Financial Report

Team Gleason Foundation

December 31, 2021

TEAM GLEASON

Bourgeois Bennett
CERTIFIED PUBLIC ACCOUNTANTS | CONSULTANTS
A LIMITED LIABILITY COMPANY

Financial Report

Team Gleason Foundation

December 31, 2021

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New Orleans, Louisiana

December 31, 2021 and 2020

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,
Team Gleason Foundation,
New Orleans, Louisiana.

Opinion

We have audited the accompanying financial statements of Team Gleason Foundation (the "Foundation") (a nonprofit organization), 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 Team Gleason Foundation as of December 31, 2021, 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.

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 the 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 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.

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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.

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 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 20, 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 financial statements from which it has been derived.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, Louisiana,
June 16, 2022.

Exhibit A

STATEMENT OF FINANCIAL POSITION

Team Gleason Foundation
New Orleans, Louisiana

December 31, 2021
(with comparative totals for 2020)

ASSETS

	2021	2020
Assets		
Cash	$ 1,860,209	$ 2,379,005
Unconditional promises to give	404,236	365,650
Other receivables	30	1,215
Other assets	4,002	4,256
Investments	7,478,213	6,722,218
Property and equipment, net	64,265	56,708
Total assets	$ 9,810,955	$ 9,529,052

LIABILITIES AND NET ASSETS

	2021	2020
Liabilities		
Accounts payable	$ 214,559	$ 203,599
Accrued expenses	17,379	10,659
Pledge payable, net	437,020	574,291
Deferred revenue	125,000	-
Total liabilities	793,958	788,549
Net Assets		
Without donor restrictions	4,617,054	4,290,253
With donor restrictions	4,399,943	4,450,250
Total net assets	9,016,997	8,740,503
Total liabilities and net assets	$ 9,810,955	$ 9,529,052

See notes to financial statements.

Exhibit B

STATEMENT OF ACTIVITIES

Team Gleason Foundation
New Orleans, Louisiana

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

	Without Donor Restrictions	With Donor Restrictions	Totals 2021	Totals 2020
Revenues and Other Support				
Special events (net of event expenses of $64,335 for 2021)	$ 695,861	$ -	$ 695,861	$ -
Contributions	2,235,521	-	2,235,521	2,890,618
Investment gain, net	559,651	-	559,651	706,871
Fee for services	50,000	-	50,000	-
Other income	21,100	-	21,100	-
Paycheck Protection Program loan forgiveness	-	-	-	93,400
Total revenues and other support	3,562,133	-	3,562,133	3,690,889
Net assets released from restrictions	50,307	(50,307)	-	-
Total revenues, other support, and net assets released from restrictions	3,612,440	(50,307)	3,562,133	3,690,889
Expenses				
Program services	2,550,035	-	2,550,035	2,223,765
General and administrative	268,709	-	268,709	260,220
Fundraising	466,895	-	466,895	281,843
Total expenses	3,285,639	-	3,285,639	2,765,828
Change in Net Assets	326,801	(50,307)	276,494	925,061
Net Assets				
Beginning of year	4,290,253	4,450,250	8,740,503	7,815,442
End of year	$ 4,617,054	$ 4,399,943	$ 9,016,997	$ 8,740,503

See notes to financial statements.

Exhibit C

STATEMENT OF FUNCTIONAL EXPENSES

Team Gleason Foundation
New Orleans, Louisiana

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

	Program Services	General and Administrative	Fundraising	Totals 2021	Totals 2020
Mission expenses	$ 1,899,986	$ -	$ 350	$ 1,900,336	$ 1,661,859
Salaries, payroll taxes, and benefits	509,350	125,986	266,143	901,479	608,611
Consulting fees	30,000	39,245	59,300	128,545	150,985
Direct fundraising expenses	-	-	88,926	88,926	66,070
Special events	-	-	64,335	64,335	-
Office expense	11,870	32,777	8,614	53,261	43,324
Rent	39,648	5,274	8,278	53,200	35,272
Advertising and promotion	2,717	-	30,471	33,188	36,953
Team Gleason House	27,300	-	-	27,300	14,842
Professional fees	-	22,683	-	22,683	23,128
Travel and meetings	11,379	4,754	1,907	18,040	6,166
Contributions	16,939	-	-	16,939	19,726
Depreciation	-	15,450	-	15,450	7,464
Insurance	-	11,034	-	11,034	15,499
Information technology	120	4,567	-	4,687	1,525
Gifts	-	952	2,906	3,858	4,826
Service fees	706	2,628	-	3,334	6,397
Training	20	1,787	-	1,807	-
Payroll processing	-	1,572	-	1,572	1,313
Miscellaneous expense	-	-	-	-	61,868
Total expenses	2,550,035	268,709	531,230	3,349,974	2,765,828
Less special events netted with revenues	-	-	(64,335)	(64,335)	-
Total expenses on Statement of Activities	$ 2,550,035	$ 268,709	$ 466,895	$ 3,285,639	$ 2,765,828

See notes to financial statements.

STATEMENT OF CASH FLOWS

Team Gleason Foundation
New Orleans, Louisiana

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

	2021	2020
Cash Flows From Operating Activities		
Change in net assets	$ 276,494	$ 925,061
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	15,450	7,464
Unrealized gains on investments	(148,384)	(683,414)
Realized (gain) loss on investments	(352,595)	30,261
Paycheck Protection Program loan forgiveness	-	(93,400)
(Increase) decrease in:		
Promises to give	(38,586)	(365,650)
Other receivables	1,185	(1,127)
Other assets	254	(4,256)
Increase (decrease) in:		
Accounts payable and accrued expenses	17,680	38,396
Deferred revenue	125,000	-
Pledge payable	(137,271)	16,727
Net cash used in operating activities	(240,773)	(129,938)
Cash Flows From Investing Activities		
Purchases of investments	(2,735,206)	(1,725,315)
Proceeds from sales of investments	2,480,190	2,192,835
Purchase of property	(23,007)	(47,646)
Repayments from related party	-	75
Net cash (used in) provided by investing activities	(278,023)	419,949
Cash Flows From Financing Activities		
Proceeds from Paycheck Protection Program loan	-	93,400
Net (Decrease) Increase in Cash	(518,796)	383,411
Cash		
Beginning of year	2,379,005	1,995,594
End of year	$ 1,860,209	$ 2,379,005

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Team Gleason Foundation

New Orleans, Louisiana

December 31, 2021 and 2020

Note 1 - NATURE OF ACTIVITIES

Team Gleason Foundation (the "Foundation") began operations on October 26, 2011 and has had a significant impact on the lives of countless people living with Amyotrophic Lateral Sclerosis (ALS).

The Foundation has a mission to:

- Help provide individuals with neuromuscular diseases or injuries with leading edge technology, equipment, and services,
- Create a global conversation about ALS to ultimately find continued solutions and an end to the disease, and
- Raise public awareness toward ALS by providing and documenting extraordinary life adventures for individuals with muscular diseases or injuries.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting

The financial statements of the Foundation are prepared on the accrual basis of accounting, and accordingly, reflect all significant receivables, payables, and other liabilities.

b. Basis of Presentation

The Foundation reports information regarding financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions, based on donor stipulations and restrictions placed on contributions, if any. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Basis of Presentation (Continued)

Net Assets Without Donor Restrictions - Net assets that are not subject to donor imposed stipulations.

Net Assets With Donor Restrictions - Net assets subject to donor imposed stipulations that may or will be met either by the actions of the Foundation, the passage of time, or to be perpetually maintained by the Foundation.

c. 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 certain reported amounts and disclosures. Actual results could differ from those estimates.

d. Cash and Cash Equivalents

For purposes of reporting cash flows, the Foundation considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Foundation did not have any cash equivalents as of December 31, 2021 and 2020.

e. Other Receivables

The Foundation has an other receivables balance of $30 and $1,215 as of December 31, 2021 and 2020, respectively. Management closely monitors outstanding receivables and estimates an allowance for uncollectible receivables based on prior experience. Balances that are determined to be uncollectible are written off. All accounts are considered fully collectible by management. Accordingly, no provision for doubtful accounts is considered necessary.

f. Promises to Give

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met. As of December 31, 2021 and 2020, the Foundation did not have any conditional promises to give.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Deferred Revenue

The Foundation records deferred revenue for event sponsorships that are received for events that will be held in the following fiscal year. As of December 31, 2021, deferred revenue totaled $125,000. As of December 31, 2020, there was no deferred revenue.

h. Property and Equipment

Property and equipment are stated at cost, net of accumulated depreciation. Repairs and maintenance are charged to expenses as incurred; major renewals and replacements and betterments are capitalized. The Foundation follows a capitalization policy of capitalizing all expenditures in excess of $1,000. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the related depreciable assets over five years.

i. Revenue Recognition

Revenues from Exchange Transactions: The Foundation recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2014-09, "*Revenues from Contracts with Customers*", as amended. ASU No. 2014-09 applies to exchange transactions with customers and donors that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. The Foundation records the following exchange transaction revenue in its Statements of Activities for the years ended December 31, 2021 and 2020:

Special Events

The Foundation conducts fundraisers in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant at the event, the exchange component, and a portion represents a contribution to the Foundation. The fair value of meals and entertainment provided at the event is measured at the actual cost to the Foundation. The contribution component is the excess of the gross proceeds over the fair value of the direct donor benefit. The direct costs, which ultimately benefit the donor rather than the Foundation, are recorded as fundraising expenses in the Statement of Activities. The performance obligation is the event. FASB ASU No. 2014-09 requires allocation of the transaction price to the performance obligation. Accordingly, the Foundation separately presents in Note 11 the exchange and contribution components of the gross proceeds from special events.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Contributions

Contributions are recorded as unrestricted or restricted, depending on the existence or nature of any donor imposed restrictions. Support that is restricted by a donor is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same reporting periods are reported as unrestricted support.

k. Donated Services of Volunteers

A substantial number of volunteers have donated significant amounts of their time in the conduct of program services on behalf of the Foundation. However, no amounts have been included in the financial statements for donated services since no objective basis is available to measure the value of services.

l. Advertising and Promotion

Advertising and promotion costs are expensed as they are incurred. Advertising and promotion costs totaled $33,188 and $36,953 for the years ended December 31, 2021 and 2020, respectively.

m. Allocation of Functional Expenses

Most of the expenses can be directly allocated to one of the programs or supporting function. The financial statements also report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include consulting fees, office expenses, advertising and promotion, travel and meetings, and gifts expense, which are allocated based on staff time used for each function. Salaries, payroll taxes, and benefits are allocated on the basis of estimates of time and effort.

n. Organization and Income Taxes

The Foundation is a nonprofit corporation organized in 2011 under the laws of the State of Louisiana. It is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code, and qualifies as an organization that is a public charity.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Organization and Income Taxes (Continued)

Accounting standards provide detailed guidance for financial statement recognition, measurement, and disclosure of uncertain tax positions recognized in an entity's financial statements. These standards require an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will not be sustained upon examination. As of December 31, 2021, management of the Foundation believes that it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. Tax years ended December 31, 2018 and later remain subject to examination by the taxing authorities.

o. Recently Issued Accounting Standards

Accounting Pronouncements Effective in Future Years

Contributed Nonfinancial Assets

In September 2020, the FASB issued ASU No. 2020-07, "*Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*" (Topic 958), the amendments in this update apply to nonprofit organizations that receive contributed nonfinancial assets. Contribution revenue may be presented in the financial statements using different terms (for example, gifts, donations, grants, gifts-in-kind, donated services, or other terms). The amendments address presentation and disclosure of contributed nonfinancial assets. The term nonfinancial asset includes property and equipment (such as land, buildings, and equipment), use of property and equipment utilities, materials and supplies, intangible assets, services, and unconditional promises of those assets. The ASU is effective for fiscal years beginning after June 15, 2021. The Foundation is evaluating the full effect that the adoption of this standard will have on its financial statements.

Leases

In February 2016, the FASB issued ASU No. 2016-02, "*Leases*" (Topic 842). ASU No. 2016-02 requires that a lease liability and related right-of-use-asset representing the lessee's right to use or control the asset be recorded on the statement of financial position upon the commencement of all leases except for short-term leases. Leases will be classified as either finance leases or operating leases, which are substantially similar to the classification criteria for distinguishing between capital leases and operating in existing lease accounting

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. Recently Issued Accounting Standards (Continued)

Accounting Pronouncements Effective in Future Years (Continued)

Leases (Continued)

guidance. As a result, the effect of leases in the Statement of Activities and the Statement of Cash Flows will be substantially unchanged from the existing lease accounting guidance. ASU No. 2016-02 is effective for fiscal years beginning after December 15, 2021. Early adoption is permitted. The Foundation is currently evaluating the full effect that the adoption of this standard will have on the financial statements.

In November 2021, the FASB issued ASU No. 2021-09, "*Lease Discount Rate for Leases That Are Not Public Business Entities*" (Topic 842) "*Discount Rate for Lessees That Are Not Public Business Entities*" (ASU-2021-09). This ASU currently provides lessees that are not public business entities with a practical expedient that allows them to elect, as an accounting policy, to use a risk-free rate as the discount rate for all leases. The amendments in this update allow those lessees to make the risk-free rate election by class of underlying asset, rather than at the entity-wide level. An entity that makes the risk-free rate election is required to disclose which asset classes it has elected to apply a risk-free rate. The amendments require that when the rate implicit in the lease is readily determinable for any individual lease, the lessee use that rate (rather than a risk-free rate or an incremental borrowing rate), regardless of whether it has made the risk-free rate election. Entities that have not yet adopted Topic 842 as of November 11, 2021, are required to adopt the amendments in this update at the same time that they adopt Topic 842.

p. Reclassifications

Certain amounts in the 2020 financial statements have been reclassified to conform to the 2021 financial statement presentation.

q. Subsequent Events

Management evaluates events occurring subsequent to the date of financial statements in determining the accounting for and disclosure of transactions and events that effect the financial statements. Subsequent events have been evaluated through June 16, 2022, which is the date the financial statements were available to be issued.

Note 3 - CONCENTRATION OF CREDIT RISK

The Foundation maintains its cash with a financial institution where the accounts are not insured by Federal Deposit Insurance Corporation. As of December 31, 2021, cash in excess of the insured limit was approximately $1,208,000.

Note 4 - UNCONDITIONAL PROMISES TO GIVE

The balance of unconditional promises to give, which are all deemed collectible by management, totaled $404,236 and $365,650, as of December 31, 2021 and 2020, respectively. The details of unconditional promises to give as of December 31, 2021 and 2020 are as follows:

	2021	2020
Neon One	$211,237	$180,098
Leo W. Seal Jr. Charitable Trust	100,000	100,000
Richard Stravitz Foundation	25,000	-
Other promises to give	67,999	85,552
Totals	$404,236	$365,650
Amounts due in		
Less than one year	$404,236	$365,650

Note 5 - PROPERTY AND EQUIPMENT

As of December 31, 2021 and 2020, property and equipment consists of the following:

	2021	2020
Furniture and equipment	$82,375	$59,368
Leasehold improvements	8,895	8,895
	91,270	68,263
Less: accumulated depreciation	(27,005)	(11,555)
Net property and equipment	$64,265	$56,708

Depreciation expense for the years ended December 31, 2021 and 2020 was $15,450 and $7,464, respectively.

Note 6 - IN-KIND DONATIONS

The Foundation records the value of in-kind donations when the services received (a) create or enhance nonfinancial assets; or (b) require specialized skills which would typically need to be purchased if not provided by donation.

The Foundation received the value of an in-kind donation from St. Margaret's Daughters Nursing Home ("St. Margaret's") related to office facilities in 2020. The lease was on a month-to-month basis. The Foundation did not receive any in-kind donations in 2021.

The fair value of in-kind support and the corresponding expense for the years ended December 31, 2021 and 2020 is as follows:

	2021	2020
Rent	$ -	$ 3,600

Note 7 - INVESTMENTS

Investments as of December 31, 2021 and 2020 consist of the following:

2021			
Description	Cost	Fair Market Value	Excess of Market Over Cost (Excess of Cost Over Market)
Mutual funds:			
Equity funds	$1,387,673	$2,196,906	$ 809,233
Bond funds	2,195,726	2,173,185	(22,541)
Corporate stocks	2,270,178	3,108,122	837,944
Total securities	$5,853,577	$7,478,213	$1,624,636

Note 7 - INVESTMENTS (Continued)

2020			
Description	Cost	Fair Market Value	Excess of Market Over Cost
Mutual funds:			
Equity funds	$1,291,800	$1,811,264	$ 519,464
Bond funds	2,094,825	2,263,243	168,418
Corporate stocks	1,859,343	2,647,711	788,368
Total securities	$5,245,968	$6,722,218	$1,476,250

	Cost	Fair Market Value	Excess of Market Over Cost
Balance, December 31, 2021	$5,853,577	$7,478,213	$1,624,636
Balance, December 31, 2020	$5,245,966	$6,722,218	1,476,252
Unrealized appreciation			148,384
Net realized gain			352,595
Interest and dividend income, net of investment fees of $65,470			58,672
Investment income, net			$ 559,651

	Cost	Fair Market Value	Excess of Market Over Cost
Balance, December 31, 2020	$5,245,966	$6,722,218	$1,476,252
Balance, December 31, 2019	$5,743,747	$6,536,585	792,838
Unrealized appreciation			683,414
Net realized loss			(30,261)
Interest and dividend income, net of investment fees of $39,857			53,718
Investment income, net			$ 706,871

Note 8 - FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under FASB ASC 820, "*Fair Value Measurements*", are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value.

The Foundation uses the market approach for valuing equity securities which are within the Level 1 fair value hierarchy.

Corporate stocks: Valued at the closing price reported on the active market on which the individual securities are traded.

Note 8 - FAIR VALUE MEASUREMENTS (Continued)

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held are deemed to be actively traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Assets measured at fair value on a recurring basis as of December 31, 2021 and 2020 are comprised of and determined as follows:

	2021			
		Based on		
Description	Total Assets Measured At Fair Value	Quoted Prices In Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Mutual funds:				
Equity funds	$2,196,906	$2,196,906	$ -	$ -
Bond funds	2,173,185	2,173,185	-	-
Corporate stocks	3,108,122	3,108,122	-	-
Totals	$7,478,213	$7,478,213	$ -	$ -

	2020			
		Based on		
Description	Total Assets Measured At Fair Value	Quoted Prices In Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Mutual funds:				
Equity funds	$1,811,264	$1,811,264	$ -	$ -
Bond funds	2,263,243	2,263,243	-	-
Corporate stocks	2,647,711	2,647,711	-	-
Totals	$6,722,218	$6,722,218	$ -	$ -

Note 9 - PLEDGE PAYABLE

In October 2019, the Foundation pledged $750,000 to a third party to establish the Team Gleason ALS-ACP Fund. Proceeds from the fund will be designated to support clinical activities and purchase of materials for augmentative communication and assistive technology. The balance of the pledge payable totaled $437,020 and $574,291 as of December 31, 2021 and 2020, respectively. The Foundation has discounted the value of the pledge payable by using an estimated effective interest rate of 3%.

The details of pledge payable as of December 31, 2021 and 2020 are as follows:

	2021	2020
Team Gleason ALS-ACP Fund	$450,000	$600,000
Less discount	(12,980)	(25,709)
	$437,020	$574,291
Amounts due in:		
Less than one year	$300,000	$300,000
One to five years	150,000	300,000
	$450,000	$600,000

Note 10 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of December 31, 2021 and 2020 are restricted by donors for specific purposes.

	2021	2020
Subject to expenditure for specified purpose:		
Team Gleason House	$4,399,943	$4,450,250

Net assets released from restrictions for the years ended December 31, 2021 and 2020 are as follows:

	2021	2020
Purpose restrictions satisfied:		
Team Gleason House	$50,307	$14,842

Note 11 - SPECIAL EVENT REVENUE

Gross receipts from special fundraising events recorded by the Foundation consist of exchange transaction revenue and contribution revenue. As a result of adopting ASU 2014-09 during 2020, the Foundation is required to separately present the components of this revenue for the year ended December 31, 2021. No events were held during the year ended December 31, 2020.

	2021	2020
Sponsorships and contributions	$627,196	$ -
Special event revenue	133,000	-
Special events - gross	760,196	-
Less: cost of direct donor benefit	(64,335)	-
Special events - net	$695,861	$ -

All events were cancelled during the year end December 31, 2020, and most donors elected to forego a refund and contribute the funds to the Foundation. The Foundation incurred costs of $43,842 which were not refunded.

Note 12 - LEASE COMMITMENT

The Foundation entered into a lease agreement for office space on March 11, 2020 which expired on May 31, 2022. The lease called for one payment of $2,128 for March 2020 and four payments of $2,997 for April through July 2020. The lease was amended in 2020 and called for monthly payments of $4,256 through May 2021. The Foundation received an allowance of $3,724 for upgrades made in July 2020. The lease was amended effective June 1, 2021, called for monthly payments of $4,367 and matured May 2022. The Foundation also paid $1,351 in utility service charges during 2021. A new lease was entered into effective June 1, 2022 and matures May 31, 2024. The lease calls for monthly payments of $9,742. As of December 31, 2021, estimated future minimum payments under the operating lease is as follows:

Year Ending December 31,	
2022	$ 90,029
2023	116,904
2024	48,710
	$255,643

Note 12 - LEASE COMMITMENT (Continued)

Rent expense for the years ended December 31, 2021 and 2020 was $53,200 and $35,272, respectively.

Note 13 - AVAILABILITY OF FINANCIAL ASSETS

The Foundation is supported by donations and 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. 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. In addition, the Foundation invests cash in excess of daily requirements in investments. Although the Foundation does not intend to spend from investment funds, other than amounts appropriated for general expenditure, certain amounts from its investment fund could be made available as necessary. General expenditures include program, administrative, and fundraising expenses. Annual operations are defined as activities occurring during, and included in the budget for, a fiscal year.

The following table represents financial assets available for general expenditures within one year as of December 31, 2021 and 2020:

	2021	2020
Financial assets:		
Cash	$1,860,209	$2,379,005
Unconditional promises to give	404,236	365,650
Other receivables	30	1,215
Investments	7,478,213	6,722,218
Total financial assets	9,742,688	9,468,088
Less amounts unavailable for general expenditures within one year, due to donor imposed restrictions:		
Restricted by donors with purpose restriction	(4,399,943)	(4,450,250)
Financial assets available to meet cash needs for general expenditures within one year	$5,342,745	$5,017,838

Note 14 - PAYCHECK PROTECTION PROGRAM

On April 24, 2020, Foundation received a $93,400 loan from Hancock Whitney Bank under the Paycheck Protection Program (PPP) of the U.S. Small Business Administration (SBA). This loan was repaid January 26, 2021 and all expenditures paid from the loan proceeds were approved as eligible for loan forgiveness under the requirements of the PPP. The funding was recognized as revenue in the year ended December 31, 2020 on the Statement of Activities.

Note 15 - RETIREMENT PLAN

The Foundation maintains a 401(k) retirement plan, which allows participants to contribute by salary reduction pursuant to Section 401(k) of the Internal Revenue Code. Employees who are at least 21 years of age become eligible to participate in the plan after completing six months of service. The Foundation matches 100% of participant deferrals up to 3% of employee's compensation and 50% of participant deferrals over 3% and up to 5% of employee compensation. For the years ended December 31, 2021 and 2020, the Foundation contributed $12,265 and $8,103, respectively, to the plan.

Note 16 - RISKS AND UNCERTAINTIES

In general, investment securities are exposed to various risks, such as interest rate, currency, credit, and market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in values of investments will occur in the near term and would materially affect the market value of investments held by the Foundation.

Note 17 - ST. MARGARET'S DAUGHTERS NURSING HOME

The Foundation and St. Margaret's are in negotiations to resolve a dispute on the methodology of payment for the Team Gleason House (a residence for people living with ALS). The outcome of these negotiations and any amount due to or from St. Margaret's cannot be determined at this time and is not expected to have a material impact on the financial statements of the Foundation.