2019 ANNUAL REPORT



Because no family should go through childhood cancer alone™.

The National Children's Cancer Society

MEET SOME OF OUR BRAVE WARRIORS!

MEET ALANA – RETINOBLASTOMA WARRIOR

The best treatment facility to save Alana's eye and her life was 12 hours from her home and she needed to be seen twice a month. Her parents had to frequently leave work to care for their sick toddler and raise their newborn son. The expenses quickly mounted. After sharing their concerns with the hospital social worker, she referred them to the NCCS for help.

"We felt like we were drowning . . ." said Alana's mom.

MEET ANTHONY - NON-HODGKIN LYMPHOMA SURVIVOR

"I am a survivor. Survivorship means that I will live in the moment, be confident in my contribution and intentional in my desire to change the world."

–Anthony, scholarship recipient, non-Hodgkin lymphoma survivor and student at the University of Illinois Urbana-Champaign

Dear Friends,

Navigating the world of childhood cancer is truly daunting. Emotions run high, days are long and schedules are chaotic. Thousands of families go through this each year and need vital support to live in the world of childhood cancer.

With over thirty years of experience serving more than 44,000 children, NCCS has become a master navigator of this world, helping families get where they need to be – physically, financially and emotionally – to give them hope, and to give their children the best possible shot at survival.

But we can't do this work alone. It is only with the support of our compassionate donors that we have been able to distribute more than $67 million to families over our lifetime. These contributions allow NCCS to take a "no matter what" approach, creating a clear path through the world of childhood cancer and survivorship to help families stay strong, stay positive and stay together.

Because no family should go through childhood cancer alone™.

Sincerely,

Mark Slocomb
Chairman of the Board

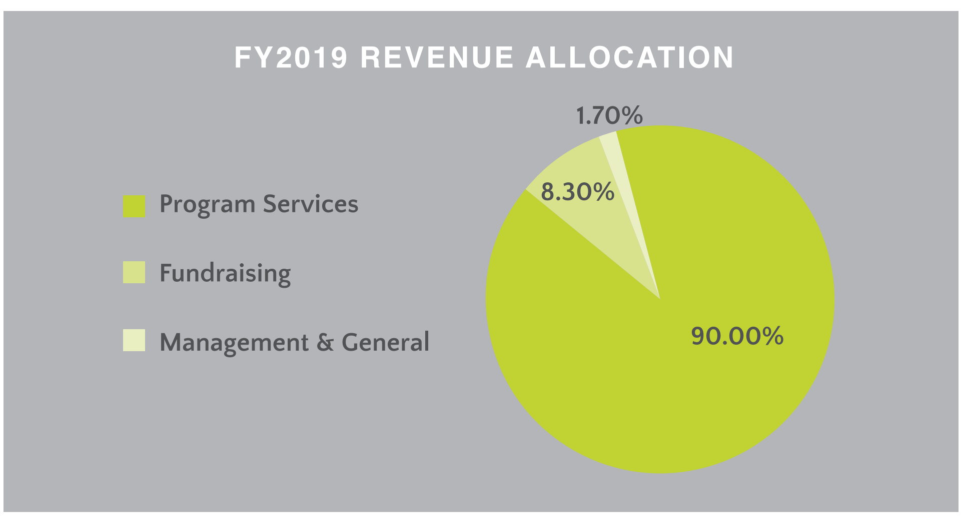
Mark Stolze
President and Chief Executive Officer

MISSION

The National Children's Cancer Society (NCCS) provides emotional, financial and educational support to children with cancer, their families and survivors.

OVERVIEW

Since its inception, the NCCS **has helped more than 44,000 children** with cancer and their families by **providing nearly $67 million** in program distributions. The NCCS is a 501(c)3 non-profit organization that is proud to meet all of the Better Business Bureau's "Standards of Charity Accountability," which includes a comprehensive, in-depth evaluation of charity governance, fundraising practices, solicitations and informational materials. The organization is also a Platinum Participant on GuideStar Exchange, the world's largest source of information on nonprofit organizations.



BECAUSE NO FAMILY SHOULD GO THROUGH CHILDHOOD CANCER ALONE™

Families are referred to NCCS by pediatric oncology nurses and social workers at treatment centers across the country. The organization received referrals from 194 treatment centers this fiscal year and provided financial assistance to 2,174 families battling childhood cancer.

Whether a child has just been diagnosed, is currently in treatment or completed treatment years ago, the NCCS is here to help.

HOW WE HELP DURING TREATMENT

The NCCS offers two programs to ease the financial strain of a childhood cancer diagnosis. Our **Transportation Assistance Fund** alleviates some of the travel expenses incurred to get a child to treatment such as mileage, airfare and lodging when the best place for treatment is away from home.

The **Emergency Assistance Fund** provides an annual stipend to families who have a child that has been inpatient or away from home for (15) consecutive days within the past three months. Assistance may be used for many daily expenses families face including mortgage payments, rent, utility bills and other treatment-related costs such as prescriptions and parking.

In addition to the financial impact of childhood cancer, the emotional toll it takes on a family is profound. Our **Family Support Program** helps ease the emotional strain by providing a case manager who stands by a family's side throughout their journey. These dedicated individuals are trained to offer practical and emotional support during difficult times, educate parents and caregivers on how to best advocate for their child and provide referrals when needed.

THE NCCS ASSISTED FAMILIES BATTLING CHILDHOOD CANCER AT THE FOLLOWING PEDIATRIC ONCOLOGY FACILITIES ACROSS THE U.S.:

ALABAMA
Children's of Alabama, Birmingham
Huntsville Hospital Women and Children, Huntsville
St. Jude Affiliate-Huntsville Hospital for Women & Children, Huntsville
USA Children's & Women's Hospital, Mobile

ALASKA
Providence Alaska Medical Center, Anchorage

ARIZONA
Banner Health Cardon Children's Medical Center, Mesa
Banner Health University Medical Center, Tucson
Banner Thunderbird Medical Center, Glendale
Phoenix Children's Hospital, Phoenix

ARKANSAS
Arkansas Children's Hospital, Little Rock

CALIFORNIA
Children's Hospital & Research Center, Oakland
Children's Hospital Los Angeles, Los Angeles
CHOC Children's, Orange County
City of Hope National Medical Center, Duarte
Cottage Children's Medical Center, Santa Barbara
Kaiser Permanente, Fontana
Kaiser Permanente, Los Angeles
Kaiser Permanente, Oakland
Kaiser Permanente, Roseville
Kaiser Permanente, Sacramento
Kaiser Permanente, San Diego
Loma Linda University Children's Hospital, Loma Linda
Miller Children's & Women's Hospital, Long Beach
Rady Children's Hospital, San Diego
Stanford Children's Health at California Pacific Medical Center, San Francisco
Stanford Children's Health Specialty Services, Los Gatos
Stanford Children's Health-Lucile Packard Children's Hospital, Palo Alto
Sutter Medical Center, Sacramento
UC Davis Medical Center, Sacramento
UCLA Mattel Children's Hospital, Los Angeles
UCSF Benioff Children's Hospital, San Francisco
Valley Children's Healthcare, Madera
Ventura County Community Foundation, Camarillo
Ventura County Medical Center, Ventura

COLORADO
Children's Hospital Colorado, Aurora
Memorial Hospital Central, Colorado Springs

CONNECTICUT
Connecticut Children's Medical Center, Hartford
Yale New Haven Hospital, New Haven

DELAWARE
Nemours/Alfred I. duPont Hospital For Children, Wilmington

DISTRICT OF COLUMBIA
Children's National, Washington, DC

FLORIDA
AdventHealth for Children, Orlando
Florida Hospital Cancer Institute, Orlando
Golisano Children's Hospital of Southwest Florida, Ft. Myers
Jackson Memorial Hospital, Miami
Joe DiMaggio Children's Hospital, Hollywood
Johns Hopkins All Children's Hospital, Tampa
Johns Hopkins All Children's Hospital, St. Petersburg
Kids Cancer Foundation, Loxahatchee
Nemours Children's Specialty Care, Jacksonville
Nemours Children's Specialty Care, Orlando
Nicklaus Children's Hospital, Miami
Orlando Health Arnold Palmer Hospital for Children, Orlando
Palm Beach Children's Hospital at St. Mary's Medical Center, West Palm Beach
Sacred Heart Hospital, Pensacola
St. Joseph's Children's Hospital, Tampa
Sylvester Comprehensive Cancer Center, Miami
UF Health Shands Children's Hospital, Gainesville
Wolfson Children's Hospital, Jacksonville

GEORGIA
Augusta University Medical Center, Augusta
Children's Healthcare of Atlanta, Atlanta
Children's Healthcare of Atlanta at Egleston Hospital, Atlanta
Children's Hospital of Georgia, Augusta
Medical Center Navicent Health, Macon
Memorial Health Dwaine & Cynthia Willett Children's Hospital, Savannah

HAWAII
Kapi'olani Medical Center for Women & Children, Honolulu

ILLINOIS
Advocate Lutheran General Hospital, Park Ridge
Ann & Robert H. Lurie Children's Hospital of Chicago, Chicago
Rush University Medical Center, Chicago
SIU School of Medicine, Springfield
UChicago Medicine Comer Children's, Chicago
UI Health, Chicago

INDIANA
Beacon Children's Hospital, South Bend
Lutheran Children's Hospital, Fort Wayne
Peyton Manning Children's Hospital Ascension St. Vincent, Indianapolis
Riley Hospital for Children, Indianapolis

IOWA
Blank Children's Hospital, Des Moines
University of Iowa Stead Family Children's Hospital, Iowa City

KANSAS
Wesley Children's Hospital, Wichita

KENTUCKY
Norton Children's Hospital, Louisville
U of L Physicians, Louisville
UK HealthCare Kentucky Children's Hospital, Lexington

LOUISIANA
Children's Hospital New Orleans, New Orleans
LSU Health Shreveport, Shreveport
Ochsner Medical Center, New Orleans
Our Lady of the Lake Children's Hospital, Baton Rouge
St. Jude Baton Rouge Affiliate Clinic, Baton Rouge

MARYLAND
Johns Hopkins Children's Center, Baltimore
University of Maryland Medical Center, Baltimore
Walter Reed National Military Medical Center, Bethesda

MASSACHUSETTS
Baystate Medical Center, Springfield
Dana-Farber Cancer Institute, Boston
Floating Hospital for Children at Tufts Medical Center, Boston
Massachusetts General Hospital, Boston
UMass Memorial Health Care, Worcester

MICHIGAN
Children's Hospital of Michigan, Detroit
Helen DeVos Children's Hospital, Grand Rapids
Hurley Medical Center, Flint
University of Michigan Medical Center, Ann Arbor
William Beaumont Hospital, Royal Oak

MINNESOTA
Children's Minnesota, Minneapolis
Essentia Health - St. Mary's Medical Center, Duluth
M Health University of Minnesota Masonic Children's Hospital, Minneapolis
Mayo Clinic Hospital, St. Mary's, Rochester
Mayo Eugenio Litta Children's Hospital, Rochester

MISSOURI

Children's Hospital, St. Louis
Children's Mercy, Kansas City
Mercy Clinic Children's Cancer & Hematology, St. Louis
Mercy Hospital, St. Louis
SSM Health Cardinal Glennon Children's Hospital, St. Louis

MONTANA

Billings Clinic, Billings

NEBRASKA

Children's Hospital & Medical Center, Omaha
The Nebraska Medical Center, Omaha

NEVADA

Nevada Childhood Cancer Foundation, Las Vegas
Summerlin Hospital Medical Center, Las Vegas
Sunrise Children's Hospital, Las Vegas

NEW JERSEY

Children's Hospital of New Jersey, Newark
Cooper Children's Regional Hospital, Camden
ProCure Proton Therapy Center, Somerset

NEW MEXICO

Presbyterian Hospital, Albuquerque
UNM Children's Hospital, Albuquerque

NEW YORK

Cohen Children's Medical Center, New Hyde Park
Maria Fareri Children's Hospital, Valhalla
Memorial Sloan Kettering Cancer Center, New York
Montefiore Medical Center, Bronx
Roswell Park Comprehensive Cancer Center, Buffalo
Stony Brook Children's, Stony Brook
Upstate Golisano Children's Hospital, Syracuse

NORTH CAROLINA

Carolinas Medical Center, Charlotte
Duke University Medical Center, Durham
Levine Children's Hospital, Charlotte
Mission Hospital, Asheville
UNC Health Care, Chapel Hill
Vidant Medical Center, Greenville
Wake Forest Baptist Health, Winston-Salem

NORTH DAKOTA

Sanford Roger Maris Cancer Center, Fargo

OHIO

Akron Children's Hospital, Akron
Cincinnati Children's, Cincinnati
Cleveland Clinic Children's, Cleveland
Dayton Children's, Dayton
Mercy Health- Children's Hospital, Toledo
Nationwide Children's Hospital, Columbus
ProMedica Toledo Children's Hospital, Toledo
The Cleveland Foundation, Cleveland
University Hospitals Rainbow Babies & Children's, Cleveland

OKLAHOMA

St. Francis Healthcare, Tulsa
The Children's Hospital at OU Medicine, Oklahoma City

OREGON

Asante Rogue Regional Medical Center, Medford
OHSU Doernbecher Children's Hospital, Portland
Randall Children's Hospital at Legacy Emanuel, Portland

PENNSYLVANIA

Children's Hospital of Philadelphia, Philadelphia
Geisinger Medical Center, Danville
Penn State Health Milton S. Hershey Medical Center, Hershey
St. Christopher's Hospital for Children, Philadelphia
UPMC Children's Hospital of Pittsburgh, Pittsburgh
UPMC Magee-Womens Hospital, Pittsburgh
Wills Eye Hospital, Philadelphia

SOUTH CAROLINA

Greenville Memorial Hospital, Greenville
MUSC Children's Health, Charleston

SOUTH DAKOTA

Sanford Children's Hospital Sioux Falls, Sioux Falls

TENNESSEE

Children's Hospital at Erlanger, Chattanooga
East Tennessee Children's Hospital, Knoxville
Le Bonheur Children's Hospital, Memphis
Monroe Carell Jr. Children's Hospital at Vanderbilt, Nashville
St. Jude Children's Research Hospital, Memphis
St. Jude Tri Cities Affiliate Clinic, Johnson City
The Children's Hospital at TriStar Centennial, Nashville

TEXAS

Children's Medical Center Dallas, Dallas
Cook Children's Medical Center, Ft. Worth
Doctors Hospital at Renaissance, Edinburg
Driscoll Children's Hospital, Corpus Christi
McLane Children's Baylor Scott & White, Temple
Medical City Children's Hospital, Dallas
Methodist Children's Hospital - SW Texas, San Antonio
Texas Children's Hospital, Houston
The Children's Hospital of San Antonio, San Antonio
The University of Texas MD Anderson Cancer Center, Houston
University Hospital, San Antonio
UTMB Health Children's Hospital, Galveston

UTAH

Primary Children's Hospital, Salt Lake City

VERMONT

The University of Vermont Children's Hospital, Burlington

VIRGINIA

Carilion Children's Hospital, Roanoke
Children's Hospital of The King's Daughters, Norfolk
University Hospital, Charlottesville
Virginia Commonwealth University, Richmond

WASHINGTON

Mary Bridge Children's, Tacoma
MultiCare Deaconess Hospital,Spokane
Seattle Cancer Care Alliance, Seattle
Seattle Children's, Seattle
UW Medical Center - Northwest, Seattle

WEST VIRGINIA

CAMC Women and Children's Hospital, Charleston

WISCONSIN

Children's Wisconsin, Milwaukee
Gundersen Lutheran Medical Center, La Crosse
UW Health American Family Children's Hospital, Madison

BEYOND THE CURE

Beyond the Cure is the NCCS survivorship program which prepares survivors and their families for life after cancer.

The majority of childhood cancer survivors experience one or more "late effects," which are post-treatment physical and cognitive issues that are a result of a child's diagnosis and treatment.

Our **Late Effects After Treatment Tool (LEATT)**, developed in collaboration with Robert Hayashi, MD, Professor of Pediatrics, Director, Late Effects Clinic, St. Louis Children's Hospital/Washington University School of Medicine, provides survivors with a personalized assessment of potential late effects based on their diagnosis and treatment.

Beyond the Cure also awards college scholarships to childhood cancer survivors. More than $1.4 million has been distributed to survivors to help them achieve their future goals. Applicants for the **Beyond the Cure Ambassador Scholarship Program** are asked to write an essay explaining how cancer has affected their lives and future as well as how they plan to give back to the childhood cancer community. Fifty-eight college-bound childhood cancer survivors around the country received scholarships totaling $203,000 during FY2019. The NCCS is deeply grateful to **Centene Corporation** and the **Engelhardt Family Foundation** for their generous support of the program.

SURVIVORSHIP CONFERENCES

Beyond the Cure co-sponsored survivorship conferences with nine hospitals across the country. The conferences provide vital information on issues common to childhood cancer survivorship. This year's conferences were presented with the following hospitals:

- Advocate Hope – Oak Lawn, IL
- Banner Children's Hospital – Mesa, AZ
- Children's Healthcare of Atlanta – Atlanta, GA
- Children's Hospital of the King's Daughter – Norfolk, VA
- Fred Hutchinson – Seattle, WA
- Lutheran Children's Hospital – Fort Wayne, IN
- Nationwide Children's Hospital – Columbus, OH
- Rutgers Cancer Institute – Brunswick, NY
- University of Minnesota Children's Hospital, Minneapolis, MN

EDUCATIONAL PUBLICATIONS

The organization distributed 5,300 free educational publications during FY2019. The NCCS publication library includes an activity book that provides a creative outlet for patients to learn about themselves and their cancer treatment, coloring books for young children, information for college-bound survivors and in-depth guides for both survivors and their parents/caregivers.

GLOBAL OUTREACH PROGRAM

Over 300,000 children are diagnosed with cancer worldwide. Sadly, half of children with cancer in developing countries will not survive. The Global Outreach Program (GOP) helps address the devastating effects of inadequate and often non-existent medical care for thousands of pediatric cancer patients around the globe.

With the assistance of carefully selected corporate partners, the NCCS supplies and tracks cancer-related pharmaceuticals, medical supplies, supportive-care products and medical equipment to hospitals and clinics outside the U.S. that treat children with cancer.

The NCCS Global Outreach Program is one of the only programs of its kind to solely focus on pediatric cancer treatment. To date, the program has distributed in excess of $390 million in donated pharmaceuticals and medical supplies to 65 facilities in 39 countries, helping to save the lives of 162,000 children with cancer.

FACILITY PARTNERS

The Global Outreach Program currently supports 19 hospitals in 15 countries.

AFRICA
CHU Gabriel Toure –
Unite d' Oncologie Pediatrique
Bamako, Mali

BOLIVIA
Hospital del Nino Manuel Ascencio Villaroel, Cochabamba
Hospital del Niño "Dr Ovidio Aliaga Uria", La Paz
Instituto Oncologico del Oriente Boliviano – Servicios de Pediatria, Santa Cruz

BRAZIL
GACC - Grupo de Apoio a Crianca com Cancer, Intabuna
Unidade de Quimioterapia de Santa Casa de Misceicordia de Itabuna, Intabuna

CHILE
Fundacion Nuestros Hijos, Santiago
Hospital Exequiel Gonzalez Cortes / Hospital Sotero del Rio, Santiago

COSTA RICA
Hospital Nacional de Ninos, San Jose

DOMINICAN REPUBLIC
Fundacion Amigos Contra el Cancer Infantil, Santo Domingo
Hospital Infantil – "Dr. Robert Reid Cabral", Santo Domingo

EL SALVADOR
Fundacion Ayudame a Vivir Nacional Children's Hospital "Benjamin Bloom", San Salvador

GUATEMALA
Fundacion Ayudame a Vivir, Unidad Nacional de Oncologia Pediatrica, Guatemala City

HAITI
Nos Petits Freres et Soeurs, Hospital St. Damien, Port-au-Prince

HONDURAS
Fundacion Hondurena para el Nino con Cancer Hospital, Tegucigalpa
Escuela Materno Infantil, Tegucigalpa

KYRGYZSTAN
National Center of Oncology, Bishkek

MOROCCO
Service d'Hematologie et d'Oncologie Pediatrique-Hopital 20 aout 1953, Casablanca
Unite d'Hematologie-Oncologie Pediatrique Hopital d'Enfants de Rabat, Rabat

NICARAGUA
Children's Hospital of Nicaragua Manuel de Jesus Rivera "La Mascota", Managua
CONANCA - Comision Nicaraguense de Ayuda al Nino con Cancer, "Hospital Infantil Manuel de Jesus Rivera," Managua

PANAMA
Fundacion Amigos/Hospital del Nino de Panama, Panama City

ZIMBABWE
Children's Cancer Relief – Kidzcan Zimbabwe, Harare

CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT

Board of Directors
The National Children's Cancer Society, Inc.
St. Louis, Missouri

We have audited the accompanying financial statements of The National Children's Cancer Society, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30,2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinion
IIn our opinion, the financial statements referred to above present fairly in all material respects the financial position of The National Children's Cancer Society, Inc., as of September 30, 2019, 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

St. Louis, Missouri
January 13, 2020

A member of Nexia International

STATEMENT OF FINANCIAL POSITION

SEPTEMBER 30, 2019

ASSETS

CURRENT ASSETS	
Cash	$ 424,640
Accounts Receivable, Net	312,927
Inventory	16,755
Prepaid Expenses and Other Assets	33,631
Total Current Assets	787,953
NONCURRENT ASSETS	
Investments	4,233,069
Property and Equipment, Net	13,427
Total NonCurrent Assets	4,246,496
Total Assets	$ 5,034,449

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Accounts Payable	$ 1,794,426
Annuities Payable	12,706
Accrued Expenses	201,891
Unearned Revenue	7,034
Line of Credit	220,120
Total Current Liabilities	2,236,177
LONG-TERM LIABILITIES	
Annuities Payable	66,175
Total Long-Term Liabilities	66,175
NET ASSETS	
Without Donor Restrictions	2,122,027
With Donor Restrictions	610,070
Total Net Assets	2,732,097
Total Liabilities and Net Assets	$ 5,034,449

See accompanying Notes to Financial Statements.

STATEMENT OF ACTIVITIES

YEAR ENDED SEPTEMBER 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUE			
Contributions	$ 7,860,574	$ -	$ 7,860,574
List Rental Income	132,780	-	132,780
Event Revenue	395,303	-	395,303
Less Direct Costs of Events	(175,483)	-	(175,483)
In-Kind Contributions	40,135,882	-	40,135,882
Investment Income	219,166	(1,546)	217,620
Net Assets Released from Restrictions -			
Satisfaction of Program Restrictions	22,710	(22,710)	-
Total Public Support and Revenue	48,590,932	(24,256)	48,566,676
EXPENSES			
Program Services:			
Division of Patient and Family Services	42,774,448	-	42,774,448
Supplemental Family Support	1,339,441	-	1,339,441
Public Information and Education	347,430	-	347,430
Total Program Services	44,461,319	-	44,461,319
Supporting Services:			
Management and General	819,110	-	819,110
Fundraising	4,106,851	-	4,106,851
Total Supporting Services	4,925,961	-	4,925,961
Total Expenses	49,387,280	-	49,387,280
OTHER EXPENSE			
Change in Value of Annuities	13,565	-	13,565
NET CHANGE IN NET ASSETS	(809,913)	(24,256)	(834,169)
Net Assets - Beginning of Year	2,931,940	634,326	3,566,266
NET ASSETS - END OF YEAR	$ 2,122,027	$ 610,070	$ 2,732,097

See accompanying Notes to Financial Statements.

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2019

	Program Services			Supporting Services		
	Division of Patient and Family Services	Supplemental Family Support	Public Information and Education	Management and General	Fundraising	Total
Aid Grants	$ 40,135,886	$ 1,189,760	$ -	$ -	$ -	$ 41,325,646
Production Services	-	-	-	511,867	3,348,025	3,859,892
Family Services and Education	1,608,907	490	1,137	-	-	1,610,534
Salary Expense	519,234	87,144	202,248	178,887	222,822	1,210,335
Cause Related Marketing	-	-	-	-	377,355	377,355
Insurance	105,900	17,773	41,249	36,485	45,445	246,852
Professional Services	90,394	15,171	35,210	31,143	38,792	210,710
Direct Costs of Events	-	-	-	-	175,483	175,483
In-Kind Program Shipping	139,336	-	-	-	-	139,336
Rent and Utilities	54,023	9,067	21,042	18,612	23,183	125,927
Other Expenses	37,638	6,317	14,660	12,967	16,152	87,734
Payroll Taxes	36,681	6,156	14,288	12,637	15,741	85,503
Retirement	20,115	3,376	7,835	6,930	8,632	46,888
Telephone	6,350	1,066	2,474	2,187	2,726	14,803
Postage, Shipping and Handling	4,910	824	1,913	1,692	2,107	11,446
Office Supplies and Services	3,613	607	1,408	2,251	1,551	9,430
Meetings and Travel	3,525	591	1,373	1,214	1,512	8,215
Equipment Rental	3,400	571	1,325	1,172	1,459	7,927
Depreciation Expense	2,937	493	1,144	1,013	1,261	6,848
Shipping and Procurement	1,546	-	-	-	-	1,546
Public Relations	53	35	124	53	88	353
Total	$ 42,774,448	1,339,441	347,430	819,110	4,282,334	49,562,763
Less: Direct Costs of Events	-	-	-	-	(175,483)	(175,483)
Total Expenses	$ 42,774,448	$ 1,339,441	$ 347,430	$ 819,110	$ 4,106,851	$ 49,387,280

See accompanying Notes to Financial Statements.

STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES	
Net Change in Net Assets	$ (834,169)
Adjustments to Reconcile Net Change in Net Assets to Net Cash Provided (Used) by Operating Activities	
Depreciation	6,848
Change in Value of Annuities	13,565
Unrealized Loss on Investments	105,702
Realized Gain on Sale of Investments	(193,438)
Decrease in:	
Accounts Receivable	13,832
Inventory	5,048
Prepaid Expenses and Other Assets	2,419
Increase (Decrease) in:	
Accounts Payable	(275,356)
Annuity Payable	20,346
Accrued Expenses	(1,642)
Unearned Revenue	(3,436)
Net Cash Used by Operating Activities	(1,140,281)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of Property and Equipment	(11,518)
Proceeds from Sale of Investments	1,956,334
Purchases of Investments	(1,334,052)
Net Cash Provided by Investing Activities	610,764
CASH FLOWS FROM FINANCING ACTIVITIES	
Net Proceeds on Line of Credit	200,298
Net Cash Provided by Financing Activities	200,298
NET CHANGE IN CASH	(329,219)
Cash - Beginning of Year	753,859
CASH - END OF YEAR	$ 424,640

See accompanying Notes to Financial Statements.

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations
The National Children's Cancer Society, Inc. (the Organization) was incorporated in November 1987 to serve children with cancer and their families. Program services are categorized as follows: Division of Patient and Family Services, Supplemental Family Support and Public Information and Education. The Organization provides a Family Support Program, Transportation Assistance Fund, and Emergency Assistance Fund for families with children in treatment, a Beyond the Cure Program for cancer survivors, and a Global Outreach Program.

Basis of Presentation
Financial statement presentation follows the recommendations of the FASB. The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. As of September 30, 2019 the Organization had $610,070 in net assets with donor restrictions.

Basis of Accounting
The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Concentration of Credit Risk
The majority of the Organization's cash and cash equivalents are maintained at three banks. The bank provides a maximum protection under regulations issued by the Federal Deposit Insurance Corporation. At September 30, 2019 deposits at the bank in excess of federally insured limits were $88,071.

Cash and Cash Equivalents
Cash includes demand deposits and highly liquid financial instruments purchased with original maturities of three months or less. The carrying amount of cash equivalents approximates fair value.

Certain cash balances are required to be held in separate bank accounts in accordance with contractual arrangements.

Accounts Receivable
Receivables consist of amounts due to the Organization related to the direct mail,telemarketing, and royalty programs. Management writes off receivables when it determines that an amount will not be collected and considers all receivables at September 30, 2019 to be collectible. Therefore, no allowance for doubtful accounts is recorded at September 30, 2019. All receivables are considered current at September 30, 2019; therefore, no discount has been recorded.

Investments
In accordance with accounting standards, investments in marketable securities with readily determinable fair values are reported at fair value in the statement of financial position. Unrealized gains and losses are included in the statement of activities.

Inventory
Inventory consists of program literature and patient and family service items and is stated at cost, determined on the first-in, first out method.

Property and Equipment
Furniture and equipment is recorded at cost. Maintenance and repairs are charged to operations when incurred. Betterments and renewals in excess of $500 are reviewed individually by management and are capitalized.

Donations of furniture and equipment are recorded as support at their estimated fair value. Such donations are reported as without donor restricted support unless the donor has restricted the donated asset to a specific purpose.

Depreciation and amortization are provided on a straight-line basis over the following periods:

Furniture and Fixtures	7 Years
Equipment	3 to 7 Years
Software	3 Years
Leasehold Improvements	7 Years

Compensated Absences
Employees of the Organization are entitled to paid vacation days depending on length of service. Amounts accrued for compensated absences are included in accounts payable and accrued expenses in the accompanying statement of financial position.

Contributions
In accordance with accounting standards, contributions received by the Organization are recorded as with donor restriction or without donor restriction support, depending on the existence and nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire within the fiscal year the contributions are recognized.

Annuities Payable
Annuities payable represents an annuity obligation for gift annuities received by the Organization. Gift annuities provide for payment to named annuitants over their lifetimes. The payment is guaranteed by the Organization through an agreement. An annuities payable liability is recorded until the projected termination of the annuity payment obligation based upon the present value of the expected payments over the life expectancy of the annuitants. The current annuity values are valued at fair value. The Organization reviews AFR in determining the discount rate to apply for the present value calculation. A discount rate of 2.2% was applied to determine the liability at September 30, 2019. Fair value at September 30, 2019 is $166,446, while the recorded liability is $78,881.

Unearned Revenue
Unearned revenue consists of payments received in advance that relate to donated items to be sold by a third party in a future period and are deferred and recognized as revenue in the period earned.

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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of support, revenues, and expenses during the reporting period, including grant and contract revenues subject to review by applicable funding agencies. Accordingly, actual results could differ from those estimates.

Fair Value Measurements
The Organization measures fair value using a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing the asset or liability. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The objective of a fair value measurement is to determine the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). Accordingly, the fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The Organization may use valuation techniques consistent with the market, income and cost approaches to measure fair value.

The inputs used to measure fair value are categorized into the following three categories:

Level 1 - Inputs that reflect unadjusted quoted prices in active markets for identical investments, such as stocks, corporate and government bonds that the Organization has the ability to access as of the measurement date.
Level 2 - Inputs, other than quoted prices, that are observable for the asset or liability either directly or indirectly, including inputs from markets that are not considered to be active.
Level 3 - Inputs that are unobservable. Unobservable inputs reflect the Organization's own assumptions about the factors market participants would use in pricing an investment, and is based on the best information available in the circumstances.

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of financial position, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy.

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities include money market mutual funds, certain mutual funds, and equities. If quoted market prices are not available, then fair values are estimated by using pricing models or quoted prices of securities with similar characteristics. These Level 2 securities include mortgaged and asset-backed securities, corporate and municipal bonds, U.S. government agencies, hedge funds and managed futures. Inputs used to value Level 2 securities include interest rates for similar debt securities, Treasury obligations with similar maturities and net asset values provided by funds is utilized as a practical expedient. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy and include hedge funds. The net asset value (or its equivalent) provided by the fund is utilized, as a practical expedient, to determine fair value of these Level 3 investments. The funds are classified as Level 3 if they may not be redeemable in the short-term.

Any transfers in and out of Level 1 (quoted market prices), Level 2 (other significant observable inputs) and Level 3 (significant unobservable inputs) are recognized on the period ending date.

Development Costs

The Organization periodically incurs substantial costs for the continued development of a contributor list. In accordance with accounting principles generally accepted in the United States of America, the Organization recognizes these costs as they are incurred against operations, even though the contributor lists are expected to provide significant benefit to future periods.

Functional Expense Allocations

The costs of providing various program and other activities of the Organization have been summarized on a functional basis in the statement of functional expenses. Expenses are charged to program services, fundraising or management and general based on actual costs incurred by the program or supportive service, as well as on management's best estimate of time spent in the functional expense categories. Management and general expenses include those expenses that are not directly identifiable with any other specific section but provide for the overall support and direction of the Organization.

Tax Status

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. However, the Organization is liable for federal income taxes on certain unrelated business income.

Management analyzed the tax positions taken by the Organization and concluded that, as of September 30, 2019, there were no uncertain tax positions taken or are expected to be taken. Accordingly, no interest or penalties related to uncertain tax positions have been accrued in the accompanying financial statements.

Change in Accounting Principle

On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements if Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classification deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. We have implemented ASU 2016-14 and have adjusted the presentation in these financial statements accordingly.

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through January 13, 2020, the date the financial statements were available to be issued.

NOTE 2 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, this is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at September 30:

Cash and Cash Equivalents	$ 424,640
Accounts Receivable	312,927
Investments	4,233,069
Total Current Financial Assets	4,970,636
Less: Net Assets With Donor Restrictions Relating to Current Financial Assets	(610,070)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	$ 4,360,566

The Organization receives significant contributions without donor restrictions, and are considered for programs which are ongoing, major, and central to its annual operations. Contributions without donor restrictions are to be available to meet cash needs for general expenditures, which include administrative and general expenses, fund raising expenses, and grant commitments expected to be paid in the subsequent year. Annual operations are defined as activities occurring during the Organization's fiscal year.

NOTE 3 INVESTMENTS

Investments consist of the following at September 30, 2019:

Government and Agency Securities	$ 548,698
Equity Securities	2 ,853,561
Mutual Funds	830,810
Total Investments	$ 4 ,233,069

Investment return for the year ended September 30, 2019, is summarized as follows:

Interest and Dividend Income	$ 129,884
Unrealized Gain on Equity Securities	(105,702)
Realized Gain on Sale of Investments	193,438
Total Investment Gain	$ 217,620

NOTE 4 FAIR VALUE MEASUREMENTS

The Organization uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. For additional information on how the Organization values all other assets and liabilities refer to Note 1 – Organization and Summary of Significant Accounting Policies.

The following table presents the fair value hierarchy for the balances of the assets of the Organization measured at fair value on a recurring basis as of September 30, 2019:

	Total	(Level 1)	(Level 2)	(Level 3)
Government and Agency Bonds	$ 548,698	$ –	$ 548,698	$ –
Equity Securities	2,853,561	2,853,561	–	–
Mutual Funds	830,810	830,810	–	–
Total	$ 4,233,069	$ 3,684,371	$ 548,698	$ –

NOTE 5 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at September 30, 2019 consist of:

Purpose Restriction For Cancer Treatment in Minnesota	$ 610,070

Assets released from restrictions for the year ended September 30, 2019 are as follows:

Satisfaction of Purpose Restriction	$ 22,710

NOTE 6 PROPERTY AND EQUIPMENT

Property and equipment consists of the following at September 30, 2019:

Furniture and Fixtures	$ 17,878
Equipment	45,868
Software	304,611
Leasehold Improvements	6,800
Total	375,157
Less: Accumulated Depreciation	(361,730)
Property and Equipment	$ 13,427

Depreciation expense was $6,848 for the year ended September 30, 2019.

NOTE 7 ALLOCATION OF JOINT COSTS

The Organization combines the costs of its joint activities that combine fundraising appeals with other functions, and allocates those costs to their functional classifications. Such costs include printing, caging, donor search, public information, computer expenses, list development, direct mail expense, postage, and production fees. The physical units method is used to allocate these costs. This allocation process is based on lines of print from the documents and scripts used in the joint activities. Each line of print is analyzed and a determination is made as to its purpose. The number of lines for each objective is totaled and weighed against the total number of lines in the document as well as the frequency of use of the document.

The Organization's total joint costs incurred and functional classifications are as follows:

Functional Classification:	
Program Services	$ 1,610,534
Management and General	511,867
Fundraising	3,348,025
Total Joint Costs	5,470,426
Type of Activity:	
Direct Mail	$ 5,027,464
Telemarketing	442,962
Total Joint Costs	$ 5,470,426

The Organization follows standards for accounting and reporting costs of joint activities that combine fundraising appeals with other functions including definitions for the criteria of purpose, audience, and content. In accordance with the standard, the compensation structure of the joint activity is considered, as well as the target audience of the activity and the content of the information conveyed. If any of the criteria of purpose, audience, and content is not met, all costs of the joint activity are considered fundraising.

NOTE 8 OPERATING LEASES

The Organization leases office space, office equipment, and a vehicle under operating leases. The Organization's office lease has escalating lease payments ranging from $8,916 to $9,521 per month over the remaining term of the lease expiring April 30, 2021.

The future minimum rental payments required under operating leases that have initial or remaining noncancellable lease terms in excess of one year as of September 30, 2019 are as follows:

Year Ending September 30,	Amount
2020	$ 129,416
2021	83,927
2022	9,861
2023	3,800
Total	$ 227,004

Total rental expense under operating leases with a term in excess of one month was $126,246 for the year ended September 30, 2019.

NOTE 9 COMMITMENTS AND CONTINGENCIES

At September 30, 2019, the Organization is committed to several contracts for fundraising and program services, which are scheduled to expire on various dates through December 2019. Payments under these contracts are to be made by the Organization based on hourly rates with certain minimum performance guarantees. These contracts are a principal funding source of the Organization.

NOTE 10 RETIREMENT PLAN

The Organization has a defined contribution retirement plan covering substantially all of its employees. Contributions to the plan and related expenses were $46,888 for the year ended September 30, 2019.

NOTE 11 AID GRANTS

The Organization receives and disburses both cash and in-kind grants to individuals and organizations. During the year ended September 30, 2019, the Organization recognized and disbursed $40,135,886 of in-kind contributions, consisting primarily of pharmaceuticals and medical supplies. The grants were recorded at their estimated fair value in the financial statements based on valuations provided by the donors, primarily manufacturers or distributors, and comparison with other industry sources.

NOTE 12 RISKS AND UNCERTAINTIES

The Organization's assets include investments in various securities which, in general, are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is reasonably possible that changes in risks in the near term would materially affect the amounts reported in the balance sheet and the statement of activities.

NOTE 13 LINE OF CREDIT

The Organization has a Loan Management Account Agreement with a bank which allows the Organization to borrow under a revolving line of credit arrangement. Available credit is subject to borrowing base limitations determined by the bank based upon the market value of pledged securities. Advances under the agreement can be made under variable rate, fixed rate and term advances agreed upon at the time of the advance. Advances are due upon demand. Investments held by Merrill Lynch are pledged as collateral. Available credit under the agreement at September 30, 2019 was $2,315,531. At September 30, 2019, borrowings under the agreement were $220,120, all in principal. The balance is subject to interest at a variable rate of LIBOR plus the spread. The interest rate as of September 30, 2019 is 4.28%.

Cash paid for interest on the line of credit was $4,963 for the year ended September 30, 2019.

NOTE 14 RELATED PARTY TRANSACTIONS

During the year ended September 30, 2019, the Organization received $51,706 in contributions from various members of the board of directors (Directors). In addition, during the year ended September 30, 2019, the Organization received $67,000 from companies in which Directors serve as a director or officer. The Organization also received $450 in In-Kind gifts from various board members of the board of directors during the year ended September 30, 2019. At September 30, 2019, there were no receivables from related parties.

One of the asset custodians is a financial institution for which a member of the board of the National Children's Cancer Society is an officer. The amount paid to the asset custodian during the year ended September 30, 2019 totaled $48,591. The board member was not directly compensated for services provided.

The National Children's Cancer Society

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