

**DEAR JACK FOUNDATION, INC.**  
Littleton, Colorado

**Audited Financial Statements**

For the Year Ended December 31, 2024

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Dear Jack Foundation, Inc.  
Littleton, Colorado

### Opinion

We have audited the accompanying financial statements of Dear Jack Foundation, Inc. ("Foundation"), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2024, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### Auditors' 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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.

## **Auditors' Responsibilities for the Audit of the Financial Statements (Continued)**

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Reilly Penner Benton LLP*

June 3, 2025  
Milwaukee, Wisconsin

**DEAR JACK FOUNDATION, INC.**

Littleton, Colorado

**Statement of Financial Position**

December 31, 2024

**Assets:**

**Current Assets:**

Cash and cash equivalents	\$	270,542
Contribution receivable		40,981
Promises to give - net		25,000
Investments		440,600
Prepaid expenses		<u>21,407</u>
<b>Total current assets</b>		<u><u>798,530</u></u>

**Liabilities and Net Assets:**

**Current Liabilities:**

Accounts payable and accrued liabilities		1,054
Accrued payroll and related liabilities		4,836
Deferred revenue		<u>74,000</u>
<b>Total current liabilities</b>		<u>79,890</u>

**Net Assets:**

Without donor restrictions		693,640
With donor restrictions		<u>25,000</u>
<b>Total net assets</b>		<u><u>718,640</u></u>

<b>Total liabilities and net assets</b>	\$	<u><u>798,530</u></u>
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The accompanying notes to financial statements  
are an integral part of these statements.

**DEAR JACK FOUNDATION, INC.**  
Littleton, Colorado

**Statement of Activities**  
For the Year Ended December 31, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Revenues:</b>			
<b>Exchange transactions:</b>			
<b>Fundraising:</b>			
Revenues	\$ 13,271	\$ ---	\$ 13,271
Less: Direct fundraising expense	(22,637)	---	(22,637)
<b>Net fundraising</b>	<u>(9,366)</u>	<u>---</u>	<u>(9,366)</u>
<b>Nonexchange transactions:</b>			
Contributions	798,010	25,000	823,010
Contributed nonfinancial assets	222,432	---	222,432
<b>Total nonexchange transactions</b>	<u>1,020,442</u>	<u>25,000</u>	<u>1,045,442</u>
<b>Special events:</b>			
Revenues	17,214	---	17,214
Less: expenses	(12,500)	---	(12,500)
<b>Net special events</b>	<u>4,714</u>	<u>---</u>	<u>4,714</u>
Investment return - net	19,647	---	19,647
Miscellaneous revenue	9,308	---	9,308
<b>Net revenues</b>	<u>1,044,745</u>	<u>25,000</u>	<u>1,069,745</u>
<b>Expenses:</b>			
Program services	799,505	---	799,505
Management and general	123,739	---	123,739
Fundraising	45,940	---	45,940
<b>Total expenses</b>	<u>969,184</u>	<u>---</u>	<u>969,184</u>
<b>Change in net assets</b>	75,561	25,000	100,561
<b>Net assets, beginning of year</b>	<u>618,079</u>	<u>---</u>	<u>618,079</u>
<b>Net assets, end of year</b>	<u>\$ 693,640</u>	<u>\$ 25,000</u>	<u>\$ 718,640</u>

The accompanying notes to financial statements  
are an integral part of these statements.

**DEAR JACK FOUNDATION, INC.**  
Littleton, Colorado

**Statement of Functional Expenses**  
For the Year Ended December 31, 2024

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Cost of Direct Benefit to Donors</u>	<u>Total</u>
<b>Expenses:</b>					
Salaries	\$ 247,707	\$ 78,223	\$ 10,000	\$ ---	\$ 335,930
Payroll taxes and benefits	30,104	9,507	---	---	39,611
Payroll processing fees	13,790	4,355	---	---	18,145
Program activities	340,052	---	---	---	340,052
Dues, fees, licences and subscriptions	3,159	536	2,265	---	5,960
Advertising	107,333	---	7,332	---	114,665
Meetings and travel	14,029	---	14,029	---	28,058
Professional fees	11,715	12,260	3,269	---	27,244
Office equipment and supplies	1,376	688	688	---	2,752
Computers and software	14,097	7,048	7,048	---	28,193
Insurance	2,619	1,765	1,309	---	5,693
Occupancy and utilities	11,725	3,908	---	---	15,633
Service fees	---	630	---	---	630
Shipping and printing	1,072	1,072	---	---	2,144
Meals	---	3,020	---	---	3,020
Miscellaneous	727	727	---	---	1,454
Fundraising expenses - direct	---	---	22,637	---	22,637
Special events expense	---	---	---	12,500	12,500
<b>Subtotal</b>	<u>799,505</u>	<u>123,739</u>	<u>68,577</u>	<u>12,500</u>	<u>1,004,321</u>
<b>Less expenses included with revenues on the statement of activities</b>	---	---	(22,637)	(12,500)	(35,137)
<b>Total expenses</b>	<u>\$ 799,505</u>	<u>\$ 123,739</u>	<u>\$ 45,940</u>	<u>\$ ---</u>	<u>\$ 969,184</u>

**Less expenses included with revenues on the statement of activities**

**Total expenses**

The accompanying notes to financial statements are an integral part of these statements.

**DEAR JACK FOUNDATION, INC.**  
Littleton, Colorado

**Statement of Cash Flows**  
For the Year Ended December 31, 2024

<b>Cash Flows from Operating Activities:</b>	
Change in net assets	\$ 100,561
<b>Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operating activities:</b>	
Realized loss on sale of investment	26
<b>Change in assets and liabilities:</b>	
Contributions receivable	(33,611)
Promises to give - net	(25,000)
Prepaid expenses	(6,759)
Accounts payable and accrued liabilities	(26,078)
Accrued payroll and related liabilities	4,836
Deferred revenue	74,000
<b>Total adjustments</b>	<u>(12,586)</u>
<b>Net cash and cash equivalents provided by operating activities</b>	<u>87,975</u>
<b>Cash Flows from Investing Activities:</b>	
Purchases of investments	(76,695)
Proceeds on sale of investments	28,511
<b>Net cash and cash equivalents used by investing activities</b>	<u>(48,184)</u>
<b>Net increase in cash and cash equivalents</b>	39,791
<b>Cash and cash equivalents, beginning of year</b>	<u>230,751</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 270,542</u>
<b>Supplemental disclosures:</b>	
Donated stock	<u>\$ 28,511</u>

The accompanying notes to financial statements  
are an integral part of these statements.

**DEAR JACK FOUNDATION, INC.**  
Littleton, Colorado

**Notes to the Financial Statements**  
December 31, 2024

**1. Foundation Background and Nature of Activities**

Dear Jack Foundation, Inc. (“Foundation”) was incorporated March 30, 2011 under the provisions of California Laws and qualifies as a tax-exempt not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code (“IRC”). The Foundation has been classified as an organization which is not a private foundation under IRC Section 509(a); accordingly, contributions made to this Foundation qualify for the maximum charitable deduction for federal income tax purposes.

The Foundation delivers core programs aimed at supporting individuals affected by cancer. Key programs designed to provide hope and encouragement by granting meaningful wishes to individuals currently undergoing treatment that offers survivors and their families a structured environment focused on post-treatment healing through guided mindfulness, movement, and emotional support.

**2. Summary of Significant Accounting Policies**

**Basis of Accounting**

The financial statements of the Foundation have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other assets and liabilities. The significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

**Basis of Presentation**

The financial statements of the Foundation have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”), which require the Foundation to report information regarding its financial position and activities according to the following net asset classifications:

**Net assets without donor restrictions** - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation.

**Net assets with donor restrictions** - Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity. The Foundation does not have any restrictions that are perpetual in nature.

**Contributed Nonfinancial Assets**

Contributions of non-cash goods and services are stated at their fair value in the period received. Donated goods and services meeting recognition criteria under U.S. GAAP are recorded as support and an expense or additions to property and equipment, prepaid expense, or supplies inventory. The Foundation does not monetize any contributed nonfinancial assets unless otherwise noted. Contributed nonfinancial assets did not have donor restrictions.

**Use of Estimates**

The presentation of financial statements in conformity with U.S. 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.

**DEAR JACK FOUNDATION, INC.**  
Littleton, Colorado

**Notes to the Financial Statements**  
December 31, 2024  
(Continued)

**2. Summary of Significant Accounting Policies (Continued)**

**Revenue Recognition**

The Foundation recognizes revenue based on the existence or absence of an exchange transaction. The Foundation recognizes revenue from exchange transactions when it satisfies a performance obligation by providing a service to a customer or by transferring control of a product to a customer. The Foundation had no revenue from performance obligations during the year ending December 31, 2024.

- **Fundraising** – recognized when goods are provided by the Foundation to the purchasing customer

Revenue from non-exchange transactions consist of the following:

- **Contributions of cash and promises to give** - received without donor stipulations are reported as revenue and net assets without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenue and net assets with donor restrictions. When a donor-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. Contributions that are originally restricted by the donor and for which the restriction is met in the same time period are recorded as revenue and net assets without donor restriction. Unconditional contributions expected to be collected in future years are initially reported at fair value determined using the discounted present value of estimated future cash flows technique. There was no discount needed as of December 31, 2024. The Foundation had no conditional promises to give as of December 31, 2024.

Revenue that has characteristics of both exchange and non-exchange transactions consist of the following:

- **Special event revenue** – The direct benefit to donors is recognized as revenue from an exchange transaction, while the remaining is recognized as a non-exchange contribution.

**Income Tax Status**

The Foundation is exempt from federal income tax under Section 501(c)(3) of the U.S. Internal Revenue Code. The Foundation is not considered a private foundation by the Internal Revenue Service. The Foundation does not consider any of its support and revenues to be unrelated business income and, accordingly, no provision for income taxes has been provided in the accompanying financial statements.

The Foundation has implemented accounting for uncertainty in income taxes in accordance with U.S. GAAP. This standard describes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return and also provides guidance on various related matters such as derecognizing, interest, penalties and disclosures required. Management of the Foundation evaluates the uncertain tax positions taken, if any, and consults with outside counsel as deemed necessary. The Foundation recognizes interest and penalties, if any, related to unrecognized tax liabilities in income tax expense.

In management's opinion, the Foundation has not taken any uncertain tax positions and, accordingly, has not reported a corresponding liability in the Foundation's financial statements.

**DEAR JACK FOUNDATION, INC.**  
Littleton, Colorado

**Notes to the Financial Statements**  
December 31, 2024  
(Continued)

**2. Summary of Significant Accounting Policies (Continued)**

**Subsequent Events**

Management has evaluated subsequent events for possible recognition or disclosure through the date the financial statements were available to be distributed (June 3, 2025). There were no subsequent events that required recognition or disclosure.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, cash and cash equivalents include all highly liquid investments with original maturities of three months or less at purchase. Money markets that are held in brokerage accounts are included in investments.

**Investment Valuation and Income Recognition**

U.S. GAAP provides the 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 U.S. GAAP are described as follows:

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

**Level 2** – Inputs other than quoted prices that are observable for securities, either directly or indirectly. Examples include matrix pricing utilizing yield curves, prepayment speeds, credit risks, etc.; quoted prices for similar assets in active markets; and inputs derived from observable market data by correlation or other means.

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

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

Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Realized gains and losses and unrealized appreciation and depreciation of the Foundation's assets are reported in the statement of activities.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

**DEAR JACK FOUNDATION, INC.**  
Littleton, Colorado

**Notes to the Financial Statements**  
December 31, 2024  
(Continued)

**2. Summary of Significant Accounting Policies (Continued)**

**Contribution Receivable**

Contribution receivable are reported at donor stated amount, less an allowance for uncollectible accounts. Management determines the need for an allowance for doubtful accounts based on experience relative to the possibility of collection. Management believes all amounts to be collectible.

**Property and Equipment and Depreciation**

The Foundation records all property and equipment at cost, if purchased (exceeding \$5,000), or if donated, at fair value on the date of receipt. Expenditures for maintenance, repairs and renewals are charged to expense as incurred, whereas major betterments (exceeding \$5,000) are capitalized as additions to property and equipment. Depreciation of property and equipment is computed using the straight-line method over the estimated useful lives of the assets, as expressed in terms of years. The Foundation has the following property and equipment categories with the estimated lives consisting of the following:

Office equipment	5 years
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The Foundation had no property and equipment as of December 31, 2024.

**Leases**

The Foundation leases its office space and determines if an arrangement is a lease at inception. Operating leases are included in operating lease right of use ("ROU") assets, current operating lease liabilities, and non-current operating lease liabilities on the Foundation's statement of financial position. Finance leases are included in finance lease ROU assets, current finance lease liabilities, and non-current finance lease liabilities on the Foundation's statement of financial position. It was determined that the lease didn't meet the criteria of an operating or finance lease and thus there are no leases on the statement of financial position as of December 31, 2024.

The Foundation has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on a short-term basis.

The weighted-average discount rate is based on the discount rate implicit in the lease. The Foundation has elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. The Foundation has applied the risk-free rate option to its operating leases.

ROU assets represent the Foundation's right to use an underlying asset for the lease term and lease liabilities represent the Foundation's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The Foundation's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Foundation will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The lease agreements do not contain any material residual value guarantees or material restrictive covenants.

**DEAR JACK FOUNDATION, INC.**  
Littleton, Colorado

**Notes to the Financial Statements**  
December 31, 2024  
(Continued)

**2. Summary of Significant Accounting Policies (Continued)**

**Deferred Revenue**

Deferred revenue consists of deposits received for goods or services that the respective goods or services will be provided or given in a future year. Deferred revenue of \$74,000 as of December 31, 2024, consisted of contributions towards a future year retreat, of which would more likely than not have to be returned to donors if the retreat doesn't occur. Deferred revenue amount to \$0 as of December 31, 2023.

**Advertising**

The Foundation expenses nondirect-response advertising costs as they are incurred. Advertising expense was \$114,665 for the year ended December 31, 2024.

**Functional Allocation of Expenses**

The Foundation allocates its expenses on a functional basis among its various programs and support services. Expenses that are common to several functions are allocated according to space and time usage. Supporting services are those related to operating and managing the Foundation and its programs on a day-to-day basis. Supporting services have been sub-classified as follows:

Management and general - includes all activities related to the Foundation's internal management and accounting for program services.

Fundraising - includes all activities related to maintaining contributor information, writing grant proposals, distribution of materials and other similar projects related to the procurement of funds for the Foundation's programs. The Foundation sponsors various fundraising drives and events to generate contributions as well as to gain public awareness for its program and charitable purposes.

**3. Liquidity and Availability**

Financial assets available for general expenditure and other contractual obligations, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position, comprise the following as of December 31, 2024:

<b>Financial assets:</b>	
Cash and cash equivalents	\$ 270,542
Contributions receivable	40,981
Promises to give, net	25,000
Investments	440,600
<b>Total financial assets</b>	<u>777,123</u>
<b>Less amounts not available to be used within one year for general expenditures and other contractual obligations:</b>	
Net assets with donor restrictions	(25,000)
Add back: Unrestricted promises to give due within one year	<u>25,000</u>
<b>Financial assets available to meet general expenditures and other contractual obligations within one year</b>	<u>\$ 777,123</u>

In addition to financial assets available to meet general expenditures and other contractual obligations over the next 12 months, the Foundation operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures and other contractual obligations not covered by donor-restricted resources.

**DEAR JACK FOUNDATION, INC.**  
Littleton, Colorado

**Notes to the Financial Statements**  
December 31, 2024  
(Continued)

**4. Investments**

The following summarizes the classification of investments at fair value as of December 31, 2024 by classification and method of valuation in accordance with the requirements of U.S. GAAP:

<u>Description</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Exempt from Disclosure</u>
Money market	\$ <u>440,600</u>	\$ <u>---</u>	\$ <u>---</u>	\$ <u>---</u>	\$ <u>440,600</u>

Investment return for the year ended December 31, 2024 is summarized as follows:

Dividend income	\$ 19,667
Realized loss	(26)
Interest income	<u>6</u>
<b>Investment return - net</b>	<b>\$ <u>19,647</u></b>

Money market fund investments may be withdrawn upon request. Money market funds are exempt from fair value disclosure because they are managed to maintain a net asset value per share of \$1.00, and are reported at that net asset value, which closely approximates fair value.

Investments are exposed to potential risks of loss including interest rate risk, credit risk and overall market volatility. Accordingly, it is reasonably possible that changes in the value of investments will occur in the near term and such changes could be material in amount.

**5. Promises to Give**

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-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give, such as planned giving, are not included as support until the conditions are substantially met. The Foundation had no conditional promises to give to disclose as of December 31, 2024. Management evaluates any balances due including who the donor is to consider if an allowance for doubtful accounts is considered necessary.

Included in promises to give are the following unconditional promises to give as of December 31, 2024:

Unconditional promises to give before unamortized discount	\$ 25,000
Less: Allowance for doubtful promises to give	---
Less: Unamortized discount (none – all due within one year)	<u>---</u>
<b>Net unconditional promises to give</b>	<b>\$ <u>25,000</u></b>

Payments on unconditional promises to give as of December 31, 2024 are expected to be received as follows:

<u>Year Ending December 31,</u>	
2025	\$ <u>25,000</u>

**DEAR JACK FOUNDATION, INC.**  
Littleton, Colorado

**Notes to the Financial Statements**  
December 31, 2024  
(Continued)

**6. Net Assets With Donor Restrictions**

Net assets with donor restrictions consist of the following as of December 31, 2024:

<b>Subject to passage of time:</b>		
Unrestricted promises to give	\$	25,000

**7. Special Events**

Special event activities are reported by their natural classification in the statement of activities. Gross special event revenues and expenses are as follows for the year ended December 31, 2024:

<b>Revenue:</b>		
Non-exchange contributions	\$	4,714
Exchange direct benefit to donor		12,500
<b>Total revenue</b>		17,214
<b>Expenses:</b>		
Direct benefit to donors		(12,500)
Incidental benefits		---
<b>Total expense</b>		(12,500)
<b>Special events, net</b>	\$	4,714

**8. Contributed Nonfinancial Assets**

Contributed nonfinancial assets of non-cash supplies and services are recorded as revenue and expenses at their fair value. Contributed services are reported in the financial statements for voluntary donations of professional services when those services create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and typically would be purchased if not provided by donation. The amounts reflected in the accompanying financial statements as contributed nonfinancial assets are offset by like amounts included in expenses or as additions to property and equipment.

The statement of activities includes the following contributed nonfinancial assets recognized by category for the year ended December 31, 2024:

<u>Type</u>	<u>Revenue Recognized</u>	<u>Utilization in Program/Activities</u>	<u>Expense Line</u>
<b>Revenue:</b>			
Event costs	\$ 62,583	Program services	Program activities
Travel costs	53,630	Program services	Program activities
Supplies	6,219	Program services	Program activities
Advertising	100,000	Program services	Advertising
<b>Total revenue</b>	\$ 222,432		

The Foundation used the following valuation techniques and inputs to recognize contributed nonfinancial assets:

**Event, travel and supplies** – Valued at the estimated fair value based on retail rates for similar goods.

**Advertising** – Valued at the estimated fair value based on retail rates for similar services.

There were no donor restrictions on any of the contributed nonfinancial assets received for the year ended December 31, 2024.

**DEAR JACK FOUNDATION, INC.**  
Littleton, Colorado

**Notes to the Financial Statements**  
December 31, 2024  
(Continued)

**8. Contributed Nonfinancial Assets (Continued)**

The Foundation also received contributed services for its various programs from volunteers which do not meet the recognition criteria described above. No amounts have been reflected in the financial statements for these contributed services.

**9. Concentrations**

**Cash and Cash Equivalents**

The Foundation maintains cash balances at Littleton area financial institutions. Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits. The Foundation has never experienced any losses related to these balances. Insurance coverage is \$250,000 per depositor at each financial institution.

**Revenue**

During the year ended December 31, 2024 one contributor made up approximately 10% of the Foundation's revenue in the form of a contribution.

**10. Leases**

The Foundation entered a twelve month non-cancellable lease for office space in November 2024. The lease requires monthly rent payments of \$1,125 and expires in October 2025. The lease contains no extension options and thus the Foundation has elected the short-term lease exemption. The required future payments on the lease as of December 31, 2024 were as follows:

**Year Ending December 31,**

2025	\$ <u>11,250</u>
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The Foundation had rent expense for the year end December 31, 2024 of \$13,475 which is included in the occupancy and utilities expense line on the statement of functional expense.