The Livestrong Foundation

Financial Statements
as of and for the Year Ended
December 31, 2020 and
Independent Auditors' Report

MAXWELL
& LOCKE
RITTER

The Livestrong Foundation

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Independent Auditors' Report

To the Board of Directors of
The Livestrong Foundation:

We have audited the accompanying financial statements of The Livestrong Foundation (a nonprofit organization) (the "Foundation"), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, 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 auditors' 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 Foundation as of December 31, 2020, 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.

Maxwell Locke & Ritter LLP

Austin, Texas
October 1, 2021

The Livestrong Foundation

Statement of Financial Position
December 31, 2020

Assets		
Cash and cash equivalents	$	371,801
Accounts receivable		66,929
Prepaid expenses and other assets		131,485
Gifts and grants receivable, net		155,227
Investments		36,277,600
Inventory		1,340,094
Property and equipment, net		117,650
Intangible assets		1,083,886
Total	$	39,544,672
Liabilities and Net Assets		
Liabilities:		
Accounts payable	$	248,573
Accrued liabilities		221,812
Deferred revenue		120,343
Total liabilities		590,728
Net Assets:		
Without donor restrictions:		
Undesignated		7,738,500
Board-designated operating reserve		2,000,000
Board-designated endowment		16,546,601
Total net assets without donor restrictions		26,285,101
With donor restrictions		12,668,843
Total net assets		38,953,944
Total	$	39,544,672

See notes to financial statements.

The Livestrong Foundation

Statement of Activities
Year Ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and net assets released from restrictions:			
Gifts and grant revenue	$ 807,028	56,208	863,236
Investment gain, net	355,105	117,208	472,313
PPP Loan (Note 9)	377,708	-	377,708
Special event revenues, net	202,169	-	202,169
Program merchandise and services	22,931	-	22,931
Program merchandise and services - promotional cost	(31,219)	-	(31,219)
Other	40,172	-	40,172
Total revenues, net	1,773,894	173,416	1,947,310
Net assets released from restrictions	382,775	(382,775)	-
Total revenues and net assets released from restrictions	2,156,669	(209,359)	1,947,310
Expenses:			
Program services	8,011,575	-	8,011,575
Fundraising	1,602,838	-	1,602,838
Management and general	351,232	-	351,232
Total expenses	9,965,645	-	9,965,645
Change in net assets	(7,808,976)	(209,359)	(8,018,335)
Net assets, beginning of year	34,094,077	12,878,202	46,972,279
Net assets, end of year	$ 26,285,101	12,668,843	38,953,944

See notes to financial statements.

The Livestrong Foundation

Statement of Functional Expenses
Year Ended December 31, 2020

	Program Services					Supporting Services		
	Livestrong Cancer Institute and Advocacy Initiatives	Direct Services	Grants and Research	Community Programs and Awareness	Total Program Services	Fundraising	Management and General	Total
Grants and awards	$ 4,791,000	-	267,633	-	5,058,633	-	-	5,058,633
Salaries, wages, and benefits	254,047	367,125	422,070	446,833	1,490,075	820,861	139,356	2,450,292
Contract services	37,263	542,936	48,371	110,622	739,192	152,564	22,013	913,769
Occupancy costs	19,888	44,969	28,630	24,212	117,699	190,657	116,440	424,796
Advertising	33,379	33,379	40,054	27,044	133,856	140,859	19,598	294,313
Technology	8,170	35,729	41,755	35,281	120,935	81,200	14,270	216,405
Public awareness	18,013	19,840	23,302	17,188	78,343	78,811	11,109	168,263
Depreciation and amortization	1,201	113,583	1,571	1,170	117,525	8,366	3,660	129,551
Professional fees	11,161	16,259	15,569	13,679	56,668	42,821	6,303	105,792
Bad debt	6,165	6,304	7,509	5,052	25,030	22,468	3,380	50,878
Printing and publications	5,494	5,541	6,630	5,586	23,251	23,473	3,254	49,978
Insurance and permits	2,321	5,849	4,976	5,134	18,280	17,701	6,592	42,573
Postage and supplies	2,569	4,513	3,414	5,997	16,493	11,595	3,577	31,665
Travel	1,483	1,921	2,038	2,671	8,113	5,167	858	14,138
Bank fees	352	2,335	2,009	2,000	6,696	5,791	718	13,205
Food and beverage	41	276	235	234	786	504	104	1,394
Total	$ 5,192,547	1,200,559	915,766	702,703	8,011,575	1,602,838	351,232	9,965,645
Costs of direct benefits to donors								91,681
Promotional cost								31,219
Total expenses								$ 10,088,545

See notes to financial statements.

The Livestrong Foundation

Statement of Cash Flows
Year Ended December 31, 2020

Cash Flows from Operating Activities:	
Change in net assets	$ (8,018,335)
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Change in allowance for uncollectible gifts and grants receivable and discount on long-term gifts and grants receivable	48,726
Contributions restricted for long-term investment	(1,208)
Investment return	(455,507)
Depreciation and amortization	129,551
Change in assets and liabilities that provided (used) cash:	
Accounts receivable	(15,669)
Prepaid expenses and other assets	34,301
Gifts and grants receivable	1,208
Inventory	6,674
Accounts payable	16,681
Accrued liabilities	80,773
Deferred revenue	38,268
Net cash used in operating activities	(8,134,537)
Cash Flows from Investing Activities:	
Net sales of investments	8,399,705
Purchases of property and equipment	(68,160)
Net cash provided by investing activities	8,331,545
Cash Flows from Financing Activities-	
Contributions restricted for long-term investment	1,208
Net change in cash and cash equivalents	198,216
Cash and cash equivalents, beginning of year	173,585
Cash and cash equivalents, end of year	$ 371,801

See notes to financial statements.

1. Organization

Our Mission

The Livestrong Foundation (the "Foundation") is a national nonprofit organization, headquartered in Austin, Texas, dedicated to improving the lives of people affected by cancer from the point of diagnosis through the entire cancer journey.

Since 1997, the Foundation has been a voice for cancer survivors and has supported more than 9.3 million people. The Foundation is focused on searching for the most overlooked problems in cancer care and then finding and funding solutions that can help people right away.

The Foundation accomplishes this in three ways: through its survivorship programs, its collaborative partnerships with community and grassroots organizations, and its solution grants program finding innovative solutions to the everyday problems faced by cancer patients and their families.

- Survivorship Programs **-** Through its Navigation, Fertility, and Help Starts Here programs, the foundation has supported more than 9.3 million people; more than 350,000 in 2020 alone. In addition, these programs have helped families save more than $86 million in healthcare related costs; more than $11 million in 2020 alone. We provide services and information to patients and families when they need it and where the need it; helping them solve the everyday cancer problems that make fighting cancer harder than it has to be.

- Collaborative Partnerships **-** The Foundation's history of collaborative relationships recognizes that we cannot solve the issues surrounding cancer alone. Our recent investment with the Dell Medical School at the University of Texas exemplifies these efforts. Our $50 million commitment creating the Livestrong Cancer Institutes is pioneering patient-centered cancer care and radically changing, revolutionizing, and re-inventing the way cancer patients are cared for. Through December 2020, the Institutes has cared for more than 500 patients through more than 3,000 patient appointments in more than 35 cancer disease specialty areas.

- Solution Grants Program **-** We have funded and supported more than 590 programs and initiatives that provide practical solutions to everyday cancer problems. We continue to recognize and fund organizations who are developing cutting edge, inventive, and sustainable solutions to overlooked cancer problems. Current funding is focused in four primary areas: post-treatment care, patient and caregiver education, comprehensive quality of life services and streamlining systems and care. In the last two years, we have funded 12 organizations with grants totaling more than $575,000.

2. Summary of Significant Accounting Policies

Basis of Presentation - The financial statements are presented in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") as defined by the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC").

Use of Estimates - The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications - Certain amounts in the prior year have been reclassified to conform to the presentation adopted in the current year. Total net assets and change in net assets are unchanged due to these reclassifications.

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

Without Donor Restrictions **-** These net assets are not subject to donor-imposed stipulations. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions, unless their use is restricted by explicit donor stipulation or by law. Net assets without donor restrictions are those currently available for use by the Foundation, or at the discretion of the Board of Directors (the "Board") for the Foundation's use. The Foundation has Board-designated net assets of $2,000,000 set aside as an operating reserve and $16,546,601 of Board-designated endowment net assets (Note 12). These ensure that adequate operating reserves are available and cannot be spent without prior Board approval.

With Donor Restrictions **-** These net assets are subject to donor-imposed stipulations, which limit their use by the Foundation to a specific purpose and/or the passage of time, or which require them to be maintained permanently. Net assets which are required to be maintained permanently are not available for use in operations and limitations neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Foundation.

Fair Value Measurements - Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value accounting requires characterization of the inputs used to measure fair value into a three-level fair value hierarchy as follows:

Level 1 **-** Inputs based on quoted market prices in active markets for identical assets or liabilities. An active market is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 **-** Observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity.

Level 3 **-** Unobservable inputs that reflect the entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

There are three general valuation techniques that may be used to measure fair value: 1) market approach **-** uses prices generated by market transactions involving identical or comparable assets or liabilities, 2) cost approach **-** uses the amount that currently would be required to replace the service capacity of an asset (replacement cost), and 3) income approach **-** uses valuation techniques to convert future amounts to present amounts based on current market expectations.

Cash and Cash Equivalents - The Foundation considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Accounts Receivable - Accounts receivable are recorded at the value of the special events revenue earned. Delinquent account receivable invoices do not accrue interest. The Foundation continually monitors each customer's credit worthiness individually and recognizes allowances for estimated bad debts on customer accounts that are no longer estimated to be collectible. The Foundation regularly adjusts any allowance for subsequent collections and final determination that an account receivable is no longer collectible. The Foundation had no allowance for uncollectible accounts receivable as of December 31, 2020, as management deemed all outstanding balances to be collectible.

Gifts and Grants Receivable - Gifts and grants that are unconditional promises to give are recorded at fair value if expected to be collected in one year and at net present value if expected to be collected in more than one year. All gifts and grants revenue are available for unrestricted use unless specifically restricted by the donor. Grants receivable consists of receivables from private grants. Receivables from gifts and grants are recorded as revenue when the award notification is received and an allowance has been recorded for amounts estimated to be uncollectible (Note 4).

Investments - Investments are reported at fair value in the statement of financial position. Investment transactions are recorded on the trade date and investment income is recorded in the statement of activities when earned. Net investment gain includes interest, dividends, realized and unrealized gains and losses, less investment fees. Realized gains and losses are recorded as the difference between historical cost and the proceeds earned from the sale of an investment. Unrealized gains and losses are recorded for the change in fair value of investments between reporting periods.

Inventory - Inventory consists of program merchandise such as wristbands and guidebooks, which includes finished goods and is held to give to program beneficiaries without charge or at a minimal fee. Inventory is stated at cost and cost is determined using the average cost method. Management reviews inventory for disposed of or destroyed items and records a specific reserve as necessary. As of December 31, 2020, no obsolescence reserve was deemed necessary.

Concentrations - Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash and cash equivalents, investments, and receivables. The Foundation places its cash and cash equivalents with a limited number of high-quality financial institutions and may exceed the amount of insurance provided on such deposits. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the near-term could materially affect the amounts reported in the statement of financial position.

The Foundation does not maintain collateral for its receivables. As of December 31, 2020, balances due from two donors represented 98% of the total receivables balance, and 90% of this balance is reserved in the allowance for uncollectible promises.

Property and Equipment - Property and equipment acquisitions are capitalized at cost if purchased and at fair value on the date of receipt if donated. The Foundation capitalizes all acquisitions of property and equipment in excess of $1,000 and a useful life of more than one year. Repairs and maintenance costs are charged to expense as incurred. Depreciation expense is calculated using the straight-line method over the estimated useful lives, which range from 5 to 7 years. Leasehold improvements are amortized over the lesser of the lease term or the estimated useful lives of the underlying assets.

Intangible Assets - Intangible assets consist of trademarks and licenses purchased which have an indefinite useful life. The Foundation purchased the rights to the trademark name Live Long…Live Strong™, the rights to the .livestrong domain, the permit rights for a downtown marathon relay event in Austin, Texas, and a domain application.

Impairment of Long-Lived Assets - Long-lived assets subject to depreciation and amortization are reviewed for impairment at the asset group level whenever events or circumstances indicate that the amount recorded may not be recoverable. An impairment loss is recognized by the amount in which the carrying amount of the asset group exceeds fair value, if the carrying amount of the asset group is not recoverable.

Indefinite-lived intangible assets are evaluated for impairment at the level of each separate unit of accounting on an annual basis and between annual tests in certain circumstances. The Foundation assesses qualitative factors to determine whether it is more likely than not that the fair value of a unit of accounting is less than its carrying amount as a basis for determining whether it is necessary to test indefinite-lived intangible assets for potential impairment. If it is more likely than not or if a qualitative assessment is not performed, the Foundation performs a quantitative assessment to determine the amount of the impairment loss, if any. An impairment loss is recognized by the amount in which the carrying amount of the unit of accounting exceeds fair value.

Gifts and Grant Revenue - Contributions received and unconditional promises to give are measured at their fair values. The Foundation recognizes gifts and grants when cash, securities, other assets, or unconditional promises to give are received. These gifts are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or 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.

The Foundation reports gifts of goods and equipment as net assets without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations about how long those assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Conditional promises to give, defined as those with a measurable performance or other barrier and a right to return, are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Donated Services - A substantial number of volunteers have donated over 11,900 hours to the Foundation's program services and fundraising campaigns during the year ended December 31, 2020. These donated services are not reflected in the financial statements since the services do not (a) create or enhance non-financial assets and do not (b) require specialized skills. Donated goods and services totaled $324,584 during the year ended December 31, 2020 and was included in gifts and grant revenue in the statement of activities. Donated goods and services recorded during the year ended December 31, 2020 included software subscription services, rent, and other items for special events.

Paycheck Protection Program Loan - The Foundation elects to account for funds received from a Paycheck Protection Program loan as a conditional grant as management expects to meet the U.S. Small Business Administration's ("SBA") criteria for loan forgiveness. Amounts received prior to incurring qualified expenses are reported as deferred revenue on the Foundation's statement of financial position. Once reasonable assurance that the conditions for loan forgiveness are met, the Foundation reduces the deferred revenue balance and recognizes revenue as the Foundation incurs the related eligible expenses.

Special Event Revenues - Special event revenues are recognized when promised services are transferred to customers in an amount that reflects the consideration to which the Foundation expects to be entitled in exchange for those services by following a five-step process, (1) identify the contract with a customer/member, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price, and (5) recognize revenue when or as the Foundation satisfies a performance obligation.

Special event revenues are recorded to revenue when the event takes place. Costs of direct benefits to donors are recorded in the fiscal year in which the events are held and include shirts, tickets, raffle prizes, and other donated goods and services for the Foundation's events. Costs of direct benefits to donors totaled $91,681 during the year ended December 31, 2020.

Deferred revenue consists of cash that has been received in advance of future special events and revenue will be recognized once the event has taken place.

Costs to Obtain or Fulfill Contracts - As performance obligations in the Foundation's contracts with customers are satisfied over a period of one year or less, the Foundation applies the practical expedient to expense costs to obtain a contract as incurred. The Foundation does not incur significant fulfillment costs requiring capitalization.

Functional Expenses - The accompanying financial statements present expense by functional and natural classification. Natural expenses directly attributable to a specific functional area are reported as expenses of those functional areas. Accordingly, certain costs have been allocated among the programs and supporting services using a variety of cost allocation techniques such as square footage and time and effort.

Advertising Costs - Advertising costs are expensed as incurred and totaled $294,313 during the year ended December 31, 2020.

Federal Income Taxes - The Foundation is a nonprofit organization that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, except to the extent of any unrelated business income. The Foundation did not incur any significant tax liabilities due to unrelated business income during the year ended December 31, 2020. The Foundation files Form 990 tax returns in the U.S. federal jurisdiction and is subject to routine examinations of its tax returns; however, there are no examinations currently in process.

Recently Issued Accounting Pronouncements - In February 2016, the FASB issued Accounting Standards Update ("ASU") No. 2016-02, *Leases (Topic 842),* which requires the recognition of lease assets and lease liabilities by lessees for all leases, including leases previously classified as operating leases, and modifies the classification criteria and accounting for sales-type and direct financing leases by lessors. Leases continue to be classified as finance or operating leases by lessees and both classifications require the recognition of a right-of-use asset and a lease liability, initially measured at the present value of the lease payments in the statement of financial position. Interest on the lease liability and amortization of the right-of-use asset are recognized separately in the statement of activities for finance leases and as a single lease cost recognized on the straight-line basis over the lease term for operating leases. The standard is effective using a modified retrospective approach for fiscal years beginning after December 15, 2021 and early adoption is permitted. The Foundation is currently evaluating the impact the standard will have on its financial statements.

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which seeks to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments, including trade receivables and other commitments to extend credit held by a reporting entity at each reporting date. Entities are required to replace the incurred loss impairment methodology in current U.S. GAAP with a methodology that reflects current expected credit losses and requires consideration of a broader range of reasonable and supportable information to determine credit loss estimates. The amendment is effective using a modified retrospective approach for fiscal years beginning after December 15, 2022 and early adoption is permitted. The Foundation is currently evaluating the impact the amendment will have on its financial statements.

3. Liquidity and Availability of Financial Assets

As of December 31, 2020, the Foundation's financial assets available within one year for general expenditure were as follows:

Cash and cash equivalents	$ 371,801
Accounts receivable	66,929
Gifts and grants receivable due in less than one year, net of allowance for uncollectible amounts	59,349
Investments	36,292,600
	36,790,679
Less: amounts unavailable for general expenditure within one year:	
Board-designated operating reserve	(2,000,000)
Board-designated endowment	(16,546,601)
Donor-restricted endowments	(11,973,166)
Total financial assets available to management for general expenditure within one year	$ 6,270,912

The Foundation invests its funds in liquid and non-liquid investments in a manner to maximize return, minimize interest rate risk, and support cash flow requirements. The Board ensures the Foundation's financial stability by approving an annual budget prior to the start of each fiscal year. The Foundation maintains financial policies to ensure funds are allocated in a manner consistent with the mission of the Foundation. Board-designated net assets without restrictions could be made available by the Board for current operations if needed.

As disclosed in Note 15, in January 2021 the Foundation received a $384,130 loan under the Paycheck Protection Program. The loan is eligible for forgiveness by the SBA, as defined.

4. Gifts and Grants Receivable

Gifts and grants receivable consisted of the following as of December 31, 2020:

Gifts and grants receivable due in less than one year	$ 1,339,526
Gifts and grants receivable due in one to five years	104,602
Gifts and grants receivable due in more than five years	6,000
	1,450,128
Less allowance for uncollectible promises	(1,280,177)
Less discount to net present value	(14,724)
Gifts and grants receivable, net	$ 155,227

Long-term gifts and grants receivable are valued based upon net present value where a stream of expected cash flows is discounted at an appropriate market interest rate. The discount rate used on long-term gifts and grants receivable was 3% as of December 31, 2020.

5. Investments

Investments reported at fair value were as follows as of December 31, 2020:

	Fair Value Measurements Using: Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total
Money market funds	$ 21,432,615	-	-	$ 21,432,615
Certificate of deposits	14,352,943	-	-	14,352,943
				35,785,558
Investments, measured at net asset value				492,042
Total investments at fair value				$ 36,277,600

All Level 1 investments have been valued using a market approach. The Foundation's investment in a private equity fund, TIFF Private Equity Partners ("TPEP") 2005, is measured at fair value using the net asset value ("NAV") practical expedient and has therefore been excluded from the fair value hierarchy leveling table. TPEP 2005 invests in U.S. and foreign buyout, venture capital, and resource-related investment partnerships.

Liquidation restrictions for investments for which fair value is measured using the NAV practical expedient as of December 31, 2020 consisted of the following:

	Fair Value as of December 31, 2020	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
TPEP 2005	$ 492,042	$ 150,000	Illiquid - 1 year	n/a

Investment gain, net consisted of the following during the year ended December 31, 2020:

Dividends and interest	$ 215,564
Unrealized gain	56,315
Realized gain	206,304
Investment fees	(5,870)
Investment gain, net	$ 472,313

6. Property and Equipment

Property and equipment consisted of the following as of December 31, 2020:

Software	$ 852,535
Furniture, fixtures, and equipment	123,929
Website development	49,372
Leasehold improvements	6,269
	1,032,105
Less accumulated depreciation and amortization	(914,455)
Property and equipment, net	$ 117,650

7. Intangible Assets

Intangible assets consisted of the following as of December 31, 2020:

Trademarks	$ 550,000
Licenses	533,886
Intangible assets	$ 1,083,886

8. Grants Payable

During the year ended December 31, 2020, the Foundation made grants to fund cancer survivorship tools, and fund various community grants and sponsorships. There were no grants payable as of December 31, 2020.

Conditional grants payable are not recorded as grants payable in the statement of financial position until the condition has been met. As of December 31, 2020, the Foundation had an aggregate of $34,259,536 in conditional grants payable to others to be paid through 2024. Included in this amount is the remaining unpaid balance of a $50 million pledge agreement with The University of Texas at Austin ("UT") and the Dell Medical School for The Livestrong Cancer Institutes (the "Institutes"). The Institutes is pioneering patient-centered cancer care and radically changing, revolutionizing, and re-inventing the way cancer patients are cared for. Through December 31, 2020, the Institutes has cared for more than 500 patients through more than 3,000 patient appointments in more than 35 cancer disease specialty areas. The pledge is to be paid over 10 years from 2015 through 2024, conditioned upon satisfactory achievement of agreed upon metrics and milestones. The Foundation paid $4,791,000 to UT during the year ended December 31, 2020, and has paid a total of $16,286,000 to UT under this pledge agreement from 2016 through 2020.

9. PPP Loan

In April 2020, the Foundation received a $377,708 loan under the Paycheck Protection Program which was created through the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") and is administered by the SBA (the "PPP Loan"). The PPP Loan had a fixed interest rate of 1% and was eligible for forgiveness by the SBA for the portion of loan proceeds used for payroll costs and other designated operating expenses (as defined) for up to eight weeks or, at the discretion of the borrower, twenty-four weeks (the "Covered Period"), provided at least 60% of loan proceeds were used for payroll costs and the Foundation met all necessary criteria as defined by the SBA. Payments were deferred until the earlier of (i) the date the SBA remitted to the lender the amount of forgiveness granted to the Foundation, or (ii) ten months after the last day of the Covered Period if the Foundation did not apply for loan forgiveness. The Foundation recognized revenue associated with the PPP Loan totaling $377,708 for the year ended December 31, 2020. In January 2021, the SBA granted the Foundation forgiveness for the PPP Loan.

10. Commitments and Contingencies

The Foundation leases office facilities and equipment under non-cancelable operating leases. Rental expense totaled $412,803 during the year ended December 31, 2020, of which $58,584 was in-kind. Future minimum lease payments, including estimated common area maintenance, under the Foundation's obligations as of December 31, 2020 were as follows:

2021	$ 246,491
2022	246,064
2023	27,788
Total	$ 520,343

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout the world. While the disruption is expected to be temporary, there is uncertainty around the severity and duration. As a result of the pandemic, several of the Foundation's special events were cancelled or carried on virtually. Therefore, while this issue is expected to negatively impact the Foundation's business, results of operations, and financial position, the related financial impact cannot be reasonably estimated at this time. The Foundation is actively managing the business to maintain its cash flow and management believes that the Foundation has adequate liquidity. The Foundation has taken various actions to preserve its liquidity. As described in Note 9, in April 2020, the Foundation received a $377,708 PPP Loan. As described in Note 15, in Janaury 2021, the Foundation received a $384,130 Second Draw PPP Loan.

11. Net Assets with Donor Restrictions

Net assets with donor restrictions were restricted for the following purposes as of December 31, 2020:

Temporarily restricted:	
Earnings on donor endowments	$ 1,802,186
Men's Health Initiatives	660,314
Programs and partnerships	25,613
Time restrictions	9,750
Permanently restricted donor endowments	10,170,980
Total	$ 12,668,843

12. Endowments

The Foundation interprets the Texas Uniform Prudent Management of Institutional Funds Act ("TUPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. Donor-restricted net assets are classified at the original value of gifts donated to the permanent endowment, plus the original value of subsequent gifts to the permanent endowment. The earnings portion of the donor-restricted endowment fund is classified as net assets with donor restrictions until those funds are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by TUPMIFA. In accordance with TUPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundation's investment policies.

The endowment funds at the Foundation are for the general purposes of the Foundation and may provide support for a specific educational program, assist a specific national advocacy program, or fund a particular type of grant or purpose mutually agreed upon with the donor.

The corpus (principal) of donor restricted funds may never be spent. However, income and net appreciation may be expended in accordance with the spending policy described below. It is the policy of the endowment to comply with both federal and state law in complying with the specific time or use restrictions as stipulated by the individual donor. As such, the disclosure of the net asset classification of donor-restricted endowment funds is highlighted in this footnote.

In accordance with TUPMIFA, the Foundation does not exceed a spending rate of 7% of the rolling three-year moving average of the monthly portfolio market value. The investment policy for endowment funds outlines the Foundation's return objectives and risk parameters as summarized below:

- Return objectives - The return objective for endowment funds is to preserve and enhance the purchasing power of endowment assets, net of costs and Board-approved withdrawals. This goal is synonymous with the pursuit of a time-weighted net return on endowment assets that equals inflation plus the long-term spending rate.

- Risk parameters - The endowment's risk parameters are measured by its policy portfolio and allowable asset mix detailed in Board-approved investment guidelines. These guidelines provide specific target allocations and ranges. The policy portfolio represents the highest expected return asset mix that is likely to satisfy the return objectives. Because the policy portfolio entails benchmarks for each of its segments and hence also for the endowment as a whole, it constitutes an appropriate standard by which to measure progress toward achievement of these objectives.

The Foundation makes deficient donor-restricted endowment funds whole as of December 31 by allocating funds from Board-designated endowment funds to the respective deficient donor-restricted endowment balance. The Foundation did not have any deficient donor-restricted endowments as of December 31, 2020.

As of December 31, 2020, endowment net assets consisted of over 75 individual named funds.

The changes in endowment net assets during the year ended December 31, 2020 were as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 21,094,866	$ 11,854,750	$ 32,949,616
Investment gain, net	242,735	117,208	359,943
Contributions	-	1,208	1,208
Appropriation of endowment assets for expenditure	(4,791,000)	-	(4,791,000)
Endowment net assets, end of year	$ 16,546,601	$ 11,973,166	$ 28,519,767

13. Retirement Plan

The Foundation has a defined contribution 401(k) retirement plan for substantially all of its employees. The Foundation matches contributions of the eligible participants' elective deferrals up to a maximum of 4% of eligible compensation. The Foundation contributed $85,099 to participant accounts during the year ended December 31, 2020.

14. Related Party Transactions

During the year ended December 31, 2020, the Foundation received contributions of $38,250 from Board members. As of December 31, 2020, the Foundation had outstanding contributions receivable due from Board members totaling $34,437.

15. Subsequent Events

The Foundation has evaluated subsequent events through October 1, 2021 (the date the financial statements were available to be issued).

In January 2021, the Foundation received a Second Draw PPP Loan totaling $384,130. The loan has a fixed interest rate of 1%, matures in five years, and has terms for forgiveness similar to the PPP Loan described in Note 9.

In March 2021, the Foundation entered into a company agreement as 50% member and co-manager of Cancer Market Network, LLC ("CMN"), formed under the laws of the State of Texas. The purpose of CMN is to design, build and operate a network and platform for people affected by cancer, connecting those affected with solutions to the everyday problems they face during their cancer journeys. As of December 31, 2020, the Foundation has invested $15,000 for its equity interest, and it is reflected in other assets. In April 2021, the Foundation loaned $200,000 to CMN in the form of a convertible promissory note. The convertible promissory note accrues interest at 6% and matures on October 5, 2023. Unless earlier repaid or converted pursuant to the provisions, as defined, the outstanding principal and accrued interest shall be due and payable upon request of the Foundation or upon maturity.