ALZHEIMER’S FOUNDATION OF AMERICA

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021
WITH SUMMARIZED COMPARATIVE INFORMATION FOR 2020
ALZHEIMER’S FOUNDATION OF AMERICA

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INDEPENDENT AUDITORS’ REPORT

Board of Directors
Alzheimer’s Foundation of America

Opinion

We have audited the financial statements of Alzheimer’s Foundation of America, which comprise the statement of financial position as of December 31, 2021, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Alzheimer’s Foundation of America 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 (GAAS). 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 Alzheimer’s Foundation of America 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 Alzheimer’s Foundation of America’s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.
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 auditors’ 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 GAAS 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 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 GAAS, 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 Alzheimer’s Foundation of America’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 Alzheimer’s Foundation of America’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.

Other Matters – Prior Year Financial Statements

We have previously audited the Alzheimer’s Foundation of America’s 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 21, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Hartford, CT
September 14, 2022
# ALZHEIMER’S FOUNDATION OF AMERICA

## STATEMENT OF FINANCIAL POSITION

**DECEMBER 31, 2021**

*(WITH SUMMARIZED COMPARATIVE INFORMATION AS OF DECEMBER 31, 2020)*

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$9,386,325</td>
<td>$16,483,408</td>
</tr>
<tr>
<td>Investments</td>
<td>$29,916,374</td>
<td>$15,204,839</td>
</tr>
<tr>
<td>Contributions receivable</td>
<td>$277,520</td>
<td>$354,826</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>$172,258</td>
<td>$71,499</td>
</tr>
<tr>
<td>Security deposits</td>
<td>$27,533</td>
<td>$27,519</td>
</tr>
<tr>
<td>Fixed assets, net</td>
<td>$157,264</td>
<td>$161,875</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$39,937,274</strong></td>
<td><strong>$32,303,966</strong></td>
</tr>
</tbody>
</table>

| **Liabilities and Net Assets** |        |            |
| **Liabilities**               |        |            |
| Accounts payable              | $256,925 | $529,931   |
| Vacation payable              | $62,769  | $73,643    |
| Grants payable, net           | $1,140,656 | $647,297  |
| **Total Liabilities**         | **1,460,350** | **1,250,871** |

| **Net Assets**                |        |            |
| Without donor restrictions    | 32,265,362 | 27,607,498 |
| With donor restrictions       | 6,211,562  | 3,445,597  |
| **Total Net Assets**          | **38,476,924** | **31,053,095** |

| **Total Liabilities and Net Assets** |        |            |
| **Total Liabilities and Net Assets** | **$39,937,274** | **$32,303,966** |

*The accompanying notes are an integral part of these financial statements.*
## ALZHEIMER’S FOUNDATION OF AMERICA

**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

(WITH SUMMARIZED COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)

The accompanying notes are an integral part of these financial statements.
## ALZHEIMER’S FOUNDATION OF AMERICA

### STATEMENT OF FUNCTIONAL EXPENSES

**FOR THE YEAR ENDED DECEMBER 31, 2021**

*WITH SUMMARIZED COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020*

The accompanying notes are an integral part of these financial statements.
# ALZHEIMER’S FOUNDATION OF AMERICA
## STATEMENT OF CASH FLOWS
### FOR THE YEAR ENDED DECEMBER 31, 2021
(WITH SUMMARIZED COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)

<table>
<thead>
<tr>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Flows from Operating Activities</strong></td>
<td></td>
</tr>
<tr>
<td>Change in net assets</td>
<td>$7,423,829</td>
</tr>
<tr>
<td>Adjustments to reconcile change in net assets to net cash provided by operating activities:</td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>76,519</td>
</tr>
<tr>
<td>Net realized and unrealized gains on investments</td>
<td>(541,283)</td>
</tr>
<tr>
<td>Changes in assets and liabilities:</td>
<td></td>
</tr>
<tr>
<td>Contributions receivable</td>
<td>77,306</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>(100,759)</td>
</tr>
<tr>
<td>Security deposits</td>
<td>(14)</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>(273,006)</td>
</tr>
<tr>
<td>Vacation payable</td>
<td>(10,874)</td>
</tr>
<tr>
<td>Grants payable</td>
<td>493,359</td>
</tr>
<tr>
<td><strong>Net Cash Provided by Operating Activities</strong></td>
<td>7,145,077</td>
</tr>
</tbody>
</table>

| **Cash Flows from Investing Activities** |            |
| Purchases of fixed assets | (71,908) | (48,424) |
| Purchases of investments, net | (14,465,664) | (1,972,084) |
| **Net Cash Used in Investing Activities** | (14,537,572) | (2,020,508) |

| **Net Change in Cash and Cash Equivalents** | (7,392,495) | 3,593,644 |
| **Cash and Cash Equivalents - Beginning** | 17,086,395 | 13,492,751 |
| **Cash and Cash Equivalents - Ending** | $9,693,900 | $17,086,395 |

| **Reconciliation to Amounts Reported on the Statement of Financial Position** |            |
| Cash and cash equivalents | $9,386,325 | $16,483,408 |
| Cash and cash equivalents included within investments | 307,575 | 602,987 |
| **Cash and Cash Equivalents for Statement of Cash Flows** | $9,693,900 | $17,086,395 |

The accompanying notes are an integral part of these financial statements.
NOTE 1 – GENERAL

ORGANIZATION

Alzheimer’s Foundation of America (AFA) is a non-profit foundation comprised of member and associate member organizations across the United States dedicated to meeting the educational, social and emotional needs of individuals with Alzheimer’s disease and their families and caregivers, as well as raising public awareness about the disease and lending expertise to healthcare professionals. AFA’s primary sources of support are contributions.

The Internal Revenue Service has determined that AFA is exempt from federal income tax pursuant to Section 501(c)(3) of the Internal Revenue Code.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as promulgated by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC).

USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash and highly liquid investments with maturity dates, when acquired, of three months or less. In general, the Federal Deposit Insurance Corporation (FDIC) insures cash balances up to $250,000 per depositor, per bank. It is AFA’s policy to monitor the financial strength of the banks that holds its deposits on an ongoing basis. During the normal course of business, AFA maintains cash balances in excess of the FDIC insurance limit.
NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CONTRIBUTIONS RECEIVABLE

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which promises are received. Amortization of the discounts are included in contribution revenue. AFA determines whether an allowance for uncollectible accounts should be provided for contributions receivable. Such estimates are based upon management’s assessment of the aging of its receivables, current economic conditions, subsequent receipts and historical information. Conditional promises to give are not included as support until the conditions are substantially met. There was no allowance as of December 31, 2021 as all of the outstanding contributions receivable were considered collectible.

FIXED ASSETS

Fixed assets in excess of $1,000 with an estimated useful life of greater than one year are capitalized. Depreciation is provided on the straight-line method over the assets’ estimated useful life of five years. Amortization of leasehold improvements is computed over the lesser of their estimated useful lives or the terms of the lease.

NET ASSETS

To ensure observance of limitations and restrictions placed on the use of resources available to AFA, the accounts of AFA are maintained in the following net asset categories:

Without Donor Restrictions - Net assets without donor restrictions represent available resources other than donor-restricted contributions.

With Donor Restrictions - Net assets with donor restrictions represent contributions that are restricted by the donor either as to purpose or as to time restriction or represent contributions received with the donor restriction that the principal be held in perpetuity and that the income earned, thereon, be used for operations or a specific purpose or time frame.
NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**IN-KIND CONTRIBUTIONS / EXPENSES**

In-kind contributions consists primarily of donated media which is recorded at its fair value at the date of donation as revenue and an equal amount of expense based upon market value as provided by the media vendors.

**GRANTS AND CONTRIBUTIONS**

Unconditional grants and contributions, including promises to give cash and other assets, are reported at fair value at the date the grant and contribution is received. The gifts are reported as donor restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restrictions.

**SPECIAL EVENTS**

AFA conducts special events 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. Proceeds received are recorded as special events revenue as the events occur in the accompanying statement of activities and changes in net assets.

**PROGRAM INCOME**

Program income from professional training and education is recorded when services are provided.

**GRANTS PAYABLE AND EXPENSES**

Grants payable represent unpaid commitments made by the Board of Directors. Grant expenses represent grants which are appropriated by the Board of Directors to fund research into Alzheimer’s and other mission related activities.

**MEMBERSHIP DUES**

Revenue for membership dues are recognized over the membership period.
NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**FAIR VALUE MEASUREMENTS**

FASB ASC 820 provides a framework for measuring fair value. That framework 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 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 AFA has the ability to access.

- **Level 2** - Inputs to the valuation methodology include:
  - Quoted prices for similar assets in active markets;
  - Quoted prices for identical or similar assets in inactive markets;
  - Inputs other than quoted prices that are observable for the asset;
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

- **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.

**FUNCTIONAL ALLOCATION OF EXPENSES**

The costs of providing services have been summarized on a functional basis. Accordingly, certain costs not able to be directly attributed to a function have been allocated among the programs and supporting services for which the costs have been incurred. Such allocated costs primarily consist of employee benefits, which were allocated based on salaries and rent and other occupancy expenses, which were allocated based on management’s best estimates of usage.
NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INCOME TAXES

AFA has been recognized by the Internal Revenue Service as a not-for-profit entity as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes except for unrelated business income. AFA did not receive any unrelated business income for the year ended December 31, 2021.

AFA accounts for uncertain tax provisions under FASB ASC 740, Income Taxes, which provides a framework for how entities should recognize, measure, present and disclose uncertain tax positions in their financial statements. AFA may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. AFA does not have any uncertain tax positions as of December 31, 2021. As of December 31, 2021, AFA did not record any penalties or interest associated with uncertain tax positions.

SUBSEQUENT EVENTS

Subsequent events have been evaluated through September 14, 2022, which is the date the financial statements were available to be issued. Management believes there are no subsequent events requiring adjustment to, or disclosures in, the accompanying financial statements.

NOTE 3 – CONTRIBUTIONS RECEIVABLE

All unconditional contributions receivable have been recorded at their estimated present value. The contributions receivable, as of December 31, 2021, are all expected to be collected in 2022.
NOTE 4 – FIXED ASSETS

Fixed assets consisted of the following as of December 31, 2021:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leasehold improvements</td>
<td>$ 77,024</td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>$ 454,080</td>
</tr>
<tr>
<td></td>
<td>$ 531,104</td>
</tr>
<tr>
<td>Accumulated depreciation and amortization</td>
<td>$(373,840)</td>
</tr>
</tbody>
</table>

Fixed assets, net $157,264

Depreciation and amortization expense for the year ended December 31, 2021 was $76,519.

NOTE 5 – GRANTS PAYABLE

Unconditional grants payable consist primarily of research grants and are generally all paid out within one year.

NOTE 6 – FAIR VALUE MEASUREMENTS

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2021 as compared to those used at December 31, 2020.

*Common stock, mutual funds and exchange traded funds* - Valued at the closing price reported on an active market on which the individual securities are traded and at the net asset value (NAV) of shares held at year end.
NOTE 6 – FAIR VALUE MEASUREMENTS (CONTINUED)

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 AFA believes its valuation methods are 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.

The following table sets forth by level, within the fair value hierarchy, the assets at fair value:

<table>
<thead>
<tr>
<th></th>
<th>Level 1</th>
<th>Level 2</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common stocks</td>
<td>$ 3,653,147</td>
<td>$</td>
<td>$ 3,653,147</td>
</tr>
<tr>
<td>Mutual funds:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>U.S Fixed income</td>
<td>11,828,172</td>
<td>--</td>
<td>11,828,172</td>
</tr>
<tr>
<td>U.S Equity</td>
<td>9,115,104</td>
<td>--</td>
<td>9,115,104</td>
</tr>
<tr>
<td>Non-U.S. Equity</td>
<td>3,191,543</td>
<td>--</td>
<td>3,191,543</td>
</tr>
<tr>
<td>Other</td>
<td>1,820,833</td>
<td>--</td>
<td>1,820,833</td>
</tr>
<tr>
<td></td>
<td>$ 29,608,799</td>
<td>$</td>
<td>29,608,799</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td></td>
<td></td>
<td>307,575</td>
</tr>
<tr>
<td>Total investments</td>
<td>$ 29,916,374</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The carrying amounts of cash and cash equivalents, contributions receivable, security deposits, accounts payable, vacation payable and grants payable approximate their fair value because of the short-term nature of these instruments.
NOTE 7 – NET ASSETS

As of December 31, 2021, all of AFA’s net assets without donor restrictions were undesignated. Net assets with donor restrictions at December 31, 2021 consisted of the following:

Subject to Expenditure for Specified Purpose:
- Research grants and bequests $4,950,830
- Other $568,127
- Educating America Tour $203,425

Total $5,722,382

Subject to Donor Restrictions or AFA Spending
- Policy and Appropriation:
  - Investment in perpetuity $450,000
  - Unappropriated earnings on investment in perpetuity available for general operating purposes $39,180

Total $489,180

Total Net Assets With Donor Restrictions $6,211,562

Net assets were released from restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors during the year ended December 31, 2021 as follows:

Purpose Restrictions Accomplished:
- Research grants $300,000
- Other $375,196
- Educating America Tour $84,523

Total $759,719

Release of Appropriated Endowment Earnings:
- General operating purposes $--

Total Net Assets Released from Donor Restrictions $759,719
NOTE 8 – ENDOWMENT

AFA’s endowment consists of one donor-restricted endowment fund established to support activities of the organization. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence of donor-imposed restrictions.

AFA’s endowment consisted solely of funds with donor restrictions and are as follows at December 31, 2021:

Donor Restricted Endowment Funds:
- Original donor-restricted endowment gift amount $450,000
- and amounts required to be retained by donor
- Unappropriated endowment earnings 39,180

$489,180

Changes in AFA’s endowment consisted of the following for the year ended December 31, 2021:

Donor Restricted Endowment Funds:
- Endowment net assets - beginning of year $450,000
- Investment return, net 39,180

Endowment net assets - end of year $489,180

INTERPRETATION OF RELEVANT LAW

Management of AFA adopted the New York Prudent Management of Institutional Funds Act (NYPMIFA). NYPMIFA permits charities to apply a spending policy to endowments based on certain specified standards of prudence. AFA is governed by the NYPMIFA spending policy, which establishes a standard maximum prudent spending limit of 7% of the average of its previous five years’ balance. As a result of this interpretation, AFA classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by AFA in a manner consistent with the standard of prudence prescribed by NYPMIFA.
NOTE 8 – ENDOWMENT (CONTINUED)

RETURN OBJECTIVES, STRATEGIES EMPLOYED AND SPENDING POLICY

AFA’s current objective is to develop an investment policy that would protect the corpus of the endowment fund while earning investment income. The earnings on endowments are accounted for subject to donor restrictions until appropriated for expenditure.

FUNDS WITH DEFICIENCIES

There are no funds with deficiencies.

NOTE 9 – LEASE COMMITMENTS

AFA leases space for its office under an operating lease, which was set to originally expire on November 30, 2021. AFA also leased satellite storage space on a month-to-month basis. AFA began leasing additional space for its Education and Resource Center, commencing on June 1, 2017. On March 26, 2019, AFA executed an amendment to the operating lease, which changed the configuration of the office and storage space and eliminated the month-to-month arrangement for the storage space. The new lease period is for six years. Rent expense for the year ended December 31, 2021 was $608,371. AFA’s future minimum rental commitments as of December 31, 2021 are as follows for the years ending December 31:

<table>
<thead>
<tr>
<th>Year</th>
<th>Rent Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>$623,580</td>
</tr>
<tr>
<td>2023</td>
<td>$639,169</td>
</tr>
<tr>
<td>2024</td>
<td>$655,148</td>
</tr>
<tr>
<td>2025</td>
<td>$671,527</td>
</tr>
</tbody>
</table>

$2,589,424

AFA records deferred rent when there are material differences between the fixed lease payment and the straight line rent. At December 31, 2021, no deferred rent was recorded.
NOTE 10 – EMPLOYEE RETIREMENT PLAN

AFA had a 403(b) pension plan available to eligible employees. No contributions were made by AFA and the plan was terminated in 2019.

On January 1, 2019, AFA established the Alzheimer’s Foundation of America 401(k) plan for eligible employees. The 401(k) plan includes discretionary employer matching and profit sharing provisions and allows for employee salary deferral contributions. AFA made $87,859 of contributions to this plan in 2021.

NOTE 11 – LIQUIDITY AND AVAILABILITY OF RESOURCES

AFA’s financial assets available within one year of the statement of financial position date for general expenditure are as follows:

Financial assets, at year end:

- Cash and cash equivalents $9,386,325
- Investments 29,916,374
- Contributions receivable 277,520

Less those unavailable for general expenditures within one year, due to:

- Restricted by donor in perpetuity (450,000)
- Subject to appropriation and satisfaction of donor restrictions (39,180)

Financial assets available to meet cash needs for general expenditures within one year $39,091,039

AFA is substantially supported by contributions, some of which are restricted. Because a donor’s restriction requires resources to be used in a particular manner or in a future period, AFA ensures that it maintains sufficient resources to meet those responsibilities to its donors.

As part of AFA’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, AFA invests cash in excess of daily requirements in certain investments.
NOTE 12 – COVID-19 PANDEMIC

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 United States of America and the World. AFA continues to monitor the COVID-19 pandemic and the related business and travel restrictions and changes to behavior intended to reduce its spread, and in addition to the impact on its employees. Due to the continued uncertainty surrounding the duration of the pandemic, its ultimate impact on AFA’s operations and liquidity is uncertain as of the date of this report.