

**Colon Cancer Alliance, Inc.**

Financial Statements  
and Independent Auditors' Report

June 30, 2014 and 2013

**Colon Cancer Alliance, Inc.**

Financial Statements  
June 30, 2014 and 2013

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Colon Cancer Alliance, Inc.

We have audited the accompanying financial statements of the Colon Cancer Alliance (“the Alliance”), which comprise the statements of financial position as of June 30, 2014 and 2013, the related statements of activities and cash flows for the years 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.

### ***Auditor’s Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of 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 the Alliance as of June 30, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matter***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information included on pages 17-18 is presented for purposes of additional analysis and is 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 audits 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.

*Rogers & Company PLLC*

Vienna, Virginia  
January 5, 2015

**Colon Cancer Alliance, Inc.**

Statements of Financial Position  
June 30, 2014 and 2013

	2014	2013
<b>Assets</b>		
Cash	\$ 254,914	\$ 887,940
Contributions receivable, net	211,398	5,000
Charitable remainder trust receivable	2,155,883	2,155,883
Other receivables	36,884	23,514
Prepaid expenses and deposits	174,303	125,614
Investments	3,437,388	3,182,463
Property and equipment, net	32,005	29,544
Total assets	<u>\$ 6,302,775</u>	<u>\$ 6,409,958</u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable	\$ 8,550	\$ 18,962
Accrued expenses	341,827	403,164
Deferred rent	7,679	4,855
Total liabilities	<u>358,056</u>	<u>426,981</u>
<b>Net Assets</b>		
Unrestricted	2,920,608	3,275,758
Temporarily restricted	3,024,111	2,707,219
Total net assets	<u>5,944,719</u>	<u>5,982,977</u>
Total liabilities and net assets	<u>\$ 6,302,775</u>	<u>\$ 6,409,958</u>

See accompanying notes.

**Colon Cancer Alliance, Inc.**

Statement of Activities  
For the Year Ended June 30, 2014

	Unrestricted	Temporarily Restricted	Total
<b>Revenue and Support</b>			
Grants and contributions	\$ 2,919,549	\$ 903,402	\$ 3,822,951
Merchandise income	150,811	-	150,811
Investment income	379,704	-	379,704
Conference registration fees	2,926	-	2,926
Released from restrictions	586,510	(586,510)	-
	4,039,500	316,892	4,356,392
<b>Expenses</b>			
Program services:			
Prevention	2,467,337	-	2,467,337
Patient support	862,741	-	862,741
Community outreach	288,969	-	288,969
Research	71,176	-	71,176
	3,690,223	-	3,690,223
Total program services			
Supporting services:			
General and administrative	249,989	-	249,989
Fundraising	454,438	-	454,438
	704,427	-	704,427
Total supporting services			
Total expenses	4,394,650	-	4,394,650
<b>Change in Net Assets</b>	(355,150)	316,892	(38,258)
<b>Net Assets, beginning of year</b>	3,275,758	2,707,219	5,982,977
<b>Net Assets, end of year</b>	\$ 2,920,608	\$ 3,024,111	\$ 5,944,719

See accompanying notes.

**Colon Cancer Alliance, Inc.**

Statement of Activities  
For the Year Ended June 30, 2013

	Unrestricted	Temporarily Restricted	Total
<b>Revenue and Support</b>			
Grants and contributions	\$ 1,588,034	\$ 2,368,208	\$ 3,956,242
Merchandise income	145,103	-	145,103
Investment income	96,382	-	96,382
Change in value of charitable remainder trust	235,413	-	235,413
Conference registration fees	1,833	-	1,833
Other income	883	-	883
Released from restrictions	3,283,289	(3,283,289)	-
<b>Total revenue and support</b>	<b>5,350,937</b>	<b>(915,081)</b>	<b>4,435,856</b>
<b>Expenses</b>			
Program services:			
Prevention	3,172,873	-	3,172,873
Patient support	648,999	-	648,999
Community outreach	102,068	-	102,068
Research	12,906	-	12,906
<b>Total program services</b>	<b>3,936,846</b>	<b>-</b>	<b>3,936,846</b>
Supporting services:			
General and administrative	327,725	-	327,725
Fundraising	553,248	-	553,248
<b>Total supporting services</b>	<b>880,973</b>	<b>-</b>	<b>880,973</b>
<b>Total expenses</b>	<b>4,817,819</b>	<b>-</b>	<b>4,817,819</b>
<b>Change in Net Assets</b>	<b>533,118</b>	<b>(915,081)</b>	<b>(381,963)</b>
<b>Net Assets, beginning of year</b>	<b>2,742,640</b>	<b>3,622,300</b>	<b>6,364,940</b>
<b>Net Assets, end of year</b>	<b>\$ 3,275,758</b>	<b>\$ 2,707,219</b>	<b>\$ 5,982,977</b>

See accompanying notes.

**Colon Cancer Alliance, Inc.**

Statements of Cash Flows  
For the Years Ended June 30, 2014 and 2013

	2014	2013
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ (38,258)	\$ (381,963)
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	18,705	14,556
Net realized and unrealized (gain) loss	(277,539)	19,880
Discount on contributions receivable	1,269	-
Change in value of charitable remainder trust	-	(235,413)
Change in operating assets and liabilities:		
(Increase) decrease in contributions receivable	(207,667)	53,956
Decrease in charitable remainder trust receivable	-	1,334,689
Increase in other receivables	(13,370)	(23,514)
Increase in prepaid expenses and deposits	(48,689)	(51,353)
Decrease in accounts payable	(10,412)	(50,390)
(Decrease) increase in accrued expenses	(61,337)	289,886
Increase in deferred rent	2,824	1,990
	<u>(634,474)</u>	<u>972,324</u>
<b>Cash Flows from Investing Activities</b>		
Sales of investments	987,240	619,364
Purchases of investments	(964,626)	(2,518,325)
Purchases of property and equipment	(21,166)	(18,119)
	<u>1,448</u>	<u>(1,917,080)</u>
Net cash provided by (used in) investing activities		
	<u>1,448</u>	<u>(1,917,080)</u>
<b>Net Decrease in Cash</b>	(633,026)	(944,756)
<b>Cash, beginning of year</b>	887,940	1,832,696
<b>Cash, end of year</b>	\$ 254,914	\$ 887,940

*See accompanying notes.*



## Colon Cancer Alliance, Inc.

Notes to Financial Statements  
June 30, 2014 and 2013

### 1. Nature of Operations

Colon Cancer Alliance, Inc. (“the Alliance”) was incorporated on March 18, 1999 as a 501(c)(3) exempt corporation under the laws of the state of Delaware. The Alliance is a national patient advocacy organization dedicated to increasing rates of screening and survivorship from colorectal cancer through patient support, education, research, and advocacy.

### 2. Summary of Significant Accounting Policies

#### Basis of Accounting and Presentation

The Alliance’s financial statements are prepared on the accrual basis of accounting and are in accordance with generally accepted accounting principles for not-for-profit organizations. Net assets are reported based on the presence or absence of donor-imposed restrictions, as follows:

- *Unrestricted net assets* represent funds that are not subject to donor-imposed stipulations and are available for support of the Alliance’s operations.
- *Temporarily restricted net assets* represent funds subject to donor-imposed restrictions that are met either by actions of the Alliance or the passage of time.

#### Use of Estimates

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

#### Contributions Receivable

Contributions receivable are recorded at net realizable value and consist of amounts promised from donors. Amounts promised in greater than one year from the financial statement date are recorded net of a present value discount of \$1,269 and \$0 at June 30, 2014 and 2013, respectively. No allowance for doubtful accounts is recorded as management believes that all contributions receivables are fully collectible. As of June 30, 2014, contributions receivable were receivable as follows:

Less than one year	\$	179,333
One to five years		<u>32,065</u>
Total	\$	<u><u>211,398</u></u>

## Colon Cancer Alliance, Inc.

Notes to Financial Statements  
June 30, 2014 and 2013

### 2. Summary of Significant Accounting Policies (continued)

#### Charitable Remainder Trust Receivable

The Alliance has received certain contributions under a split-interest agreement, which is a charitable remainder trust. Irrevocable split-interest agreements are recorded as revenue when the trust agreements are executed. Revenue from the split-interest agreements is based on the fair value of the expected cash flows to be received by the Alliance.

#### Other Receivables

Other receivables consist primarily of amounts to be received from sales of merchandise and inflatable walk-through colons. The entire amount of other receivables is expected to be collected within one year and is recorded at net realizable value at June 30, 2014 and 2013. No allowance for doubtful accounts is recorded as management believes that all receivables are fully collectible.

#### Property and Equipment

Property and equipment acquisitions greater than \$500 and a projected useful life exceeding one year are capitalized and recorded at cost. Property and equipment are stated at cost less accumulated depreciation, which is computed using the straight-line method over the assets' estimated useful lives, which range from three to seven years. Upon the retirement or disposal of assets, the cost and accumulated depreciation are eliminated from the respective accounts and the resulting gain or loss is included in revenue or expenses. Expenditures for maintenance and repairs are charged to expenses as incurred.

#### Investments

Investments are stated at fair value. All realized and unrealized gains and losses are included in investment income in the accompanying statements of activities.

#### Revenue Recognition

Unconditional grants and contributions are recognized as revenue when received or promised and are reported as temporarily restricted support if they are received with donor or grantor stipulations that limit the use of 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 statements of activities as net assets released from restrictions.

## **Colon Cancer Alliance, Inc.**

Notes to Financial Statements  
June 30, 2014 and 2013

### **2. Summary of Significant Accounting Policies (continued)**

The Alliance receives donations in the form of free advertising and similar services that would otherwise be purchased in the normal course of business. Total in-kind donations were \$48,007 and \$668,347 for the years ended June 30, 2014 and 2013, respectively, and were valued based on comparable market rates. These amounts are reflected as grants and contributions in the accompanying statements of activities.

Merchandise sales consist of sales of various products offered on the organization's website aimed at promoting and spreading awareness for colon cancer, as well as sales of inflatable walk-through colons, meant to be an educational tool featuring the various stages of disease.

Revenue from all other sources is recognized when earned.

#### Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the accompanying statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

#### Subsequent Events

In preparing these financial statements, the Alliance has evaluated events and transactions for potential recognition or disclosure through January 5, 2015, the date the financial statements were available to be issued.

### **3. Concentration of Credit Risk**

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

## Colon Cancer Alliance, Inc.

Notes to Financial Statements  
June 30, 2014 and 2013

### 4. Property and Equipment

Property and equipment consists of the following at June 30:

	2014	2013
Furniture and equipment	\$ 92,527	\$ 84,322
Less: accumulated depreciation	(60,522)	(54,778)
Property and equipment, net	<u>\$ 32,005</u>	<u>\$ 29,544</u>

Depreciation expense totaled \$18,705 and \$14,556 for the years ended June 30, 2014 and 2013, respectively.

### 5. Investments and Fair Value Measurement

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

The inputs used in measuring fair value are categorized into three levels. Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and liabilities and have the highest priority. Level 2 is based upon observable inputs other than quote market prices, and Level 3 is based on unobservable inputs. The Alliance recognizes transfers between levels in the fair value hierarchy as of the end of the reporting period in which the event or change in circumstances occurred.

In general, and where applicable, the Alliance uses quoted prices in active markets for identical assets to determine fair value. This pricing methodology applies to Level 1 investments. The fair value of the beneficial interest in the charitable remainder trust is based on the Alliance's interest in funds being held by a third party trustee. The fair value is measured upon the estimated net present value of amounts to be received. The expected future cash inflows from the trusts are based on the fair value of the investments, future expected investment returns, and proceeds from future sales of properties. The value of this asset is based on unobservable inputs and the Alliance's own assumptions and is therefore classified as Level 3. There were no Level 2 assets at June 30, 2014 and 2013.

## Colon Cancer Alliance, Inc.

### Notes to Financial Statements June 30, 2014 and 2013

#### 5. Investments and Fair Value Measurements (continued)

The following table presents the Alliance's fair value hierarchy for those assets measured on a recurring basis as of June 30, 2014:

	Level 1	Level 2	Level 3	Total
Money market funds	\$ 86,191	\$ -	\$ -	\$ 86,191
Fixed income:				
Government bonds	361,743	-	-	361,743
Government-backed securities	151,289	-	-	151,289
Bond funds:				
Short-term bond	96,171	-	-	96,171
Corporate bond	70,363	-	-	70,363
Intermediate-term bond	76,607	-	-	76,607
Multi-sector bond	474,440	-	-	474,440
Short-term bond	201,102	-	-	201,102
Equity funds:				
Commodities broad basket	12,439	-	-	12,439
Commodities energy	34,524	-	-	34,524
Communications	8,092	-	-	8,092
Consumer cyclical	51,815	-	-	51,815
Diversified emerging markets	32,680	-	-	32,680
Equity energy	45,345	-	-	45,345
Europe stock	47,813	-	-	47,813
Financial	50,430	-	-	50,430
Foreign large blend	35,605	-	-	35,605
Health	39,965	-	-	39,965
Industrials	44,654	-	-	44,654
Mid-cap blend	203,341	-	-	203,341
Miscellaneous regions	104,878	-	-	104,878
Natural resources	20,501	-	-	20,501
World stock	26,344	-	-	26,344
Small blend	138,095	-	-	138,095
Technology	109,099	-	-	109,099
Common stocks:				
Basic materials	146,396	-	-	146,396
Consumer goods	172,997	-	-	172,997
Financial	48,210	-	-	48,210
Healthcare	82,660	-	-	82,660
Industrial equipment wholesale	16,528	-	-	16,528
Industrial goods	92,001	-	-	92,001
Large core	24,955	-	-	24,955
Services	136,477	-	-	136,477
Technology	116,004	-	-	116,004
Utilities	77,634	-	-	77,634
Total investments	3,437,388	-	-	3,437,388
Charitable remainder trust receivable	-	-	2,155,883	2,155,883
Total assets at fair value	\$ 3,437,388	\$ -	\$ 2,155,883	\$ 5,593,271

## Colon Cancer Alliance, Inc.

### Notes to Financial Statements June 30, 2014 and 2013

#### 5. Investments and Fair Value Measurements (continued)

The following table presents the Alliance's fair value hierarchy for those assets measured on a recurring basis as of June 30, 2013:

	Level 1	Level 2	Level 3	Total
Money market funds	\$ 283,707	\$ -	\$ -	\$ 283,707
Fixed income:				
Government bonds	435,520	-	-	435,520
Government-backed securities	283,005	-	-	283,005
Bond funds:				
Corporate bond	45,480	-	-	45,480
Intermediate-term bond	19,492	-	-	19,492
High-yield bond	14,808	-	-	14,808
Multi-sector bond	532,002	-	-	532,002
Short-term bond	319,263	-	-	319,263
Equity funds:				
Commodities broad basket	28,020	-	-	28,020
Communications	9,785	-	-	9,785
Consumer cyclical	36,996	-	-	36,996
Consumer defensive	12,258	-	-	12,258
Diversified emerging markets	53,170	-	-	53,170
Equity energy	24,899	-	-	24,899
Europe stock	4,870	-	-	4,870
Financial	36,583	-	-	36,583
Foreign large blend	68,672	-	-	68,672
Health	23,995	-	-	23,995
Industrials	29,379	-	-	29,379
Mid-cap blend	115,269	-	-	115,269
Miscellaneous regions	84,021	-	-	84,021
Natural resources	11,465	-	-	11,465
World stock	15,668	-	-	15,668
Small blend	112,797	-	-	112,797
Technology	61,957	-	-	61,957
Common stocks:				
Basic materials	82,253	-	-	82,253
Consumer goods	101,066	-	-	101,066
Financial	27,782	-	-	27,782
Healthcare	45,390	-	-	45,390
Industrial equipment wholesale	11,852	-	-	11,852
Industrial goods	55,198	-	-	55,198
Services	90,259	-	-	90,259
Technology	63,498	-	-	63,498
Utilities	42,084	-	-	42,084
Total investments	3,182,463	-	-	3,182,463
Charitable remainder trust receivable	-	-	2,155,883	2,155,883
Total assets at fair value	\$ 3,182,463	\$ -	\$ 2,155,883	\$ 5,338,346

## Colon Cancer Alliance, Inc.

Notes to Financial Statements  
June 30, 2014 and 2013

### 5. Investments and Fair Value Measurements (continued)

#### Level 3 Gains and Losses

There were no changes in the value of the Alliance's Level 3 assets or other activity within this fair value class during the year ended June 30, 2014.

A summary of changes in the Alliance's Level 3 assets for the year ended June 30, 2013 is as follows:

Balance, beginning of year	\$	3,255,159
Cash distribution		(375,000)
Distribution from sale of properties		(960,000)
Net gain on sale of trust properties		235,724
		<hr/>
Balance, end of year	\$	<u>2,155,883</u>

#### Investment Income

Investment income consists of the following for the years ended June 30:

	<u>2014</u>	<u>2013</u>
Dividends and interest	\$ 102,165	\$ 116,262
Net realized and unrealized gain (loss)	<u>277,539</u>	<u>(19,880)</u>
Total investment income	<u>\$ 379,704</u>	<u>\$ 96,382</u>

### 6. Charitable Remainder Trust Receivable

During fiscal year 2011, the Alliance was named as a beneficiary in a charitable remainder trust. After distribution of funds to primary beneficiaries and sales of certain properties, fifty percent of the remaining funds is to be distributed to the Alliance. During the years ended June 30, 2014 and 2013, \$0 and \$1,335,000, respectively, were received under the trust. An asset for the Alliance's remaining beneficial interest has been recognized at fair value in the accompanying statements of financial position in the amount of \$2,155,883 at both June 30, 2014 and 2013, as determined based on estimates provided by the trustee.

**Colon Cancer Alliance, Inc.**

Notes to Financial Statements  
June 30, 2014 and 2013

**6. Charitable Remainder Trust Receivable (continued)**

As a condition of the trust, twenty percent of the proceeds from the sale of one of the trust properties sold in June of 2012 must be held in an escrow account for four years. Aside from the \$179,789 held in escrow related to this sale, the remainder is expected to be received within a year. A discount on the long term portion of the receivable has not been recorded due to immateriality. All amounts are available for unrestricted purposes upon receipt. Subsequent to year end and prior to issuance of these financial statements, \$1,575,355 of the trust receivable had been collected by the Alliance.

**7. Temporarily Restricted Net Assets**

Temporarily restricted net assets contain donor-imposed restrictions that expire upon the passage of time or once specific actions are undertaken by the Alliance. These net assets are then released and reclassified to unrestricted support where they are expended.

Temporarily restricted net assets consist of the following at June 30:

	2014	2013
Helpline	\$ 165,470	\$ 140,155
Website & Technology Initiative	92,430	114,937
My CCA Support	91,480	-
Stars Go Blue	89,032	89,032
Buddy Program	78,473	58,984
Patient Support	65,000	-
Annual Conference	50,389	-
Biomarkers	25,110	-
Blue Hope Awards	23,547	-
Research Under 50	22,275	-
General Research	14,100	-
Minority Outreach	10,000	-
Voices	9,974	350
Never Too Young	8,483	-
Community Outreach Colon Tour	3,090	-
Partnerships	1,500	-
Fiesta Azul/Hispanic Outreach	590	590
Undy 5000	-	36,778
My CRC Connections	-	32,759
Dress in Blue Day	-	23,668
Chat Program	-	5,868
Time restricted	2,273,168	2,204,098
Total temporarily restricted net assets	\$ 3,024,111	\$ 2,707,219



## Colon Cancer Alliance, Inc.

Notes to Financial Statements  
June 30, 2014 and 2013

### 8. Lease

Upon expiration of its former office space lease, the Alliance relocated its headquarters under a new lease commencing in December 2010 and extending through November 2013. During 2013, the Alliance signed amendments to this lease, which included acquiring additional office space and extending the terms through 2016. The new lease calls for fixed annual rental increases. Under accounting principles generally accepted in the United States of America, all fixed rental increases and lease incentives are recognized on a straight-line basis ratably over the term of the lease. The difference between this expense and the required lease payments are reflected as deferred rent in the accompanying statements of financial position.

Additionally, the Alliance operates under various storage, small equipment, and similar leases, all of which are on a month-to-month basis. Rent expense for the years ended June 30, 2014 and 2013 was \$169,570 and \$132,490, respectively, under all leases.

Future minimum lease payments are as follows for the years ending June 30:

2015	\$	164,254
2016		168,368
2017		<u>29,324</u>
Total future minimum payments	\$	<u><u>361,946</u></u>

### 9. Pension Plan

The Alliance has in place a 401(k) plan that covers all employees who may contribute any amount to the Plan up to the legal annual limit. The Alliance may make matching contributions for all persons who have completed at least 1,000 hours of service during the Plan year and who are employed by the Alliance on the last day for the Plan year. Employer matching contributions totaled \$27,369 and \$27,509 for the years ended June 30, 2014 and 2013, respectively. All contributions are immediately vested.

### 10. Income Taxes

The Alliance is exempt from payment of taxes on income other than net unrelated business income under Section 501(c)(3) of the Internal Revenue Code (IRC). For the years ended June 30, 2014 and 2013, there was no unrelated business income and, accordingly, no federal or state income taxes have been recorded. In addition, the Alliance qualifies as a public charity within the meaning of IRC Section 509(a)(1). Contributions to the Alliance are deductible as provided in IRC Section 170(b)(1)(A)(vi).

**Colon Cancer Alliance, Inc.**

Notes to Financial Statements  
June 30, 2014 and 2013

**10. Income Taxes (continued)**

Management evaluated the Alliance's tax positions and has concluded that the Alliance has taken no uncertain tax positions that require either recognition or disclosure in the accompanying financial statements.

## **SUPPLEMENTAL INFORMATION**

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**Colon Cancer Alliance, Inc.**

Schedule of Functional Expenses  
For the Year Ended June 30, 2014

	Program Services				Supporting Services		Total
	Prevention	Patient Support	Community Outreach	Research	General and Administrative	Fundraising	
Personnel	\$ 795,542	\$ 334,968	\$ 90,263	\$ 7,183	\$ 421,735	\$ 267,404	\$ 1,917,095
Professional fees	152,499	48,112	15	475	151,103	2,115	354,319
Travel and entertainment	84,158	88,311	7,144	1,250	41,913	13,963	236,739
Operations	100,591	9,256	1,957	1,333	122,039	20,977	256,153
Facilities	2,472	14,172	619	-	319,391	211	336,865
Projects	586,374	184,221	139,474	56,993	11,590	3,078	981,730
Partnership	311,749	-	-	-	-	-	311,749
G&A allocation	433,952	183,701	49,497	3,942	(817,782)	146,690	-
<b>Total Expenses</b>	<b>\$ 2,467,337</b>	<b>\$ 862,741</b>	<b>\$ 288,969</b>	<b>\$ 71,176</b>	<b>\$ 249,989</b>	<b>\$ 454,438</b>	<b>\$ 4,394,650</b>

**Colon Cancer Alliance, Inc.**

Schedule of Functional Expenses  
For the Year Ended June 30, 2013

	Program Services				Supporting Services		Total
	Prevention	Patient Support	Community Outreach	Research	General and Administrative	Fundraising	
Personnel	\$ 641,558	\$ 230,989	\$ 48,904	\$ 3,416	\$ 530,866	\$ 286,409	\$ 1,742,142
Professional fees	231,730	59,075	4,500	1,200	201,313	27,857	525,675
Travel and entertainment	118,504	70,256	355	4,038	50,906	6,991	251,050
Operations	75,211	7,642	2,412	-	145,753	1,552	232,570
Facilities	29,577	12,785	-	-	235,104	11,648	289,114
Projects	1,622,513	107,435	15,760	301	6,256	25,013	1,777,278
G&A allocation	453,780	160,817	30,137	3,951	(842,473)	193,778	(10)
<b>Total Expenses</b>	<b>\$ 3,172,873</b>	<b>\$ 648,999</b>	<b>\$ 102,068</b>	<b>\$ 12,906</b>	<b>\$ 327,725</b>	<b>\$ 553,248</b>	<b>\$ 4,817,819</b>