



Financial Statements
June 30, 2021

Keystone Symposia on Molecular and Cellular Biology

(With Comparative Totals for 2020)

Keystone Symposia on Molecular and Cellular Biology

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June 30, 2021

(with comparative totals for 2020)

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Independent Auditor's Report

The Board of Directors
Keystone Symposia on Molecular and Cellular Biology
Silverthorne, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of Keystone Symposia on Molecular and Cellular Biology, which comprise the statement of financial position as of June 30, 2021, 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.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Keystone Symposia on Molecular and Cellular Biology as of June 30, 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.

Report on Summarized Comparative Information

We have previously audited Keystone Symposia on Molecular and Cellular Biology's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 26, 2020. In our opinion the summarized comparative information presented herein as of and for the year ended June 30, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in black ink that reads "Eide Sully LLP". The signature is written in a cursive, flowing style.

Denver, Colorado
November 15, 2021

Keystone Symposia on Molecular and Cellular Biology

Statement of Financial Position

June 30, 2021

(with comparative totals for 2020)

	2021	2020
Assets		
Cash and cash equivalents	\$ 566,530	\$ 421,674
Investments	17,253,631	14,961,185
Accounts receivable	57,013	1,186,099
Employee retention tax credits (ERTC) receivable	367,366	-
Promises to give, net	568,388	1,187,655
Prepaid expenses and other assets	308,928	340,105
Property and equipment, net	90,859	136,266
Endowment investments	673,422	494,706
Total assets	\$ 19,886,137	\$ 18,727,690
Liabilities and Net Assets		
Accounts payable and accrued expenses	\$ 512,235	\$ 508,734
Deferred revenue	81,151	104,336
Refundable advance - PPP loan	611,330	532,900
Capital lease obligations	38,203	57,952
Total liabilities	1,242,919	1,203,922
Net Assets		
Without donor restrictions		
Undesignated	3,457,245	1,592,608
Board-designated		
Reserve Fund	7,059,163	8,027,568
Growth and Enhancement Fund	3,075,273	2,554,874
Future of Science Fund	3,640,730	3,032,616
	17,232,411	15,207,666
With donor restrictions	1,410,807	2,316,102
Total net assets	18,643,218	17,523,768
Total liabilities and net assets	\$ 19,886,137	\$ 18,727,690

Keystone Symposia on Molecular and Cellular Biology

Statement of Activities

Year Ended June 30, 2021

(with comparative totals for 2020)

	2021			2020
	Without Donor Restrictions	With Donor Restrictions	Total	
Revenue, Support, and Gains				
Conference registration and other, net of scholarships of \$360,350 and \$322,140, respectively	\$ 2,717,079	\$ -	\$ 2,717,079	\$ 5,102,299
Federal and state contracts and grants	320,935	-	320,935	386,700
Contributions and sponsorships	1,130,933	333,924	1,464,857	1,800,295
Government assistance - ERTC	367,366	-	367,366	-
Government assistance - PPP loan	532,900	-	532,900	-
Gain on insurance proceeds	-	-	-	1,039,930
Net investment return (loss)	2,492,461	114,216	2,606,677	(53,194)
Net assets released from restrictions	1,345,515	(1,345,515)	-	-
Total revenue, support, and gains	<u>8,907,189</u>	<u>(897,375)</u>	<u>8,009,814</u>	<u>8,276,030</u>
Expenses and Losses				
Scientific and educational symposia	3,561,339	-	3,561,339	6,328,130
Supporting services expense				
Management and general	2,534,236	-	2,534,236	3,077,050
Fundraising and development	786,869	-	786,869	810,411
Total supporting services expense	<u>3,321,105</u>	<u>-</u>	<u>3,321,105</u>	<u>3,887,461</u>
Total expenses	<u>6,882,444</u>	<u>-</u>	<u>6,882,444</u>	<u>10,215,591</u>
Loss on uncollectable promises to give	-	7,920	7,920	249,978
Total expenses and losses	<u>6,882,444</u>	<u>7,920</u>	<u>6,890,364</u>	<u>10,465,569</u>
Change in Net Assets	2,024,745	(905,295)	1,119,450	(2,189,539)
Net Assets, Beginning of Year	<u>15,207,666</u>	<u>2,316,102</u>	<u>17,523,768</u>	<u>19,713,307</u>
Net Assets, End of Year	<u>\$ 17,232,411</u>	<u>\$ 1,410,807</u>	<u>\$ 18,643,218</u>	<u>\$ 17,523,768</u>

Keystone Symposia on Molecular and Cellular Biology

Statement of Functional Expenses

Year Ended June 30, 2021

(with comparative totals for 2020)

	2021			Total	2020
	Scientific and Educational Symposia	Management and General	Fundraising and Development		
Salaries, wages, and benefits	\$ 1,258,208	\$ 1,579,059	\$ 644,459	\$ 3,481,727	\$ 3,939,435
Professional services	1,371,281	210,527	-	1,581,808	364,770
Conferences, conventions, and meetings	589,923	-	-	589,923	2,445,337
Office expenses	8,281	189,983	50,883	249,147	346,324
Advertising and promotion	76,886	170,611	-	247,497	322,033
Occupancy	88,954	117,500	25,075	231,529	241,460
Payroll taxes	78,242	80,385	36,842	195,469	230,377
Information technology	31,446	43,304	7,571	82,321	50,915
Other	11,088	47,840	1,049	59,976	147,027
Depreciation	19,906	26,295	5,611	51,812	59,623
Insurance	16,235	21,447	4,577	42,259	42,810
Bank fees and finance charges	-	20,842	-	20,842	38,749
Bad debt	-	19,222	-	19,222	5,050
Staff recruitment	-	4,341	10,718	15,059	9,980
Speaker travel	10,856	-	-	10,856	755,323
Staff education	-	2,650	84	2,734	25,968
Travel and meals	33	230	-	263	419,412
Grants and other assistance	-	-	-	-	770,998
Total expenses	\$ 3,561,339	\$ 2,534,236	\$ 786,869	\$ 6,882,444	\$ 10,215,591

Keystone Symposia on Molecular and Cellular Biology

Statement of Cash Flows

Year Ended June 30, 2021

(with comparative totals for 2020)

	2021	2020
Operating Activities		
Change in net assets	\$ 1,119,450	\$ (2,189,539)
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	51,812	59,623
Realized and unrealized (gain) loss on investments	(2,163,770)	399,769
Loss on uncollectable promises to give	7,920	249,978
Contributions restricted to endowment	(64,500)	(30,000)
Endowment net investment return	(114,216)	(3,301)
Forgiveness of PPP loan	(532,900)	-
Changes in operating assets and liabilities		
Accounts receivable	1,129,086	(931,120)
Promises to give, net	611,347	901,804
Prepaid expenses and other assets	31,177	(92,566)
Checks issued in excess of bank balance	-	(191,263)
Accounts payable and accrued expenses	3,501	(259,882)
Deferred revenue	(23,185)	(58,285)
Employee retention tax credits	(367,366)	-
Refundable advance - PPP loan	611,330	532,900
Net Cash from (used for) Operating Activities	299,686	(1,611,882)
Investing Activities		
Purchases of investments	(13,968,831)	(14,335,672)
Proceeds from sales of investments	13,840,153	16,422,784
Purchases of property and equipment	(6,403)	(15,312)
Net additions to endowment	(64,500)	(30,000)
Net Cash (used for) from Investing Activities	(199,581)	2,041,800
Financing Activities		
Collections of contributions restricted to endowment	64,500	30,000
Principal payments on capital lease	(19,749)	(38,244)
Net Cash from (used for) Financing Activities	44,751	(8,244)
Net Change in Cash and Cash Equivalents	144,856	421,674
Cash and Cash Equivalents, Beginning of Year	421,674	-
Cash and Cash Equivalents, End of Year	\$ 566,530	\$ 421,674

Note 1 - Principal Activity and Significant Accounting Policies**Organization**

Keystone Symposia on Molecular and Cellular Biology (Symposia) is a nonprofit science and educational organization. Symposia sponsors an annual series of conferences for the scientific community which is international in scope and focused on new and emerging areas of molecular and cellular biology as they apply to basic biology, human medicine and agriculture. Symposia obtains the majority of its revenue from registration fees paid by conference participants, contributions from corporations and charitable foundations, and federal and state contracts and grants.

Impact of COVID-19

The outbreak of the 2019 coronavirus disease (COVID-19), which was declared a global pandemic by the World Health Organization, and the related responses by public health and governmental authorities to contain and combat its outbreak and spread, adversely affected workplaces, economies, and financial markets globally.

Beginning in March 2020, Symposia was required to cancel meetings across the United States and globally due to limitations on large gatherings imposed by local, state and international jurisdictions. No in-person meetings have been held to-date. Symposia continued to bring content to the scientific community through virtual outreach and had taken necessary cost-cutting measures whenever possible.

Management is closely monitoring the operations, liquidity, and capital resources and is actively working to minimize the current and future impact of this unprecedented situation.

Comparative Financial Information

The accompanying financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with our audited financial statements for the year ended June 30, 2020, from which the summarized information was derived.

Cash and Cash Equivalents

Symposia considers all cash and highly liquid financial instruments with original maturities of three months or less to be cash and cash equivalents, excluding cash held in investment portfolios and restricted to endowment.

Investments

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statement of financial position. Net investment return (loss) is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and internal investment and custodial expenses.

Receivables and Credit Policies

Accounts receivable consist primarily of non-interest bearing amounts due from Symposia activities. Management determines the allowance for uncollectable accounts receivable based on historical experience, an assessment of economic conditions, and review of subsequent collections. Accounts receivable are written off when deemed uncollectable. No allowance was considered necessary at June 30, 2021 and 2020.

Receivables from contracts with customers are reported as accounts receivable and contract liabilities are reported as deferred revenue in the accompanying statement of financial position.

Employee Retention Tax Credit (ERTC) Receivable

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) provided an employee retention credit (the Credit) which is a refundable tax credit against certain employment taxes of up to \$7,000 per employee per quarter for eligible employers. The credit is equal to 70% of qualified wages paid to employees, capped at \$10,000 of qualified wages through December 31, 2021. The Symposia recorded the benefit within the statement of activities by recording the Credit within revenue, support, and gains. Through December 31, 2020, the Credit is equal to 50% of qualified wages paid to employees, capped at \$10,000 of qualified wages per year. During the year ended June 30, 2021, the Symposia recorded a \$367,366 benefit related to both 2020 and 2021 Credits as government assistance.

Promises to Give

Unconditional promises to give expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discount is included in contribution revenue in the statement of activities.

Management determines the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and review of subsequent collections. Promises to give are written off when deemed uncollectable. At June 30, 2021 and 2020, the allowance was \$184,000.

Property and Equipment

Property and equipment additions over \$2,500 are recorded at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from three to fifteen years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any remaining gain or loss is included in the statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

Symposia reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended June 30, 2021 and 2020.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a Reserve Fund, Growth and Enhancement Fund, and Future of Science Fund (Note 10).

Net Assets with Donor Restrictions – Net assets subject to donor (or certain grantor) restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Symposia reports contributions by donors 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. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Donated Services and In-Kind Contributions

Volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods and donated professional services are recorded at fair value at the date of donation (Note 11).

Revenue and Revenue Recognition

Registration revenue is recognized when performance obligations under the terms of a contract with the customer are satisfied; generally, this occurs at the time of admission to a conference. Payments received for future conferences are deferred to the applicable period. Payments under cost-reimbursable contracts received in advance are deferred to the period in which the related expenditures are incurred. Contributions and sponsorships are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

Symposia received advance payment under the Paycheck Protection Program (PPP) of \$611,330 that has not been recognized at June 30, 2021 because qualifying expenditures have not yet been submitted for forgiveness (Note 7). Subsequent to yearend, Symposia received notice of full forgiveness on the second round PPP loan in total of \$611,330.

Advertising Costs

Advertising costs, which are expensed as incurred, totaled \$247,497 and \$322,033 and included \$0 and \$154,220 arising from sponsorship arrangements for the years ended June 30, 2021 and 2020, respectively

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, information technology depreciation, and insurance, which are allocated on a square footage basis, as well as, salaries, wages and benefits, professional services, advertising and promotion, payroll taxes, travel and meals, and other, which are allocated on the basis of estimates of time and effort.

Income Taxes

Symposia is organized as a Colorado nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes, qualifies for the charitable contribution deduction, and has been determined not to be a private foundation. Symposia is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, Symposia is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purposes. Symposia has determined that it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Symposia believes that it has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, do not have any uncertain tax positions that are material to the financial statements. Symposia would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 revenues and expenses during the reporting period. Actual results could differ from those estimates and those differences could be material.

Financial Instruments and Credit Risk

Symposia manages deposit concentration risk by placing cash and money market accounts with financial institutions believed by management to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, Symposia has not experienced losses in any of these accounts. Credit risk associated with accounts receivable, ERTC receivable, and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies and foundations supportive of Symposia's mission.

Investments are made by diversified investment managers whose performance is monitored by management and the Finance and Audit Committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, management and the Investment Committee believe that the investment policies and guidelines are prudent for the long-term welfare of Symposia.

Subsequent Events

Symposia has evaluated subsequent events through November 15, 2021, the date the financial statements were available to be issued.

Note 2 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use to purposes narrower than our ongoing programmatic activities and services in support of those activities within one year of the statement of financial position date, comprise the following:

	2021	2020
Cash and cash equivalents	\$ 566,530	\$ 421,674
Investments	3,166,044	744,289
Accounts receivable, due in one year	57,013	1,186,099
Employee retention tax credits (ERTC) receivable	367,366	-
Promises to give, due in one year	497,500	1,012,655
Endowment spending-rate distributions	26,937	19,788
	<u>\$ 4,681,390</u>	<u>\$ 3,384,505</u>

Symposia's endowment funds consist of donor-restricted endowments. Income from donor-restricted endowments is restricted for specific purposes. Donor-restricted endowment funds are not available for general expenditure. Symposia's governing board has designated a portion of net assets without donor restrictions for the Reserve Fund, Growth and Enhancement Fund, and Future of Science Fund. These funds are invested for long-term appreciation and current income but remain available and may be spent at the discretion of the Board (Note 10).

Symposia also has a line of credit available to meet short-term needs (Note 6).

Note 3 - Fair Value Measurements and Disclosures

Certain assets are reported at fair value in the financial statements. Fair value is the price that would be received to sell an asset in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable.

Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets that Symposia can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset. In these situations, Symposia develops inputs using the best information available in the circumstances. Symposia has no Level 3 assets at June 30, 2021 and 2020.

In some cases, the inputs used to measure the fair value of an asset might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to Symposia's assessment of the quality, risk or liquidity profile of the asset.

A portion of Symposia's investment assets are classified within Level 1 because they are comprised of equity securities with readily determinable fair values based on daily closing prices. Investments in corporate bonds and U.S. government and agency obligations are valued by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates and market-rate assumptions, and are classified within Level 2.

Included within the investment line item on the statement of financial position are various investment portfolios held for different purposes. These include operating investments, investments restricted to Global Health Meeting Series, and Board-designated investments.

Keystone Symposia on Molecular and Cellular Biology

Notes to Financial Statements

June 30, 2021

Operating investments are available for the Symposia's general use. Investments for the Global Health Meeting Series are restricted to assist in defraying the costs of attendance, for both virtual and live events, of scientists, physicians, fellows, students, or other health care providers from countries affected by the health issues included in the meeting content, with an emphasis on those from developing countries. Board-designated investments are available to support the activities identified by the Board of Directors (Note 10). Endowment investments represent donor-restricted funds held in perpetuity with unappropriated earnings available for expenditure in accordance with donor restrictions and pursuant to spending rate policy (Note 9).

The following table presents assets measured at fair value on a recurring basis, except those measured at cost as identified below, at June 30, 2021:

	Total	Fair Value Measurements at Report Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Non-endowment investments				
Operating investments				
Cash and money market funds, at cost	\$ 153,596	\$ -	\$ -	\$ -
U.S. government and agency obligations	3,012,448	-	3,012,448	-
	<u>3,166,044</u>	<u>-</u>	<u>3,012,448</u>	<u>-</u>
Investments restricted to Global Health Meeting Series				
Cash and money market funds, at cost	160,277	-	-	-
U.S. government and agency obligations	152,144	-	152,144	-
	<u>312,421</u>	<u>-</u>	<u>152,144</u>	<u>-</u>
Board-designated investments				
Cash and money market funds, at cost	796,795	-	-	-
Corporate bonds	3,125,092	-	3,125,092	-
U.S. government and agency obligations	1,861,170	-	1,861,170	-
Domestic equities	7,992,109	7,992,109	-	-
	<u>13,775,166</u>	<u>7,992,109</u>	<u>4,986,262</u>	<u>-</u>
	<u>\$ 17,253,631</u>	<u>\$ 7,992,109</u>	<u>\$ 8,150,854</u>	<u>\$ -</u>
Endowment investments				
Cash and money market funds, at cost	\$ 38,953	\$ -	\$ -	\$ -
Corporate bonds	152,775	-	152,775	-
U.S. government and agency obligations	90,986	-	90,986	-
Domestic equities	390,708	390,708	-	-
	<u>\$ 673,422</u>	<u>\$ 390,708</u>	<u>\$ 243,761</u>	<u>\$ -</u>

Keystone Symposia on Molecular and Cellular Biology

Notes to Financial Statements

June 30, 2021

The following table presents assets measured at fair value on a recurring basis, except those measured at cost as identified below, at June 30, 2020:

	Total	Fair Value Measurements at Report Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Non-endowment investments				
Operating investments				
Cash and money market funds, at cost	\$ 23,115	\$ -	\$ -	\$ -
U.S. government and agency obligations	721,174	-	721,174	-
	<u>744,289</u>	<u>-</u>	<u>721,174</u>	<u>-</u>
Investments restricted to Global Health Meeting Series				
U.S. government and agency obligations	601,838	-	601,838	-
	<u>601,838</u>	<u>-</u>	<u>601,838</u>	<u>-</u>
Board-designated investments				
Cash and money market funds, at cost	913,800	-	-	-
Corporate bonds	2,940,403	-	2,940,403	-
U.S. government and agency obligations	1,752,306	-	1,752,306	-
Domestic equities	8,008,549	8,008,549	-	-
	<u>13,615,058</u>	<u>8,008,549</u>	<u>4,692,709</u>	<u>-</u>
	<u>\$ 14,961,185</u>	<u>\$ 8,008,549</u>	<u>\$ 6,015,721</u>	<u>\$ -</u>
Endowment investments				
Cash and money market funds, at cost	\$ 30,306	\$ -	\$ -	\$ -
Corporate bonds	107,511	-	107,511	-
U.S. government and agency obligations	64,070	-	64,070	-
Domestic equities	292,819	292,819	-	-
	<u>\$ 494,706</u>	<u>\$ 292,819</u>	<u>\$ 171,581</u>	<u>\$ -</u>

Note 4 - Promises to Give

Unconditional promises to give are estimated to be collected as follows at June 30, 2021 and 2020:

	2021	2020
Within one year	\$ 681,500	\$ 1,204,991
In one to five years	75,000	175,000
	<u>756,500</u>	<u>1,379,991</u>
Less allowance for uncollectable promises to give	(184,000)	(184,000)
Less discount to net present value at rates averaging 5%	(4,112)	(8,336)
	<u>\$ 568,388</u>	<u>\$ 1,187,655</u>

Promises to give of \$382,500 and \$1,204,991 are restricted by donors for current year operations which were released to net assets without donor restrictions in accordance with Symposia's recognition policy as of June 30, 2021 and 2020, respectively.

During the year ended June 30, 2021 and 2020, the Symposia received contributions from the Board of Directors totaling \$47,300 and \$84,425, respectively.

Note 5 - Property and Equipment

Property and equipment consists of the following at June 30, 2021 and 2020:

	2021	2020
Furniture and fixtures	\$ 188,638	\$ 188,638
Equipment	220,733	214,329
Building improvements	100,634	100,634
	<u>510,005</u>	<u>503,601</u>
Less accumulated depreciation and amortization	(419,146)	(367,335)
	<u>\$ 90,859</u>	<u>\$ 136,266</u>

Note 6 - Line of Credit

Symposia has a \$300,000 revolving line of credit with a bank, secured by accounts receivable. Borrowings under the line bear interest at the greater of: the bank's prime rate plus 0.25%, or the floor rate of 5.00% (5.00% at both June 30, 2021 and 2020). Accrued interest and principal are due at maturity on April 1, 2023. The agreement requires Symposia to comply with certain financial and non-financial covenants. No amounts were outstanding under the line of credit at June 30, 2021 and 2020.

Note 7 - Refundable Advance - Paycheck Protection Program (PPP) Loan

During the year ended June 30, 2021, the Symposia was granted a \$611,330 loan under round two of the Paycheck Protection Program (PPP), administered by an SBA approved partner. The loan is uncollateralized and is fully guaranteed by the Federal Government. The Symposia is eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. The loan has been initially recorded as a refundable advance and the Symposia will record the forgiveness in accordance with guidance for conditional contributions when there is no longer a measurable performance or other barrier and a right of return of the PPP loan no longer exists. Proceeds from the loan are eligible for forgiveness if they are used for certain payroll, rent, and utility expenses and certain other requirements are met. Government assistance revenue of \$532,900 was recorded for the year ended June 30, 2021 which relates to the PPP loan the Symposia received in 2020 that was fully forgiven in 2021. The Symposia would be required to repay any portion of the second draw not forgiven, plus interest accrued at 1%, in monthly payments in accordance with the terms of the PPP loan. As of issuance of these financial statements, the second loan has been fully forgiven.

Note 8 - Leases

Symposia leases office and storage space under various operating leases, and equipment under capital leases. The leases expire at various dates through 2024.

Future minimum lease payments are as follows:

Years Ending June 30,	Capital Lease	Operating Leases
2022	21,602	177,461
2023	19,802	182,357
2024	-	139,522
Total minimum lease payments	41,404	\$ 499,340
Less amount representing interest	(3,201)	
Capital lease obligations	\$ 38,203	

Rent expense for the years ended June 30, 2021 and 2020 totaled \$231,529 and \$241,460, respectively.

In connection with its office lease, Symposia established a declining-balance irrevocable letter of credit in the amount of \$250,000 in favor of the landlord as a guaranty against early lease termination. The irrevocable letter of credit expired on December 30, 2020. No amounts were outstanding under the letter of credit for both years ended June 30, 2021 and 2020.

Note 9 - Endowment

Symposia has three endowment funds (Endowment) restricted by donors to provide support for the Diversity in Life Science program, to conduct one meeting each year on a topic related to cancer immunotherapy, and for scholarships. The Endowment includes only donor-restricted funds, as the Board of Directors has not designated any net assets without donor restrictions to function as endowment. Net assets associated with the Endowment are classified and reported based on the existence or absence of donor-imposed restrictions.

Symposia's Board of Directors has interpreted the Colorado Uniform Prudent Management of Institutional Funds Act (UPMIFA) 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. At June 30, 2021 and 2020, there were no contrary donor stipulations. As a result of this interpretation, Symposia retains in perpetuity: (a) the original value of initial and subsequent gift amounts and (b) any accumulations to the Endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA.

The Board of Directors considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the organization
- The investment policies of the organization

As of June 30, 2021 and 2020, Symposia had the following endowment net asset composition by fund:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>June 30, 2021</u>			
Original donor-restricted gift amount required to be maintained in perpetuity by donors	\$ -	\$ 526,670	\$ 526,670
Accumulated investment gains	-	146,752	146,752
	<u>\$ -</u>	<u>\$ 673,422</u>	<u>\$ 673,422</u>
<u>June 30, 2020</u>			
Original donor-restricted gift amount required to be maintained in perpetuity by donors	\$ -	\$ 462,170	\$ 462,170
Accumulated investment gains	-	32,536	32,536
	<u>\$ -</u>	<u>\$ 494,706</u>	<u>\$ 494,706</u>

Keystone Symposia on Molecular and Cellular Biology

Notes to Financial Statements

June 30, 2021

Investment and Spending Policies

Symposia has adopted investment and spending policies for the Endowment that attempt to provide a predictable stream of funding for operations while seeking to maintain the purchasing power of the endowment assets. Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the Endowment assets, to provide the necessary capital to fund the spending policy, and to cover the costs of managing the Endowment investments.

Under these policies, as approved by the Board of Directors, Endowment assets are invested in a manner intended to produce results, measured over full market cycles, which equal or exceed the price and yield results of a blended portfolio of investment securities while assuming a low-to-moderate level of investment risk. To satisfy Symposia's long-term rate-of-return objectives, the investment portfolio is structured on a total-return approach through which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). A significant portion of the funds are invested to seek growth of principal over time.

Symposia has a policy of appropriating for distribution each year up to 4% of the twelve-quarter moving market average of the fair value of the Endowment for each year ending June 30. In establishing this policy, Symposia considered the long-term expected return on the Endowment. Accordingly, over the long term, Symposia expects the current spending policy to preserve the net assets of the Endowment restricted in perpetuity. This is consistent with Symposia's objective to preserve the fair values of the original gifts made to the Endowment while providing an opportunity for real growth through new gifts and undistributed investment return.

Changes in Endowment net assets for the years ended June 30, 2021 and 2020 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
<u>Year ended June 30, 2021</u>			
Endowment net assets, beginning of year	\$ -	\$ 494,706	\$ 494,706
Investment return, net	-	114,216	114,216
Contributions	-	64,500	64,500
Endowment net assets, end of year	\$ -	\$ 673,422	\$ 673,422
<u>Year ended June 30, 2020</u>			
Endowment net assets, beginning of year	\$ -	\$ 461,405	\$ 461,405
Investment return, net	-	3,301	3,301
Contributions	-	30,000	30,000
Endowment net assets, end of year	\$ -	\$ 494,706	\$ 494,706

Note 10 - Net Assets With and Without Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes as of June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Subject to the passage of time:	\$ 211,588	\$ 366,668
Subject to expenditure for specified purpose:		
Global Health Meeting Series	436,392	1,360,746
Diversity in Life Science program	50,000	18,224
Specific meeting support	39,405	75,758
	<u>737,385</u>	<u>1,821,396</u>
Endowments:		
Subject to appropriation and expenditure when a specified event occurs - restricted by donors for:		
Meeting support	125,642	29,691
Diversity in Life Science program	15,089	2,845
Scholarships	6,021	-
	<u>146,752</u>	<u>32,536</u>
Perpetual in nature, earnings from which are subject to endowment spending policy and appropriation:		
Meeting support	402,500	400,000
Diversity in Life Science program	93,020	32,170
Scholarships	31,150	30,000
	<u>526,670</u>	<u>462,170</u>
Total endowments	<u>673,422</u>	<u>494,706</u>
	<u>\$ 1,410,807</u>	<u>\$ 2,316,102</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Expiration of time restrictions:	\$ 378,580	\$ 468,647
Satisfaction of purpose restrictions:		
Global Health Meeting Series	924,659	534,796
Diversity in Life Science program	18,224	13,772
Specific meeting support	24,052	84,699
	<u>966,935</u>	<u>633,267</u>
	<u>\$ 1,345,515</u>	<u>\$ 1,101,914</u>

Board-Designated Net Assets

As of June 30, 2021 and 2020, the Board of Directors has designated net assets without donor restrictions of \$7,059,163 and \$8,027,568 for the Reserve Fund, \$3,075,273 and \$2,554,874 for the Growth and Enhancement Fund, and \$3,640,730 and \$3,032,616 for the Future of Science Fund, respectively. The Reserve Fund is established to provide funding for operations in times of adverse cash flow conditions in any given year. The purpose of the Growth and Enhancement Fund is to provide support for new initiatives that could not be accomplished using current operating funds. The Future of Science Fund is established to provide scholarships for students who represent the next generation of academic and industrial leaders to enable them to attend the Symposia's annual series of scientific conferences at a reduced cost. The Future of Science Fund may also be used for scholarships for underrepresented students and investigators, global-health travel awards, general conference program support, or for specific conferences.

Distributions from the Reserve Fund, Growth and Enhancement Fund, and Future of Science Fund are made at the discretion of the Board of Directors.

Note 11 - Donated Materials and Professional Services

Symposia received donated materials and professional services as follows during the year ended June 30, 2020. There were no similar contributions for the year ended June 30, 2021.

	Scientific and Educational Symposia	Management and General	Total
Marketing sponsorships	\$ -	\$ 306,458	\$ 306,458
Speakers' travel	94,940	-	94,940
	<u>\$ 94,940</u>	<u>\$ 306,458</u>	<u>\$ 401,398</u>

These donated materials and professional services are included in contributions and sponsorships in the statement of activities.

Note 12 - Employee Benefits

Symposia sponsors a salary deferral and discretionary profit-sharing plan under Section 401(k) of the Internal Revenue Code covering substantially all full-time employees. The plan provides that employees who have completed three consecutive months of service may voluntarily contribute up to the maximum allowed by the IRS. Employer contributions are discretionary and are determined and authorized by the Board of Directors each plan year. During the year ended 2020, the Symposia matched employee voluntary contributions up to 6%, resulting in contributions to the plan of \$144,827. Beginning January 1, 2021, the Symposia changed the matching contribution from 6% to 3% and included a 3% safe harbor contribution in the amount of \$101,836 and \$40,217, respectively.