FASB ASC 958-210-50-3, the Organization is required to report information regarding its financial position and activities according to three classes of net assets:

Unrestricted Net Assets – Those net assets whose use is not restricted by donors.

Temporarily Restricted Net Assets – Those net assets whose use by the Organization has been limited by donors (a) to later periods of time or after specified dates, or (b) to specific purposes.

Permanently Restricted Net Assets – Those net assets that must be maintained in perpetuity due to donor-imposed restrictions that will neither expire with the passage of time nor be removed by meeting certain requirements. Income earned on these investments may be restricted for specific purposes. There are no permanently restricted net assets as of year-end.

**CANCER ASSOCIATION OF GREATER NEW ORLEANS, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2017 AND 2016**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Estimates**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, Cancer Association of Greater New Orleans, Inc. considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

**Receivables**

Receivables consisted of amounts due from local agencies and are recorded at cost. Based on historical experience, management believes that all receivables are collectible and, thus, no allowance has been established.

**Fair Value Measurements**

The carrying amounts reflected in the statements of financial position for cash, cash equivalents, and accounts receivable approximate the respective fair values of those instruments, due to their relatively short collection times. The fair value of the investments classified as “available for sale” were derived from the quoted market values for those instruments from an active market when available.

**Property and Equipment**

Acquisitions of \$500 or more are capitalized and stated at cost. Maintenance and repairs that do not improve or extend the lives of property and equipment are charged to expense as occurred. When assets are sold or retired, their cost and related accumulated depreciation are removed from the accounts and any gain or loss is reported in the statements of activities. Depreciation is provided using the straight-line method over the estimated useful lives of the asset; computers are depreciated over three (3) years.

**Donated Assets and Services**

The Association records noncash donations as contributions at their estimated fair values at the date of donation. The Association recognizes donated services, if significant in amount, that create or enhance nonfinancial assets or that require specialized skills that are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. For the year ended December 31, 2017 and 2016, there were no donated services.

**CANCER ASSOCIATION OF GREATER NEW ORLEANS, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2017 AND 2016**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Restricted and Unrestricted Revenue and Support**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized.

All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a 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 statements of activities as net assets released from restrictions.

**Functional Expense Allocation**

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Association.

**Income Taxes**

Cancer Association of Greater New Orleans, Inc. is exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code. However, income from certain activities not directly related to Cancer Association of Greater New Orleans, Inc. tax-exempt purpose is subject to taxation as unrelated business income. In addition, Cancer Association of Greater New Orleans, Inc. qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

Cancer Association of Greater New Orleans, Inc.'s evaluation as of December 31, 2017 revealed no tax positions that would have a material impact on the financial statements. The 2014 through 2016 tax years remain subject to examination by the IRS. Cancer Association of Greater New Orleans, Inc. does not believe that any reasonably possible changes will occur within the next twelve months that will have a material impact on the financial statements.

**Public Support and Revenue**

Contributions are reported as increases in unrestricted, temporarily restricted, or permanently restricted net assets depending on the existence and/or nature of any donor restrictions.

**CANCER ASSOCIATION OF GREATER NEW ORLEANS, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2017 AND 2016**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Unrestricted grants and contributions are recorded as revenue when received or unconditionally pledged. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire, that is, when a stipulated time restriction ends or purpose restriction is accomplished, in the reporting period in which the revenue is recognized. Grants and other contributions of cash and other assets 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, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

**(2) DEFINED CONTRIBUTION PLAN**

The Association has a defined contribution plan (the Plan) covering all full-time employees. Employees are eligible to participate in the Plan on the January 1<sup>st</sup> following two full years of service. The Association makes discretionary contributions to the Plan each year of 7.5% of participants' gross compensation. Participants are not permitted to make contributions to the Plan. Participants immediately vest 100% in the Association's contributions. Total contribution expense for the years ended December 31, 2017 and 2016 was \$11,685 and \$11,685, respectively, and is included in the statements of functional expenses in employee benefits.

**(3) CONCENTRATION OF CREDIT RISK**

At December 31, 2017 and 2016, the Association maintained checking and money market accounts at various financial institutions. The Federal Deposit Insurance Corporation (FDIC) ensures the accounts up to \$250,000. As of December 31, 2017, the bank balances did not exceed FDIC limits. As of December 31, 2016, the Association's cash balance exceeded the FDIC insurance by \$355,596. The Association has not experienced any losses in these accounts and management believes they are not exposed to any significant credit risk. The Association maintains cash and investment balances with investment brokerage firms. The Securities Investor Protection Corporation (SIPC) insures accounts at each institution up to \$500,000. The balances of cash and investments held by investment brokerage firms exceeded SIPC insurance by \$704,088 and \$605,744 at December 31, 2017 and 2016, respectively. The Association has not experienced any losses in these accounts and management believes they are not exposed to any significant credit risk.

**CANCER ASSOCIATION OF GREATER NEW ORLEANS, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2017 AND 2016**

**(4) INVESTMENTS IN EQUITY SECURITY**

Investments are recorded at fair market value based on market quotations and consist of mutual funds, money market accounts, stocks, and bonds. The Association currently holds a 4.44% interest in the common stock of a nonpublic company without a readily determinable market value. In accordance with EITF Issue No. 03-1, *The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments*, the stock is carried at its original donated value of \$13,534, plus additional mineral rights of \$20,903, and is assessed for an other than temporary impairment annually. The Association believes that no impairment existed as of December 31, 2017 and 2016. Oil royalties and dividends of \$13,778 and \$11,342 were recognized on the investments for the years ended December 31, 2017 and 2016, respectively, and are recorded as unrestricted support in the statements of activities. Value for the Association is determined by using current audited financial statements provided by an outside auditor.

**(5) INVESTMENTS AND FAIR VALUE MEASUREMENT**

FASB Accounting Standards Codification 820-10 adopts a hierarchy approach for ranking the quality and reliability of the information used to determine fair values in one of three categories to increase consistency and comparability in fair value measurements and disclosures. The highest priority (tier 1) is given to quoted prices in active markets for identical assets. Tier 2 assets are valued based on inputs other than quoted prices that are “observable.” For example, quoted prices for similar securities or quoted prices in inactive markets would both be observable. In tier 3, the inputs used for valuation are not observable or transparent and assumptions have to be made about how market participants would price the underlying assets. Investments are classified based on the lowest level of input that is significant to the fair value measurement.

The Association records its investment in corporate stock of a closely held company at its fair value at the date of donation, and in accordance with EITF Issue No. 03-1, *The Meaning of Other-Than –Temporary Impairment and Its Application to Certain Investments*. Accordingly, the investment is carried at its original cost unless it is determined that an other than temporary impairment has occurred. If the Association determines that other than temporary impairment occurs, then the investment would be written down by the amount of the impairment. For the years ended December 31, 2017 and 2016, the Association does not believe that the investment is impaired.



**CANCER ASSOCIATION OF GREATER NEW ORLEANS, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2017 AND 2016**

**(5) INVESTMENTS AND FAIR VALUE MEASUREMENT (CONTINUED)**

Investments consisted of the following at December 31, 2017:

	2017			
	(Level 1)	(Level 2)	(Level 3)	Total
Mutual funds	\$ 895,006	\$ -	\$ -	\$ 895,006
Common stocks	644,538	-	-	644,538
Investments at fair value	<u>\$ 1,539,554</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,539,554</u>

Investments consisted of the following at December 31, 2016:

	2016			
	(Level 1)	(Level 2)	(Level 3)	Total
Mutual funds	\$ 779,872	\$ -	\$ -	\$ 779,872
Common stocks	565,476	-	-	565,476
Investments at fair value	<u>\$ 1,345,348</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,345,348</u>

Investment income is reported net of fees of \$19,218 and \$ 15,875 for the years ended December 31, 2017 and 2016, respectively.

The Board has designated investments in the amount of \$1,246,088 and \$1,105,744 as of December 31, 2017 and 2016, respectively, as amounts set aside for the purpose of providing an additional funding source for future annual operations.

**(6) LEASE OBLIGATIONS**

In early 2013, the Association signed a lease with the Sterbcow Development Group, LLC for the office at 824 Elmwood Park Boulevard. The lease term is for five years effective May 1, 2013 and expiring April 30, 2018. Total rent expense for the years ended December 31, 2017 and 2016 was \$16,602 and \$16,542, respectively. The Association is in the process of renewing its lease with the building and is currently on a month to month basis.

Future minimum lease obligations are \$5,638 for the year ended December 31, 2018.

**CANCER ASSOCIATION OF GREATER NEW ORLEANS, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2017 AND 2016**

**(7) TEMPORARILY RESTRICTED NET ASSETS**

For the years ended December 31, 2017 and 2016, temporarily restricted net assets of \$56,750 and \$186,071, respectively, consisted mostly of pledges receivable from various United Way allocations to support operations and other grants received. These amounts are typically released from donor restrictions for general operations of the Association during the subsequent year.

Temporarily restricted net assets are restricted from the following grants at December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
United Way	\$ 56,750	\$ 64,762
Baptist Community Ministries	-	83,730
Susan G. Komen Foundation	-	7,579
Greater New Orleans Foundation	-	30,000
Total	<u>\$ 56,750</u>	<u>\$ 186,071</u>

**(8) RECEIVABLES**

Receivables consisted of the following as of December 31,

	<u>2017</u>	<u>2016</u>
United Way of Southeast Louisiana	\$ 35,000	\$ 25,000
United Way of Tangipahoa	-	10,000
United Way of St. Charles	10,500	10,000
United Way of St. John	11,250	11,250
United Way Worldwide, Fiscal Agent	-	8,500
BP Oil Claim	-	75,170
Libby and Blouin dividend	5,400	-
Other receivables	<u>4,015</u>	<u>44,349</u>
Total	<u>\$ 66,165</u>	<u>\$ 184,269</u>

**(9) CONCENTRATION OF CREDIT RISK**

Approximately 27% and 29% of the Association's public support was provided from various United Way affiliates for the years ended December 31, 2017 and 2016, respectively. As of December 31, 2017 and 2016, 79% and 35% of receivables, respectively, are due from these United Way affiliates.

**(10) FUNDRAISING EXPENSES**

Total fundraising expenses for the years ended December 31, 2017 and 2016 were \$16,486 and \$6,679, respectively.

**CANCER ASSOCIATION OF GREATER NEW ORLEANS, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2017 AND 2016**

**(11) BREASTORATION FUND**

On July 15, 2014, cancer survivors Sandy Keller, Eve Wallinga and Kim Sport created the Breastoration Fund for the purpose of providing assistance to breast cancer patients for breast reconstruction following surgical mastectomies. The fund is maintained under the auspices of the Association, who records the amounts received as a liability. As of December 31, 2017 and 2016, Due to Breastoration was \$120,847 and \$158,650, respectively.

**(12) SUBSEQUENT EVENTS**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, August 22, 2018, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**CANCER ASSOCIATION OF GREATER NEW ORLEANS, INC.**  
**COMBINING STATEMENT OF ACTIVITIES AND FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	EDUCATION						
	Cancer Association of St. Charles	Cancer Association of St. John	Cancer Association of Tangipahoa	Cancer Association of Washington Parish	Cancer Association of South Louisiana	Cancer Association Southeast Louisiana	Combined
Unrestricted revenues							
Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,267	\$ 7,267
Combined Federal Campaign	-	-	-	-	-	599	599
Other	-	-	-	-	-	1,060	1,060
Legacies and endowments	-	-	-	-	-	2,756	2,756
Special events	-	-	-	-	-	13,765	13,765
Grants	-	-	-	-	-	14,673	14,673
United Way designation	-	-	-	-	-	5,181	5,181
United Way allocation	-	-	-	-	-	-	-
Realized/unrealized loss on investments	-	-	-	-	-	38,823	38,823
Interest, dividends, royalties	-	-	-	-	-	1,099	1,099
Total unrestricted revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,223	\$ 85,223
Temporarily restricted revenues							
United Way designation and allocation	-	-	-	-	-	-	-
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,223	\$ 85,223
Expenses							
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,651	\$ 21,651
Printing and publications	-	-	-	-	-	5,292	5,292
Specific assistance to individuals	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	1,742	1,742
Professional fees	-	-	-	-	-	1,070	1,070
Office supplies and other	-	-	-	-	-	1,271	1,271
Occupancy	-	-	-	-	-	1,660	1,660
Payroll taxes	-	-	-	-	-	1,822	1,822
Postage and shipping	-	-	-	-	-	201	201
Telephone	-	-	-	-	-	834	834
Travel and local transportation	-	-	-	-	-	26	26
Fund raising expense	-	-	-	-	-	1,649	1,649
Depreciation and amortization	-	-	-	-	-	37	37
Interest	-	-	-	-	-	18	18
Total expenses	-	-	-	-	-	\$ 37,273	\$ 37,273
Increase (decrease) in net assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47,950	\$ 47,950

**CANCER ASSOCIATION OF GREATER NEW ORLEANS, INC.**  
**COMBINING STATEMENT OF ACTIVITIES AND FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

**PATIENT SERVICES**

	Cancer Association of St. Charles	Cancer Association of St. John	Cancer Association of Tangipahoa	Cancer Association of Washington Parish	Cancer Association of South Louisiana	Cancer Association Southeast Louisiana	Eliminations	Combined
Unrestricted revenues								
Contributions	\$ 45	\$ -	\$ 417	\$ -	\$ -	\$ 31,933	\$ -	\$ 32,395
Combined Federal Campaign	-	-	-	-	-	2,395	-	2,395
Other	-	-	-	-	-	4,240	-	4,240
Legacies and endowments	-	-	-	-	-	11,022	-	11,022
Special events	-	-	-	-	-	55,057	-	55,057
Grants	-	-	-	-	-	55,827	-	55,827
United Way designation	245	-	-	-	-	20,722	-	20,967
United Way allocation	10,500	7,500	-	-	8,345	-	-	26,345
Realized/unrealized loss on investments	-	-	-	-	-	155,290	-	155,290
Interest, dividends, royalties	-	-	-	-	-	4,396	-	4,396
Total unrestricted revenues	\$ 10,790	\$ 7,500	\$ 417	\$ -	\$ 8,345	\$ 340,882	\$ -	\$ 367,934
Temporarily restricted revenues								
United Way designation and allocation	10,500	7,500	-	-	-	-	-	18,000
Total revenues	\$ 21,290	\$ 15,000	\$ 417	\$ -	\$ 8,345	\$ 340,882	\$ -	\$ 385,934
Expenses								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140,733	\$ -	\$ 140,733
Printing and publications	-	-	-	-	-	-	-	-
Specific assistance to individuals (See Note 1)	9,899	9,143	7,517	2,269	9,062	210,212	-	248,102
Employee benefits	-	-	-	-	-	11,320	-	11,320
Professional fees	-	-	-	-	-	6,955	-	6,955
Office supplies and other	-	-	-	-	-	8,267	-	8,267
Occupancy	-	-	-	-	-	10,791	-	10,791
Payroll taxes	-	-	-	-	-	11,845	-	11,845
Postage and shipping	-	-	-	-	-	1,305	-	1,305
Telephone	-	-	-	-	-	5,420	-	5,420
Travel and local transportation	-	-	-	-	-	169	-	169
Fund raising expense	-	-	-	-	-	10,716	-	10,716
Depreciation and amortization	-	-	-	-	-	239	-	239
Interest	-	-	-	-	-	115	-	115
Total expenses	9,899	9,143	7,517	2,269	9,062	418,087	-	455,977
Increase (decrease) in net assets	\$ 11,391	\$ 5,857	\$ (7,100)	\$ (2,269)	\$ (717)	\$ (77,205)	\$ -	\$ (70,043)

**Note 1: Specific assistance to individuals is allocated @ 100% on the Patient Services spreadsheet**

**CANCER ASSOCIATION OF GREATER NEW ORLEANS, INC.**  
**COMBINING STATEMENT OF ACTIVITIES AND FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

TOTAL PROGRAM SERVICES							
	Cancer Association of St. Charles	Cancer Association of St. John	Cancer Association of Tangipahoa	Cancer Association of Washington Parish	Cancer Association of South Louisiana	Cancer Association Southeast Louisiana	Combined
Unrestricted revenues							
Contributions	\$ 45	\$ -	\$ 417	\$ -	\$ -	\$ 39,200	\$ 39,662
Combined Federal Campaign	-	-	-	-	-	2,994	2,994
Other	-	-	-	-	-	5,300	5,300
Legacies and endowments	-	-	-	-	-	13,778	13,778
Special events	-	-	-	-	-	68,822	68,822
Grants	-	-	-	-	-	70,500	70,500
United Way designation	245	-	-	-	-	25,903	26,148
United Way allocation	10,500	7,500	-	-	8,345	-	26,345
Realized/unrealized loss on investments	-	-	-	-	-	194,113	194,113
Interest, dividends, royalties	-	-	-	-	-	5,495	5,495
Total unrestricted revenues	\$ 10,790	\$ 7,500	\$ 417	\$ -	\$ 8,345	\$ 426,105	\$ 453,157
Temporarily restricted revenues							
United Way designation and allocation	10,500	7,500	-	-	-	-	18,000
Total revenues	\$ 21,290	\$ 15,000	\$ 417	\$ -	\$ 8,345	\$ 426,105	\$ 471,157
Expenses							
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 162,384	\$ 162,384
Printing and publications	-	-	-	-	-	5,292	5,292
Specific assistance to individuals	9,899	9,143	7,517	2,269	9,062	210,212	248,102
Employee benefits	-	-	-	-	-	13,062	13,062
Professional fees	-	-	-	-	-	8,025	8,025
Office supplies and other	-	-	-	-	-	9,538	9,538
Occupancy	-	-	-	-	-	12,451	12,451
Payroll taxes	-	-	-	-	-	13,667	13,667
Postage and shipping	-	-	-	-	-	1,506	1,506
Telephone	-	-	-	-	-	6,254	6,254
Travel and local transportation	-	-	-	-	-	195	195
Fund raising expense	-	-	-	-	-	12,365	12,365
Depreciation and amortization	-	-	-	-	-	276	276
Interest	-	-	-	-	-	133	133
Total expenses	9,899	9,143	7,517	2,269	9,062	455,360	493,250
Increase (decrease) in net assets	\$ 11,391	\$ 5,857	\$ (7,100)	\$ (2,269)	\$ (717)	\$ (29,255)	\$ (22,093)

**CANCER ASSOCIATION OF GREATER NEW ORLEANS, INC.**  
**COMBINING STATEMENT OF ACTIVITIES AND FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>SUPPORT SERVICES</b>							
	Cancer Association of St. Charles	Cancer Association of St. John	Cancer Association of Tangipahoa	Cancer Association of Washington Parish	Cancer Association of South Louisiana	Cancer Association Southeast Louisiana	Eliminations	Combined
Unrestricted revenues								
Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Combined Federal Campaign	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	49,403	-	49,403
Legacies and endowments	-	-	-	-	-	-	-	-
Special events	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
United Way designation	-	-	-	-	-	-	-	-
United Way allocation	-	-	-	-	-	35,000	-	35,000
Realized/unrealized loss on investments	-	-	-	-	-	-	-	-
Interest, dividends, royalties	-	-	-	-	-	-	-	-
Total unrestricted revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 84,403	\$ -	\$ 84,403
Temporarily restricted revenues								
United Way designation and allocation	-	-	-	-	-	35,000	-	35,000
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 119,403	\$ -	\$ 119,403
Expenses								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54,128	\$ -	\$ 54,128
Printing and publications	-	-	-	-	-	-	-	-
Specific assistance to individuals	-	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	4,354	-	4,354
Professional fees	-	-	-	-	-	2,675	-	2,675
Office supplies and other	-	-	-	-	-	3,179	-	3,179
Occupancy	-	-	-	-	-	4,151	-	4,151
Payroll taxes	-	-	-	-	-	4,556	-	4,556
Postage and shipping	-	-	-	-	-	502	-	502
Telephone	-	-	-	-	-	2,085	-	2,085
Travel and local transportation	-	-	-	-	-	65	-	65
Fund raising expense	-	-	-	-	-	4,121	-	4,121
Depreciation and amortization	-	-	-	-	-	91	-	91
Interest	-	-	-	-	-	44	-	44
Total expenses	-	-	-	-	-	\$ 79,951	-	\$ 79,951
Increase (decrease) in net assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,452	\$ -	\$ 39,452

CANCER ASSOCIATION OF GREATER NEW ORLEANS, INC.  
COMBINING STATEMENT OF ACTIVITIES AND FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2017

	TOTAL SERVICES						
	Cancer Association of St. Charles	Cancer Association of St. John	Cancer Association of Tangipahoa	Cancer Association of Washington Parish	Cancer Association of South Louisiana	Cancer Association Southeast Louisiana	Combined
Unrestricted revenues							
Contributions	\$ 45	\$ -	\$ 417	\$ -	\$ -	\$ 39,200	\$ 39,662
Combined Federal Campaign	-	-	-	-	-	2,994	2,994
Other	-	-	-	-	-	54,703	54,703
Legacies and endowments	-	-	-	-	-	13,778	13,778
Special events	-	-	-	-	-	68,822	68,822
Grants	-	-	-	-	-	70,500	70,500
United Way designation	245	-	-	-	-	25,903	26,148
United Way allocation	10,500	7,500	-	-	8,345	35,000	61,345
Realized/unrealized loss on investments	-	-	-	-	-	194,113	194,113
Interest, dividends, royalties	-	-	-	-	-	5,495	5,495
Total unrestricted revenues	\$ 10,790	\$ 7,500	\$ 417	\$ -	\$ 8,345	\$ 510,508	\$ 537,560
Temporarily restricted revenues							
United Way designation and allocation	10,500	7,500	-	-	-	35,000	53,000
Total revenues	\$ 21,290	\$ 15,000	\$ 417	\$ -	\$ 8,345	\$ 545,508	\$ 590,560
Expenses							
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 216,512	\$ 216,512
Printing and publications	-	-	-	-	-	5,292	5,292
Specific assistance to individuals	9,899	9,143	7,517	2,269	9,062	210,212	248,102
Employee benefits	-	-	-	-	-	17,416	17,416
Professional fees	-	-	-	-	-	10,700	10,700
Office supplies and other	-	-	-	-	-	12,717	12,717
Occupancy	-	-	-	-	-	16,602	16,602
Payroll taxes	-	-	-	-	-	18,223	18,223
Postage and shipping	-	-	-	-	-	2,008	2,008
Telephone, Telecommunications, IT expenses	-	-	-	-	-	8,339	8,339
Travel and local transportation	-	-	-	-	-	260	260
Fund raising expense	-	-	-	-	-	16,486	16,486
Depreciation and amortization	-	-	-	-	-	367	367
Interest and Fees	-	-	-	-	-	177	177
Total expenses	\$ 9,899	\$ 9,143	\$ 7,517	\$ 2,269	\$ 9,062	\$ 535,311	\$ 573,201
Increase (decrease) in net assets	\$ 11,391	\$ 5,857	\$ (7,100)	\$ (2,269)	\$ (717)	\$ 10,197	\$ 17,359



**CANCER ASSOCIATION OF GREATER NEW ORLEANS**  
(a segment of the Cancer Association of Greater New Orleans, Inc. includes Washington and Tangipahoa parishes)  
UNITED WAY BUDGET FORM 3 FORMAT  
for the period from July 1, 2016 through June 30, 2017

	Supporting Services			Program Services		
	Agency Total	Management and General	Total Program Services	Education	Patient Services	
<b>Revenues:</b>						
4200 Board generated self support	\$ 420,199	\$ -	\$ 420,199	\$ 84,040	\$ 336,160	
4201 Client generated self support	-	-	-	-	-	
6700 Other revenue	307,315	307,315	-	-	-	
	727,514	307,315	420,199	84,040	336,160	
4702 United Way designation	29,881	-	29,881	5,976	23,905	
4703 CFC designation	5,856	-	5,856	1,171	4,685	
4704 Other United Way funding	5,388	-	5,388	1,078	4,310	
	768,639	307,315	461,324	92,265	369,059	
4701 UNITED WAY allocation	70,000	-	70,000	-	70,000	
Total revenues	838,639	307,315	531,324	92,265	439,059	
<b>Expenses:</b>						
7000 Salaries	213,862	53,466	160,397	21,386	139,010	
7100 Benefits	25,388	6,347	19,041	2,539	16,502	
7200 Taxes	9,708	2,427	7,281	971	6,310	
8400 Occupancy expense	16,497	4,124	12,372	1,650	10,723	
8700 Travel and transportation expense	149	37	111	15	97	
8100 Office supplies	643	161	482	64	418	
8600 Printing	1,043	261	782	104	678	
8900 Direct assistance to individuals	177,654	-	177,654	-	177,654	
9400 Other	36,748	9,187	27,561	3,675	23,886	
9402 Board generated self support	33,276	8,319	24,957	3,328	21,630	
Total expenses	514,966	84,328	430,638	33,731	396,907	
Net difference	\$ 323,672	\$ 222,987	\$ 100,686	\$ 58,534	\$ 42,152	
<b>Expense analysis:</b>						
Total direct program expenses				\$ 33,731	\$ 396,907	
Percent of total program expenses				8%	92%	
Distribution of M&G xpenses				\$ 21,082	\$ 63,246	
Grand total program expenses				\$ 54,813	\$ 460,153	
Actual unduplicated people served				7,500	477	
Cost per person				7	965	