

***RONALD McDONALD HOUSE
OF
CHARLOTTE, INC.***

***FINANCIAL STATEMENTS
DECEMBER 31, 2020***

Ronald McDonald House of Charlotte, Inc.
Table of Contents
December 31, 2020

	Page
Independent Auditors' Report	1
Audited Financial Statements:	
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows.....	5
Notes to Financial Statements	6-14

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Ronald McDonald House of Charlotte, Inc.
Charlotte, North Carolina

We have audited the accompanying financial statements of Ronald McDonald House of Charlotte, Inc. (the "Organization" - a nonprofit corporation), which comprise the statement of financial position as of December 31, 2020, 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 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 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 in the first paragraph present fairly, in all material respects, the financial position of Ronald McDonald House of Charlotte, Inc., as of December 31, 2020 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 the Organization's 2019 financial statements, and our report dated April 17, 2020, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

C. Dewitt Foard & Company, P.A.
June 24, 2021

Ronald McDonald House of Charlotte, Inc.
Statement of Financial Position
December 31, 2020, With Prior Year Comparative Totals

	2020	2019
<u>ASSETS</u>		
Current Assets:		
Cash and cash equivalents	\$ 2,346,798	\$ 2,188,578
Investments, other	9,952	-
Pledges receivable, net - current portion	12,427	263,766
Contributions receivable for use of land and services - current portion	48,146	76,440
Prepaid expenses and other assets	130,920	42,513
Total Current Assets	2,548,243	2,571,297
Restricted cash, endowment	138,585	138,585
Pledges receivable, net - noncurrent portion	-	9,354
Contributions receivable for use of land and services - noncurrent portion	1,291,938	1,340,087
Investments, certificate of deposit	1,266,604	1,252,376
Investments, board designated endowment	149,030	130,725
Investments, endowment	1,158,479	1,014,706
Property and equipment, net of accumulated depreciation of \$2,531,766	5,968,318	6,106,703
TOTAL ASSETS	\$ 12,521,197	\$ 12,563,833
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts payable	\$ 26,619	\$ 19,907
Accrued expenses	78,727	101,327
Capital lease obligation - current portion	6,700	6,485
Total Current Liabilities	112,046	127,719
Capital lease obligation, noncurrent portion	5,104	10,035
Total Liabilities	117,150	137,754
Net Assets:		
Without Donor Restrictions:		
Undesignated	6,459,991	6,428,997
Operating reserve	2,662,360	2,642,191
Maintenance reserve	485,206	483,143
Board designated endowment	149,030	130,725
Total Net Assets Without Donor Restrictions	9,756,587	9,685,056
With donor restrictions	2,647,460	2,741,023
Total Net Assets	12,404,047	12,426,079
TOTAL LIABILITIES AND NET ASSETS	\$ 12,521,197	\$ 12,563,833

Ronald McDonald House of Charlotte, Inc.**Statement of Activities****Year Ended December 31, 2020, With Prior Year Comparative Totals**

	Without Donor Restrictions	With Donor Restrictions	Totals	
			2020	2019
<u>SUPPORT AND REVENUE</u>				
Contributions	\$ 1,167,392	\$ 88,550	\$ 1,255,942	\$ 964,629
In-kind contributions	24,270	-	24,270	118,046
Special events and fundraiser revenues	400,484	-	400,484	586,456
Investment earnings	41,315	142,085	183,400	240,072
Net assets released from restrictions:				
Satisfaction of program restrictions	76,443	(76,443)	-	-
Satisfaction of time restrictions	247,755	(247,755)	-	-
<i>TOTAL SUPPORT AND REVENUE</i>	<i>1,957,659</i>	<i>(93,563)</i>	<i>1,864,096</i>	<i>1,909,203</i>
<u>EXPENSES</u>				
Program services	1,217,067	-	1,217,067	1,187,129
Management and general	337,816	-	337,816	338,424
Fund raising	331,245	-	331,245	459,531
<i>TOTAL EXPENSES</i>	<i>1,886,128</i>	<i>-</i>	<i>1,886,128</i>	<i>1,985,084</i>
<i>CHANGE IN NET ASSETS</i>	<i>71,531</i>	<i>(93,563)</i>	<i>(22,032)</i>	<i>(75,881)</i>
<i>NET ASSETS, BEGINNING</i>	<i>9,685,056</i>	<i>2,741,023</i>	<i>12,426,079</i>	<i>12,501,960</i>
<i>NET ASSETS, ENDING</i>	<i>\$ 9,756,587</i>	<i>\$ 2,647,460</i>	<i>\$ 12,404,047</i>	<i>\$ 12,426,079</i>

Ronald McDonald House of Charlotte, Inc.**Statement of Functional Expenses****Year Ended December 31, 2020, With Prior Year Comparative Totals**

	Program Services	Management and General	Fund Raising	Totals	
				2020	2019
Salaries and benefits	\$ 828,293	\$ 235,676	\$ 182,603	\$ 1,246,572	\$ 1,226,312
Utilities	66,667	14,240	13,963	94,870	113,286
Maintenance	57,106	12,198	11,961	81,265	89,488
Office supplies	52,911	10,863	19,043	82,817	139,010
Printing	-	-	14,922	14,922	15,036
Special events	-	-	45,967	45,967	83,793
Depreciation	132,568	28,316	27,765	188,649	180,084
Insurance	16,542	6,995	-	23,537	24,230
Travel	806	165	519	1,490	3,608
Other	62,174	29,363	14,502	106,039	110,237
TOTAL EXPENSES	\$ 1,217,067	\$ 337,816	\$ 331,245	\$ 1,886,128	\$ 1,985,084

Ronald McDonald House of Charlotte, Inc.**Statement of Cash Flows****Year Ended December 31, 2020, With Prior Year Comparative Totals**

	<u>2020</u>	<u>2019</u>
<u>OPERATING ACTIVITIES</u>		
Change in net assets	\$ (22,032)	\$ (75,881)
Adjustments to reconcile change in net assets to cash flows from operating activities:		
Depreciation	188,649	180,084
Net unrealized and realized gains on investments	(131,107)	(150,030)
Change in provision for uncollectible pledges receivable	(7,884)	(63)
Change in discount on pledges receivable	(346)	(4,018)
Contributions for endowment	-	(34,866)
Contribution of investments	(9,952)	-
In-kind contribution of property and equipment	(4,730)	(90,238)
(Increase) decrease in operating assets:		
Pledges receivable	268,923	(11,927)
Contributions receivable for use of land and services	76,443	76,443
Prepaid expenses and other assets	(88,407)	17,203
Increase (decrease) in operating liabilities:		
Accounts payable	6,712	(13,028)
Accrued expenses	(22,600)	40,746
<i>Cash Flows From Operating Activities</i>	<u>253,669</u>	<u>(65,575)</u>
<u>INVESTING ACTIVITIES</u>		
Purchases of property and equipment	(45,534)	(2,059)
Net purchase of investments	(45,199)	(49,654)
<i>Cash Flows From Investing Activities</i>	<u>(90,733)</u>	<u>(51,713)</u>
<u>FINANCING ACTIVITIES</u>		
Payments on capital lease obligation	(4,716)	(7,196)
Contributions for endowment	-	34,866
Collections on endowment pledges receivable	-	23,912
<i>Cash Flows From Financing Activities</i>	<u>(4,716)</u>	<u>51,582</u>
<i>CHANGE IN CASH AND CASH EQUIVALENTS</i>	<u>158,220</u>	<u>(65,706)</u>
<i>CASH AND CASH EQUIVALENTS, BEGINNING</i>	<u>2,327,163</u>	<u>2,392,869</u>
<i>CASH AND CASH EQUIVALENTS, ENDING</i>	<u>\$ 2,485,383</u>	<u>\$ 2,327,163</u>

Ronald McDonald House of Charlotte, Inc.

Notes to Financial Statements

December 31, 2020

NOTE A - ORGANIZATION AND NATURE OF OPERATIONS

Ronald McDonald House of Charlotte, Inc. (the Organization) is a North Carolina nonprofit organization incorporated on March 27, 2006. The purpose of the Organization is to provide a home for seriously ill children and their families while the children are receiving treatment at nearby medical facilities, primarily Atrium Health's Levine Children's Hospital and Novant Health's Hemby Children's Hospital. The Organization operates under a license agreement with McDonald's Corporation by which the right to use certain trade and service marks relating to Ronald McDonald House is granted, subject to compliance with the terms of the agreement. The Organization's primary sources of funding are contributions from individuals and businesses, and special events and fundraiser revenues.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Organization uses the accrual basis of accounting; therefore, revenues are recognized when earned and expenses are recognized when incurred. This basis of accounting conforms to U.S. generally accepted accounting principles (GAAP).

Basis of Presentation

Under GAAP 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 are those currently available for use in the day-to-day operations of the Organization and those resources invested in property and equipment. Designated net assets represent amounts designated by the Board of Directors for purposes other than operations.

Net assets with donor restrictions are those which are stipulated by donors for specific operating purposes or programs, those with time restrictions, or those not currently available for use until commitments regarding their use have been fulfilled. Net assets subject to donor-imposed stipulations that they be maintained in perpetuity by the Organization are also included as a component of net assets with donor restrictions.

Cash and Cash Equivalents

Cash and cash equivalents include cash in checking and money market accounts.

Restricted Cash

Restricted cash represents funds held for endowments that have not yet been invested.

Contributions

The Organization reports contributions of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires (that is, when a stipulated time restriction ends or the purpose of the 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.

Ronald McDonald House of Charlotte, Inc.

Notes to Financial Statements

December 31, 2020

Endowment contributions are recorded as increases in net assets with donor restrictions. Earnings on endowment investments that are available for distribution are recorded as net assets with donor restrictions until the earnings are appropriated for expenditure or until certain purpose-related restrictions are met. As the earnings are appropriated for expenditure or after purpose-related restrictions are met, the earnings are released into net assets without donor restrictions.

Pledges Receivable

Unconditional pledges receivable are recognized as support in the period the promise is received. Conditional pledges receivable are recognized when the conditions on which they depend are substantially met. Contributions that are expected to be collected in future years are recorded at the present value of their estimated cash flows and are recorded net of an allowance for uncollectible pledges, which is based on an evaluation of the pledges receivable, past experience, current economic conditions, and other inherent risks. The Organization applies the fair value option for valuing all pledges, thereby applying the rate commensurate with credit risk and borrowing to discount its pledges. Amortization of the resulting discount is taken into income as a contribution in subsequent years.

Investments

Investments are comprised of money market funds, equities, mutual funds, exchange traded funds, and a certificate of deposit, and are reported at fair value in accordance with GAAP. Changes in the fair value of investments are reflected as investment income in the accompanying statement of activities. Endowment income is subject to time restrictions until appropriated for expenditure by the Board of Directors.

Donated Investments

The Organization sells any donated investments as soon as practicable after receipt. Such revenue is recorded at the fair value of the investment at the date of receipt.

Property and Equipment

Property and equipment are stated at cost when purchased, and at estimated fair value when donated, subject to a \$1,000 capitalization policy. The Organization records depreciation of its property and equipment using the straight-line method over the estimated useful lives of the related assets, which are as follows:

Building and building improvements	50 years
Land improvements	10 years
Vehicles	7 years
Furniture, fixtures, and office equipment	5 years
Computers and software	3 years

The costs of major improvements are capitalized, while the costs of maintenance and repairs are expensed. The cost and related accumulated depreciation of property and equipment are eliminated from the accounts upon disposal, and any resulting gain or loss is included in the change in net assets of the Organization. Long-lived assets held and used by the Organization are reviewed for impairment whenever changes in circumstances indicate the carrying value of an asset may not be recoverable.

Ronald McDonald House of Charlotte, Inc.

Notes to Financial Statements

December 31, 2020

Equipment acquired under a capital lease is stated at the estimated fair value at the date of the lease. Amortization of the capital lease asset is provided using the straight-line method over the estimated useful life and is included in depreciation expense.

Donated Services and Equipment

Donated services are reported as contributions when the services (a) create or enhance nonfinancial assets or (b) would be purchased if they had not been provided by contribution, require specialized skills, and are provided by individuals possessing those skills. Donated services related to landscaping and other building maintenance and repair services that would have otherwise been purchased are included as in-kind contributions on the statement of activities. Donated goods, if significant, are included in support at fair value. During the year, the Organization recorded \$5,940 of contributed services, \$4,730 of donated property and equipment, and \$13,600 of donated goods.

A number of volunteers, including members of the Board of Directors, contribute significant amounts of time to the Organization. The value of this contributed time does not meet the criteria for recognition of contributed services and, accordingly, is not reflected as support in the accompanying financial statements.

Use of Estimates

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

Functional Allocation of Expenses

The Organization's activities are focused in three functional areas. Program services represent the primary focus of the Organization's activities. Supporting services are fundraising and management and general activities. The expenses that are allocated include salaries and benefits, which are allocated on the basis of estimates of time and effort. Utilities, maintenance, and depreciation expense are allocated based on an estimate of each function's share of these expenses. Special events expense is allocated completely to fundraising. Office supplies, printing, insurance, travel, and other expenses are directly allocated to the appropriate function based on the nature of the expense.

Income Tax Status

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) and is classified as a public charity under Section 509(a)(1) of the Internal Revenue Code.

Prior-Year Comparative Totals

The financial statements include certain prior-year summarized information, which is presented for comparative purposes only. Accordingly, such information should be read in conjunction with the Organization's 2019 financial statements from which the summarized information was derived. Certain prior-year amounts have been reclassified to conform to current year presentation.

Ronald McDonald House of Charlotte, Inc.
Notes to Financial Statements
December 31, 2020

NOTE C - PLEDGES RECEIVABLE

Pledges receivable are expected to be collected as follows:

Year ended December 31:	
2021	\$ 14,382
Deduct:	
Allowance for uncollectible pledges	<u>1,955</u>
	<u>\$ 12,427</u>

NOTE D - INVESTMENTS

Investments as of year-end are comprised of the following:

Certificate of deposit	\$ 1,266,604
Cash fund	40,892
Mutual Funds – Fixed income	282,776
Equities	<u>993,793</u>
	2,584,065
Less investments – Board designated endowment	149,030
Less investments - endowment	<u>1,158,479</u>
Investments – Unrestricted, designated for operating reserve	<u>\$ 1,276,556</u>

The certificate of deposit is invested with a local financial institution, has an initial term of 18 months, and bears interest at a rate of 0.1 percent.

NOTE E - CONTRIBUTION RECEIVABLE FOR USE OF LAND AND SERVICES

The Organization entered into a ground lease in January 2010 for property on which the facility was built. The initial term of the lease is fifty years following the commencement date. The Organization estimated the fair value of the lease at \$1,700,000 based on factors such as the estimated fair value of land and related fair value lease rates. In accordance with GAAP, the Organization recorded the use of land as an unconditional promise to give and as restricted support at its fair value. In the initial and future years, the receivable will be reduced and lease expense will be recorded in an amount equal to the estimated annual lease value of the land.

During 2011, the Organization received in-kind gifts for telecommunication services for ten years. The Organization estimated the fair value of the gifts at approximately \$430,000 based on estimated fair value monthly charges. In accordance with GAAP, the Organization recorded the gift of services as an unconditional promise to give and as restricted support at its fair value. In the initial and future years, the receivable will be reduced and utility expense will be recorded in an amount equal to the estimated annual value of services.

Ronald McDonald House of Charlotte, Inc.
Notes to Financial Statements
December 31, 2020

A summary of the contribution receivable as of year-end is as follows:

Receivable for use of land	\$ 1,325,961
Receivable for telecommunication services	14,123
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	1,340,084
Less current portion	48,146
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Noncurrent portion	\$ 1,291,938
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NOTE F - PROPERTY AND EQUIPMENT

Property and equipment as of year-end is comprised of the following:

Buildings	\$ 7,051,898
Computers and software	484,622
Furniture and fixtures	762,128
Vehicles	24,111
Office equipment	59,773
Leasehold improvements	117,552
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Total Property and Equipment	8,500,084
Less - accumulated depreciation	2,531,766
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Net Property and Equipment	\$ 5,968,318
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The above amounts include office equipment held under a capital lease.

NOTE G – CAPITAL LEASE OBLIGATION

During 2017 the Organization entered into a non-cancellable capital lease for three copiers. The lease is payable in 63 monthly installments of \$582 through October 2022, including interest at approximately 3%. The lease obligation and related assets have been capitalized for financial reporting purposes. Future minimum rental payments due under the lease at year-end are as follows:

Year ending December 31,	
2021	\$ 6,988
2022	5,178
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Total lease payments	12,166
Less amount representing interest	362
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Present value of net minimum lease payments	\$ 11,804
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Ronald McDonald House of Charlotte, Inc.
Notes to Financial Statements
December 31, 2020

NOTE H - FAIR VALUE MEASUREMENTS

Current accounting standards require fair value of financial instruments to be determined based on the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants. It establishes a three-level valuation hierarchy based upon observable and unobservable inputs, as follows:

Level 1 - Fair value is based on quoted prices in active markets for identical assets or liabilities.

Level 2 - Fair value is based on observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Fair value is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The certificate of deposit is classified as a Level 2 asset and is valued at cost plus accrued interest. All other investments held at year-end are classified as Level 1 assets.

NOTE I - NET ASSETS WITH DONOR RESTRICTIONS

Net assets which are restricted on a temporary basis available at year-end are to be used for the following purposes:

Pledges receivable:	
Time restricted	\$ 12,000
Donated telecommunication services	14,123
Estimated fair value of the use of land	1,325,961
Accumulated earnings on endowment funds	353,320
	<u>\$ 1,705,404</u>

The purpose of the net assets that are restricted in perpetuity is to provide cash to fund current programs. These net assets are comprised of the following at year-end:

Restricted cash	\$ 138,585
Endowment investments	803,471
	<u>\$ 942,056</u>

Ronald McDonald House of Charlotte, Inc.

Notes to Financial Statements

December 31, 2020

NOTE J - ENDOWMENT

The Organization's endowment consists of two funds established to provide current programs with a predictable and stable stream of revenue. The endowment includes donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors of the Organization has interpreted the 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. As a result of this interpretation, the Organization classifies as restricted net assets to be maintained in perpetuity (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in restricted net assets to be maintained in perpetuity is classified as net assets restricted on a temporary basis until those funds are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Organization, and (7) the Organization's investment policies.

Investment Return Objectives, Risk Parameters and Strategies

The Organization expects its investment strategy to provide an annualized rate of return to grow its endowment over the long-term to provide programs with a predictable and stable stream of revenue. Endowed assets are invested in money market funds, mutual funds, bonds, ETF's, and closed ended funds, as approved by the Board of Directors.

Spending Policy

The Board of Directors has also approved an annual endowment earnings spending policy of 5% of the average total fair value of investments for the trailing three-year period ending December 31. In the event the annualized total return does not equal or exceed 5%, the policy provides for a spending limitation of only interest, dividends, and other income receipts from investments less expenses. The Board of Directors has elected to postpone spending until the total fair value of endowment investments equals or exceeds \$1 million.

Ronald McDonald House of Charlotte, Inc.
Notes to Financial Statements
December 31, 2020

Net asset composition by type of fund for endowed investments at year-end are as follows:

	Without Donor Restrictions	Restricted on a Temporary Basis	Restricted In Perpetuity	Total
Donor-restricted	\$ -	\$ 353,320	\$ 803,471	\$ 1,156,791
Board-designated	149,030	-	-	149,030
Total endowment funds	<u>\$ 149,030</u>	<u>\$ 353,320</u>	<u>\$ 803,471</u>	<u>\$ 1,305,821</u>

NOTE K - RETIREMENT PLAN

The Organization maintains a defined contribution retirement plan for its employees qualifying under Sections 401(k) of the Internal Revenue Code. The benefits are provided based on salary and hours worked for each year of service. In order to be eligible, employees must be at least twenty-one years of age and have provided at least one year of service. The plan provides for employer matching contributions of 100% of elective deferrals, up to 4% of compensation. The Organization's contribution to this plan totaled \$27,555 for the year.

NOTE L – UNCERTAINTY

The COVID-19 pandemic has resulted in the cancellation or modification of fundraising events since early 2020, has decreased the allowed occupancy level of guests in the Organization's facility, and has required increased spending for cleaning and safety equipment. Also, since early 2020, use of volunteers has been limited. At this point, the full impact of this pandemic on the Organization is unknown, but management believes that it could negatively impact operations, support and revenue in the near future.

NOTE M - CONCENTRATIONS OF CREDIT RISK

Cash and Cash Equivalents and Certificate of Deposit

Cash and cash equivalents and certificates of deposit held in banks are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The total cash and cash equivalents and certificate of deposit held by the Organization at year-end include \$3,362,656 in excess of insured limits covered by the FDIC.

Support

The Organization's top 5 donors contributed 33 percent of cash contributions during the year.

Ronald McDonald House of Charlotte, Inc.

Notes to Financial Statements

December 31, 2020

NOTE N - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization has \$2,369,177 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditures, consisting of cash of \$2,346,798, investments of \$9,952, and pledges receivable of \$12,427, which are expected to be received within one year. As part of its liquidity management, the Organization invests cash in excess of daily requirements in various investments, including money market accounts or certificates of deposit.

NOTE O - SUBSEQUENT EVENTS

The Organization has evaluated subsequent events from the date of the statement of financial position through the date of the independent auditors' report, which is the date the audited financial statements were available to be issued. During this period, no material recognizable subsequent events were identified.