

**FINANCIAL STATEMENTS**

**PARALYZED VETERANS OF AMERICA  
SPINAL CORD RESEARCH FOUNDATION**

**FOR THE YEARS ENDED  
JUNE 30, 2021 AND 2020**

**PARALYZED VETERANS OF AMERICA SPINAL CORD RESEARCH FOUNDATION**

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**CPAs & ADVISORS**

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Paralyzed Veterans of America Spinal Cord Research Foundation  
Washington, D.C.

We have audited the accompanying financial statements of the Paralyzed Veterans of America Spinal Cord Research Foundation (PVA Research Foundation), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities and changes in net assets, functional expenses 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of PVA Research Foundation as of June 30, 2021 and 2020, 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.

*Gelman Rosenberg & Freedman*

October 18, 2021

## PARALYZED VETERANS OF AMERICA SPINAL CORD RESEARCH FOUNDATION

STATEMENTS OF FINANCIAL POSITION  
AS OF JUNE 30, 2021 AND 2020

<b>ASSETS</b>		<u>2021</u>	<u>2020</u>
<b>ASSETS</b>			
Cash and cash equivalents		\$ 556,252	\$ 472,432
Investments		3,165,697	3,071,324
Contributions receivable		88,584	3,000
Due from related party		<u>4,409</u>	<u>12,180</u>
<b>TOTAL ASSETS</b>		<b><u>\$ 3,814,942</u></b>	<b><u>\$ 3,558,936</u></b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>LIABILITIES</b>			
Grants payable		\$ <u>595,828</u>	\$ <u>568,095</u>
<b>NET ASSETS</b>			
Without donor restrictions:			
Undesignated		1,269,027	440,754
Board designated		<u>1,950,087</u>	<u>2,550,087</u>
Total net assets		<u>3,219,114</u>	<u>2,990,841</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<b><u>\$ 3,814,942</u></b>	<b><u>\$ 3,558,936</u></b>

## PARALYZED VETERANS OF AMERICA SPINAL CORD RESEARCH FOUNDATION

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	<u>Without Donor Restrictions</u>	
	<u>2021</u>	<u>2020</u>
<b>SUPPORT AND REVENUE</b>		
Contributions	\$ 336,310	\$ 84,778
Legacies and bequests	-	10,000
Contributed services	200,935	191,625
Other revenue	<u>-</u>	<u>14,858</u>
Total support and revenue	<u>537,245</u>	<u>301,261</u>
<b>EXPENSES</b>		
Program Services:		
Research, Consumer and Professional Education	947,229	988,025
Supporting Services:		
General and Administrative	<u>3,477</u>	<u>8,706</u>
Total expenses	<u>950,706</u>	<u>996,731</u>
Changes in net assets before other item	(413,461)	(695,470)
<b>OTHER ITEM</b>		
Investment income, net	<u>641,734</u>	<u>58,603</u>
Changes in net assets	228,273	(636,867)
Net assets at beginning of year	<u>2,990,841</u>	<u>3,627,708</u>
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 3,219,114</u></b>	<b><u>\$ 2,990,841</u></b>

## PARALYZED VETERANS OF AMERICA SPINAL CORD RESEARCH FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Program Services</u>	<u>Supporting Services</u>	
	Research, Consumer and Professional Education	General and Administrative	<u>Total Expenses</u>
Research grants	\$ 746,294	\$ -	\$ 746,294
Salaries and wages	46,352	-	46,352
Employee benefits	15,760	-	15,760
Professional and consulting	138,823	-	138,823
Bank fees	-	2,167	2,167
State registration fees	-	1,310	1,310
<b>TOTAL</b>	<b><u>\$ 947,229</u></b>	<b><u>\$ 3,477</u></b>	<b><u>\$ 950,706</u></b>

## PARALYZED VETERANS OF AMERICA SPINAL CORD RESEARCH FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Program Services</u>	<u>Supporting Services</u>	
	<u>Research, Consumer and Professional Education</u>	<u>General and Administrative</u>	<u>Total Expenses</u>
Research grants	\$ 796,400	\$ -	\$ 796,400
Salaries and wages	42,306	-	42,306
Employee benefits	14,251	-	14,251
Professional and consulting	121,870	-	121,870
Conferences, conventions and meetings	13,198	-	13,198
Bank fees	-	8,021	8,021
State registration fees	-	685	685
<b>TOTAL</b>	<b><u>\$ 988.025</u></b>	<b><u>\$ 8.706</u></b>	<b><u>\$ 996.731</u></b>



## PARALYZED VETERANS OF AMERICA SPINAL CORD RESEARCH FOUNDATION

STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in net assets	\$ 228,273	\$ (636,867)
Adjustments to reconcile changes in net assets to net cash used by operating activities:		
Unrealized (gain) loss on investments	(414,337)	17,140
Realized gain on sale of investments	(179,020)	(14,231)
Write off of unused grants	52,656	17
(Increase) decrease in:		
Contributions receivable	(85,584)	(2,500)
Due from related party	7,771	39,514
Decrease in:		
Grants payable	<u>(24,923)</u>	<u>(581)</u>
Net cash used by operating activities	<u>(415,164)</u>	<u>(597,508)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of investments	(1,202,256)	(2,934,632)
Proceeds from sale of investments	<u>1,701,240</u>	<u>3,421,456</u>
Net cash provided by investing activities	<u>498,984</u>	<u>486,824</u>
Net increase (decrease) in cash and cash equivalents	83,820	(110,684)
Cash and cash equivalents at beginning of year	<u>472,432</u>	<u>583,116</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u>\$ 556,252</u></b>	<b><u>\$ 472,432</u></b>

# PARALYZED VETERANS OF AMERICA SPINAL CORD RESEARCH FOUNDATION

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

#### Organization -

The Paralyzed Veterans of America Spinal Cord Research Foundation (PVA Research Foundation) is a non-profit corporation, incorporated in the District of Columbia on March 8, 1976. PVA Research Foundation is controlled by the Paralyzed Veterans of America (PVA), a national, nonprofit corporation chartered by the U.S. Congress on August 11, 1971. PVA Research Foundation receives funding from PVA and raises private contributions to fund grants for research related to spinal cord injury or disease. PVA Research Foundation's primary sources of revenue are contributions from PVA, PVA chapters, and the general public as well as legacies and bequests.

#### Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories are as follows:

- **Net Assets Without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Assets restricted solely through the actions of the Board are referred to as Board Designated and are also reported as net assets without donor restrictions.
- **Net Assets With Donor Restrictions** - Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in "net assets with donor restrictions", depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities and Changes in Net Assets as net assets released from donor restrictions. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue without donor restrictions when the assets are placed in service. PVA Research Foundation did not have any net assets with donor restrictions as of June 30, 2021 and 2020.

The accompanying financial statements represent the activity of PVA Research Foundation only. For the years ended June 30, 2021 and 2020, the financial statements of PVA Research Foundation have been consolidated with the Paralyzed Veterans of America (PVA) in accordance with FASB ASC 958-810, *Not-for-Profit Entities, Consolidation*. The consolidated financial statements are available at PVA Research Foundation's headquarters.

#### New accounting pronouncement adopted -

During the year ended June 30, 2020, PVA Research Foundation adopted ASU 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. This guidance is intended to clarify and improve the scope and the accounting guidance for contributions received and contributions made. Key provisions in this guidance include clarification regarding the accounting for grants and contracts as exchange transactions or contributions, and improve guidance to better distinguish between conditional and unconditional contributions. PVA Research Foundation adopted the ASU using a modified prospective basis.

**PARALYZED VETERANS OF AMERICA SPINAL CORD RESEARCH FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION  
(Continued)**

Cash and cash equivalents -

PVA Research Foundation considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, PVA Research Foundation maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Investments -

Investments are recorded at their readily determinable fair value. Interest, dividends, realized and unrealized gains and losses are included in investment income, which is presented net of investment expenses paid to external investment advisors, in the accompanying Statements of Activities and Changes in Net Assets.

Contributions receivable -

Contributions receivable are recorded at their net realizable value, which approximates fair value. Management considers all amounts to be fully collectible. Accordingly, an allowance for doubtful accounts has not been established.

Grants payable -

PVA Research Foundation approves multiyear grants in total at the time of the initial grant award and records these amounts as grants payable. The grants are generally provided by PVA Research Foundation, 45% in the first year, 45% in year two and the remaining 10% is provided upon completion of the grant. The discount on these long term grants is considered immaterial by management.

In instances where grants are not completed, PVA Research Foundation either is refunded amounts that were advanced to perform the grant, or in instances where funds were not advanced, the remaining liability is written off in the period of the grant termination. The combination of these amounts are recorded within contributions in the accompanying statement of activities. The amounts recorded within contributions was \$52,656 and \$17 for the years ended June 30, 2021 and 2020, respectively.

Income taxes -

PVA Research Foundation is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. PVA Research Foundation is not a private foundation.

Uncertain tax positions -

For the years ended June 30, 2021 and 2020, PVA Research Foundation has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

Contributions -

The majority of PVA Research Foundation's revenue is received through contributions, including legacies and bequests. Contributions are recognized in the appropriate category of net assets in the period received.

**PARALYZED VETERANS OF AMERICA SPINAL CORD RESEARCH FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION  
(Continued)**

Contributions (continued) -

PVA Research Foundation performs an analysis of the individual contribution to determine if the revenue streams follow the contributions rules or if considered an exchange transaction depending on whether the transaction is reciprocal or nonreciprocal under ASU 2018-08, Not-for-Profit Entities (Topic 958): *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*.

For revenue qualifying under the contribution rules, revenue is recognized upon notification of the award and satisfaction of all conditions, if applicable. Contributions that are unconditional and have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Funds in excess of expenses incurred are shown as net assets with donor restrictions in the accompanying financial statements.

Contributions qualifying as conditional contributions contain a right of return from obligation provision that limits PVA Research Foundation on how funds transferred should be spent. Additionally, a barrier is present that is related to the purpose of the agreement. Revenue is recognized when the condition or conditions on which they depend are substantially met. PVA Research Foundation recognizes revenue for these conditional contributions when the related barrier has been overcome (generally, when qualifying expenditures are incurred). Funds received in advance of the incurrence of qualifying expenditures are recorded as refundable advances. PVA Research Foundation had no unrecognized conditional awards as of June 30, 2021 and 2020.

Contributed services -

Contributed services consist of personnel and other support from PVA. Contributed services are recorded at their fair value as of the date of the gift.

Use of estimates -

The preparation of the 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 reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area of PVA Research Foundation are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated on a basis of personnel time.

PVA Research Foundation's activities are confined to a single activity: to fund grants for research related to spinal cord injury or disease. All grants paid and contributed services from PVA are directly related to that activity and are therefore allocated entirely to program activities on the Statements of Functional Expenses. PVA Research Foundation's remaining expenses, primarily bank and state registration fees, represent the back-end costs and are allocated entirely to General and Administrative on the Statements of Functional Expenses.

**PARALYZED VETERANS OF AMERICA SPINAL CORD RESEARCH FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION  
(Continued)**

Risks and uncertainties -

PVA Research Foundation invests in various investment securities. Investment securities are exposed to various risks such as interest rates, 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 values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

Fair value measurement -

PVA Research Foundation applies the provisions of FASB ASC 820, *Fair Value Measurement*. FASB ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs (assumptions that market participants would use in pricing assets and liabilities, including assumptions about risk) used to measure fair value, and enhances disclosure requirements for fair value measurements. PVA Research Foundation accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement.

Economic uncertainties -

On March 11, 2020, the World Health Organization declared the Coronavirus disease (COVID-19) a global pandemic. As a result of the spread of COVID-19, economic uncertainties have arisen which may negatively impact PVA Research Foundation's operations. The overall potential impact is unknown at this time.

**2. INVESTMENTS**

Investments consisted of the following as of June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
	<u>Fair Value</u>	<u>Fair Value</u>
Common and preferred stocks	\$ 2,152,255	\$ 1,541,802
Fixed income mutual funds	<u>1,013,442</u>	<u>1,529,522</u>
<b>TOTAL INVESTMENTS</b>	<b><u>\$ 3,165,697</u></b>	<b><u>\$ 3,071,324</u></b>

Included in investment income, net are the following:

	<u>2021</u>	<u>2020</u>
Interest and dividends	\$ 57,685	\$ 73,556
Unrealized gain (loss)	414,337	(17,140)
Realized gain	179,020	14,231
Investment expenses provided by external investment advisors	<u>(9,308)</u>	<u>(12,044)</u>
<b>TOTAL INVESTMENT INCOME, NET OF INVESTMENT EXPENSES</b>	<b><u>\$ 641,734</u></b>	<b><u>\$ 58,603</u></b>

Dividends, realized and unrealized gains, and substantially all interest income are not used in operations and; therefore, are reported in the Statements of Activities and Changes in Net Assets as investment income from non-operating activities unless specifically approved by the Board of Directors.

**PARALYZED VETERANS OF AMERICA SPINAL CORD RESEARCH FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**2. INVESTMENTS (Continued)**

In accordance with FASB ASC 820, *Fair Value Measurement*, PVA Research Foundation has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Investments recorded in the Statements of Financial Position are categorized based on the inputs to valuation techniques as follows:

**Level 1.** These are investments where values are based on unadjusted quoted prices for identical assets in an active market PVA Research Foundation has the ability to access.

**Level 2.** These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

**Level 3.** These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used as of June 30, 2021 and 2020. There were no transfers between levels in the fair value hierarchy during the years ended June 30, 2021 and 2020. Transfers between levels are recorded at the end of the reporting period, if applicable.

- *Common and preferred stocks* - Valued at the closing price reported on the active market in which the individual securities are traded.
- *Fixed income mutual funds* - Valued at the daily closing price as reported by the fund. Mutual funds held by PVA Research Foundation are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily value and to transact at that price. Mutual funds held by PVA Research Foundation are deemed to be actively traded.

The table below summarizes, the investments measured at fair value on a recurring basis, by level within the fair value hierarchy as of June 30, 2021.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Investments:</b>				
Common and preferred stocks	\$ 2,152,255	\$ -	\$ -	\$ 2,152,255
Fixed income mutual funds	<u>1,013,442</u>	<u>-</u>	<u>-</u>	<u>1,013,442</u>
<b>TOTAL INVESTMENTS</b>	<b><u>\$ 3,165,697</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 3,165,697</u></b>

The table below summarizes, the investments measured at fair value on a recurring basis, by level within the fair value hierarchy as of June 30, 2020.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Investments:</b>				
Common and preferred stocks	\$ 1,541,802	\$ -	\$ -	\$ 1,541,802
Fixed income mutual funds	<u>1,529,522</u>	<u>-</u>	<u>-</u>	<u>1,529,522</u>
<b>TOTAL INVESTMENTS</b>	<b><u>\$ 3,071,324</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 3,071,324</u></b>

**PARALYZED VETERANS OF AMERICA SPINAL CORD RESEARCH FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**3. BOARD DESIGNATED NET ASSETS**

As of June 30, 2021 and 2020, PVA Research Foundation has \$1,950,087 and \$2,550,087 of Board-designated net assets, respectively.

**4. LIQUIDITY AND AVAILABILITY**

Financial assets available for use for general expenditures within one year of the Statements of Financial Position date comprise the following:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 556,252	\$ 472,432
Investments	3,165,697	3,071,324
Contributions receivable	88,584	3,000
Due from related party	<u>4,409</u>	<u>12,180</u>
Subtotal financial assets available within one year	3,814,942	3,558,936
Less: Board-designated funds	<u>(1,950,087)</u>	<u>(2,550,087)</u>
<b>FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR</b>	<b><u>\$ 1,864,855</u></b>	<b><u>\$ 1,008,849</u></b>

PVA Research Foundation has no funds with donor restrictions, with its financial assets split between funds without donor restrictions and a quasi-endowment. PVA Research Foundation's quasi-endowment of \$1,950,087 represents Board-designated funds from a significant bequest received during the year ended June 30, 2018. Although PVA Research Foundation does not intend to spend from its quasi-endowment other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from its quasi-endowment could be made available if necessary with Board approval.

As part of PVA Research Foundation's liquidity management, it has a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due. Grants awarded by the PVA Research Foundation are awarded in part based on the strength of its Statements of Financial Position.

**5. CONTRIBUTED SERVICES**

During the years ended June 30, 2021 and 2020, PVA Research Foundation was the beneficiary of donated goods and services which allowed PVA Research Foundation to provide greater resources toward various programs. To properly reflect total program expenses, the following donations have been included in revenue and expense for the years ended June 30, 2021 and 2020.

	<u>2021</u>	<u>2020</u>
Donated salaries and employee benefits	\$ 62,112	\$ 56,557
Donated professional and consulting services	138,823	121,870
Other	<u>-</u>	<u>13,198</u>
	<b><u>\$ 200,935</u></b>	<b><u>\$ 191,625</u></b>

**PARALYZED VETERANS OF AMERICA SPINAL CORD RESEARCH FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**5. CONTRIBUTED SERVICES (Continued)**

The following programs have benefited from these donated services:

	<u>2021</u>	<u>2020</u>
<b>Research, Consumer and Professional Education</b>	<b>\$ <u>200,935</u></b>	<b>\$ <u>191,625</u></b>

**6. FUNDRAISING COSTS**

PVA does extensive direct mail and other forms of fundraising. Each year approximately 4,000,000 Americans contribute to PVA. As part of this extensive fundraising campaign, PVA Research Foundation is occasionally highlighted and donors with an interest in the work of PVA Research Foundation make contributions. PVA personnel solicit for major gifts, legacies and bequests, and pledges to assist PVA Research Foundation. PVA also administers the Combined Federal Campaign and United Way contributions plus any employer-matching gifts to PVA Research Foundation. PVA provides the personnel and other support to conduct the above fundraising activities for PVA Research Foundation at no cost to PVA Research Foundation.

**7. RELATED PARTIES**

PVA provides PVA Research Foundation with personnel and other support for which it does not require reimbursement. The portion of time incurred by personnel that can be allocated directly to PVA Research Foundation is included in program expenses and contributions on the accompanying Statements of Activities and Changes in Net Assets. Also included in expense is an allocated percentage of other identifiable costs based on personnel time.

Total contributed services from PVA amounted to \$200,935 and \$191,625 for the years ended June 30, 2021 and 2020, respectively. Other administrative support, such as audit, general accounting and fundraising expenses, is absorbed by PVA, since amounts related to PVA Research Foundation are not significant. When necessary, an allowance is made for uncollectible contributions, based upon management's best estimates, collection experience, and other relevant factors.

During the years ended June 30, 2021 and 2020, PVA paid \$54,000 and \$27,000, respectively, to a company owned by one of PVA Research Foundation's directors for consulting services. In addition, during the years ended June 30, 2021 and 2020, PVA paid \$862,876 and \$169,372, respectively, to a university for research in which one of PVA Research Foundation's directors is a professor.

As of June 30, 2021 and 2020, PVA Research Foundation owed \$4,409 and \$12,180, respectively, to PVA.

**8. SUBSEQUENT EVENTS**

In preparing these financial statements, PVA Research Foundation has evaluated events and transactions for potential recognition or disclosure through October 18, 2021, the date the financial statements were issued.