



Rocky Mountain Multiple Sclerosis Center

Financial Statements with Independent
Auditor's Report
For the Years Ended June 30, 2021 and 2020

Rocky Mountain Multiple Sclerosis Center

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Independent Auditor's Report
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Rocky Mountain Multiple Sclerosis Center

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Independent Auditor's Report

Board of Directors
Rocky Mountain Multiple Sclerosis Center
Westminster, Colorado

Opinion

We have audited the financial statements of the Rocky Mountain Multiple Sclerosis Center (the MS Center), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the MS Center as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance



with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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

BDO USA, LLP

February 22, 2022

Consolidated Financial Statements

Rocky Mountain Multiple Sclerosis Center

Statements of Financial Position

<i>June 30,</i>	2021	2020
ASSETS		
Cash and cash equivalents	\$ 1,011,023	\$ 895,959
Operating investments	905,837	779,287
Accounts receivable, net	91,512	114,253
Promises to give, net	28,000	368,667
Prepaid expenses and other assets	51,464	34,793
Property and equipment, net	1,351,947	1,405,240
Beneficial interest in assets held by Community First Foundation	471,800	404,551
Endowment investments	102,674	81,700
TOTAL ASSETS	\$ 4,014,257	\$ 4,084,450
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 126,812	\$ 154,328
Deferred revenue	79,056	48,285
Line of credit	-	83,613
Notes payable	375,008	299,649
TOTAL LIABILITIES	580,876	585,875
COMMITMENTS AND CONTINGENCIES		
NET ASSETS		
Net assets without donor restrictions	2,509,282	2,464,368
Net assets with donor restrictions	924,099	1,034,207
TOTAL NET ASSETS	3,433,381	3,498,575
TOTAL LIABILITIES AND NET ASSETS	\$ 4,014,257	\$ 4,084,450

See accompanying notes to the financial statements.

Rocky Mountain Multiple Sclerosis Center

Statements of Activities

Year Ended June 30,	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
SUPPORT						
Contributions	\$ 339,867	\$ 467,203	\$ 807,070	\$ 387,218	\$ 381,621	\$ 768,839
Gross special events revenue	312,771	-	312,771	464,660	-	464,660
Less direct costs of special events	(34,147)	-	(34,147)	(152,162)	-	(152,162)
Net special events revenue	278,624	-	278,624	312,498	-	312,498
Net assets released from restrictions	665,535	(665,535)	-	740,723	(740,723)	-
TOTAL SUPPORT	1,284,026	(198,332)	1,085,694	1,440,439	(359,102)	1,081,337
REVENUE						
KADEP	643,980	-	643,980	1,015,896	-	1,015,896
Seminars and publications	82,240	-	82,240	111,200	-	111,200
Other program and services	9,085	-	9,085	20,110	-	20,110
PPP Loan forgiveness	266,300	-	266,300	-	-	-
Net investment return	191,709	20,974	212,683	19,493	1,987	21,480
Distributions from and change in value of beneficial interests in assets held by others						
Community First Foundation	15,823	67,250	83,073	15,268	(1,113)	14,155
Other income	4,330	-	4,330	3,006	-	3,006
TOTAL REVENUE	1,213,467	88,224	1,301,691	1,184,973	874	1,185,847
TOTAL SUPPORT AND REVENUE	2,497,493	(110,108)	2,387,385	2,625,412	(358,228)	2,267,184
EXPENSES						
PROGRAM SERVICES						
KADEP	1,044,435	-	1,044,435	1,178,898	-	1,178,898
Community care and support	224,166	-	224,166	288,925	-	288,925
Education	251,264	-	251,264	260,624	-	260,624
Research	504,254	-	504,254	531,434	-	531,434
TOTAL PROGRAM SERVICES	2,024,119	-	2,024,119	2,259,881	-	2,259,881
SUPPORTING SERVICES						
Management and general	140,763	-	140,763	147,924	-	147,924
Fundraising and development	287,697	-	287,697	299,179	-	299,179
TOTAL SUPPORTING SERVICES	428,460	-	428,460	447,103	-	447,103
TOTAL EXPENSES	2,452,579	-	2,452,579	2,706,984	-	2,706,984
CHANGE IN NET ASSETS	44,914	(110,108)	(65,194)	(81,572)	(358,228)	(439,800)
NET ASSETS, Beginning of year	2,464,368	1,034,207	3,498,575	2,545,940	1,392,435	3,938,375
NET ASSETS, End of year	\$ 2,509,282	\$ 924,099	\$ 3,433,381	\$ 2,464,368	\$ 1,034,207	\$ 3,498,575

See accompanying notes to the financial statements.

Rocky Mountain Multiple Sclerosis Center

Statement of Functional Expenses For the Year Ended June 30, 2021

Year Ended June 30, 2020	Program Services				Total program services	Supporting Services		Total Supporting Services	Special events direct costs	Total
	KADEP	Community care and support	Education	Research		Management and general	Fundraising and development			
Salaries, taxes and benefits	787,856	114,968	165,058	80,589	\$ 1,148,471	77,260	206,833	\$ 284,093	-	\$ 1,432,564
Professional services										
Medical director, clinic	-	76,875	31,013	59,200	167,088	-	-	-	-	167,088
Donated professional services	1,079	-	-	-	1,079	2,296	-	2,296	-	3,375
Other	10,712	4,864	5,013	4,716	25,305	36,273	12,261	48,534	-	73,839
Program grants	-	4,500	-	352,750	357,250	-	-	-	-	357,250
Participant activities, travel and meals	67,257	390	-	-	67,647	-	-	-	-	67,647
Seminars	-	-	2,700	-	2,700	-	-	-	-	2,700
Exercise and wellness programs	-	7,904	-	-	7,904	-	-	-	-	7,904
Supplies	5,061	-	26	-	5,087	715	237	952	-	6,039
Telecommunications	19,464	1,543	1,650	1,317	23,974	462	8,012	8,474	-	32,448
Postage and delivery	1,359	77	10,163	-	11,599	6,095	3,200	9,295	-	20,894
Occupancy	43,878	2,889	1,489	1,452	49,708	2,099	1,969	4,068	-	53,776
Repairs and maintenance	4,600	96	48	48	4,792	66	65	131	-	4,923
Printing and publications	4,823	671	19,680	491	25,665	5,161	10,456	15,617	-	41,282
Conferences, conventions and meetings	256	16	25	-	297	422	990	1,412	-	1,709
Insurance	33,833	2,494	1,538	1,247	39,112	1,662	1,941	3,603	-	42,715
Donated materials and supplies	605	-	-	-	605	-	-	-	-	605
Program marketing	-	-	1,268	-	1,268	-	-	-	-	1,268
Staff development, certifications, and memberships	1,728	325	325	200	2,578	740	615	1,355	-	3,933
Event publicity, donated	-	-	-	-	-	-	36,200	36,200	-	36,200
Special events direct costs	-	-	-	-	-	-	-	-	31,647	31,647
Special events direct costs, donated	-	-	-	-	-	-	-	-	2,500	2,500
Banking and credit card fees	104	15	11	3	133	1,566	1,718	3,284	-	3,417
Taxes and licenses	1,154	73	7,734	-	8,961	187	73	260	-	9,221
Investment management fees	-	-	-	-	-	7,406	-	7,406	-	7,406
Interest	3,918	294	147	147	4,506	1,292	196	1,488	-	5,994
Volunteer and donor recognition	921	106	-	-	1,027	974	-	974	-	2,001
Other miscellaneous expenses	-	1,875	1,279	-	3,154	706	144	850	-	4,004
Expenses before depreciation	988,608	219,975	249,167	502,160	1,959,910	145,382	284,910	430,292	34,147	2,424,349
Depreciation	55,827	4,191	2,097	2,094	64,209	2,787	2,787	5,574	-	69,783
Total Expenses	1,044,435	224,166	251,264	504,254	2,024,119	148,169	287,697	435,866	34,147	2,494,132
Less expenses netted against revenue										
Special events - direct costs	-	-	-	-	-	-	-	-	(34,147)	(34,147)
Investment management fees	-	-	-	-	-	(7,406)	-	(7,406)	-	(7,406)
Total expenses reported on the statement of activities	\$ 1,044,435	\$ 224,166	\$ 251,264	\$ 504,254	\$ 2,024,119	\$ 140,763	\$ 287,697	\$ 428,460	\$ -	\$ 2,452,579

See accompanying notes to the financial statements.

Rocky Mountain Multiple Sclerosis Center

Statement of Functional Expenses For the Year Ended June 30, 2020

Year Ended June 30, 2020	Program Services				Total program services	Supporting Services		Total Supporting Services	Special events direct costs	Total
	KADEP	Community care and support	Education	Research		Management and general	Fundraising and development			
Salaries, taxes and benefits	\$ 876,200	\$ 109,658	\$ 160,687	\$ 78,233	\$ 1,224,778	\$ 72,420	\$ 198,932	\$ 271,352	\$ -	\$ 1,496,130
Professional services										
Medical director, clinic	-	112,363	30,750	62,475	205,588	-	-	-	-	205,588
Donated professional services	3,905	-	-	-	3,905	4,075	2,500	6,575	-	10,480
Other	11,678	4,984	5,134	4,831	26,627	38,788	14,895	53,683	-	80,310
Program grants	-	14,970	-	376,070	391,040	-	-	-	-	391,040
Participant activities, travel and meals	93,698	1,838	-	-	95,536	-	-	-	-	95,536
Seminars	-	-	11,176	-	11,176	-	-	-	-	11,176
Hydrotherapy, virtual exercise	-	31,313	-	-	31,313	-	-	-	-	31,313
Supplies	5,844	288	74	-	6,206	1,195	88	1,283	-	7,489
Telecommunications	20,319	1,460	1,589	1,266	24,634	447	7,201	7,648	-	32,282
Postage and delivery	1,365	48	11,077	-	12,490	4,526	3,515	8,041	-	20,531
Occupancy	53,034	3,301	1,695	1,658	59,688	2,243	2,243	4,486	-	64,174
Repairs and maintenance	8,743	106	54	52	8,955	79	71	150	-	9,105
Printing and publications	5,653	1,012	24,170	677	31,512	8,788	13,521	22,309	-	53,821
Conferences, conventions and meetings	5,211	1,000	2,926	582	9,719	2,790	3,318	6,108	-	15,827
Insurance	28,342	2,081	1,332	1,041	32,796	1,387	1,666	3,053	-	35,849
Donated materials and supplies	3,597	-	-	-	3,597	-	-	-	-	3,597
Program marketing	42	-	575	2,215	2,832	-	-	-	-	2,832
Staff development, certifications, and memberships	2,430	200	239	200	3,069	740	3,589	4,329	-	7,398
Event publicity, donated	-	-	-	-	-	-	40,700	40,700	-	40,700
Special events direct costs	-	-	-	-	-	-	-	-	110,897	110,897
Special events direct costs, donated	-	-	-	-	-	-	-	-	41,265	41,265
Banking and credit card fees	112	11	35	-	158	867	2,430	3,297	-	3,455
Taxes and licenses	1,538	72	6,084	-	7,694	162	88	250	-	7,944
Investment management fees	-	-	-	-	-	6,588	-	6,588	-	6,588
Interest	1,461	110	55	55	1,681	4,326	73	4,399	-	6,080
Volunteer and donor recognition	1,738	96	120	72	2,026	1,377	1,430	2,807	-	4,833
Other miscellaneous expenses	413	-	845	-	1,258	1,038	243	1,281	-	2,539
Expenses before depreciation	1,125,323	284,911	258,617	529,427	2,198,278	151,836	296,503	448,339	152,162	2,798,779
Depreciation	53,575	4,014	2,007	2,007	61,603	2,676	2,676	5,352	-	66,955
Total Expenses	1,178,898	288,925	260,624	531,434	2,259,881	154,512	299,179	453,691	152,162	2,865,734
Less expenses netted against revenue										
Special events - direct costs	-	-	-	-	-	-	-	-	(152,162)	(152,162)
Investment management fees	-	-	-	-	-	(6,588)	-	(6,588)	-	(6,588)
Total expenses reported on the statement of activities	\$ 1,178,898	\$ 288,925	\$ 260,624	\$ 531,434	\$ 2,259,881	\$ 147,924	\$ 299,179	\$ 447,103	\$ -	\$ 2,706,984

See accompanying notes to the financial statements.

Rocky Mountain Multiple Sclerosis Center

Statements of Cash Flows

<i>June 30,</i>	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (65,194)	\$ (439,800)
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation	69,783	66,955
Change in provision for bad debt	(3,518)	(3,299)
Change in value of beneficial interest in assets held by Community First Foundation	(67,249)	1,113
Net (gain) loss on operating investments	(191,708)	(11,466)
Net (gain) loss on endowment investments	(20,974)	(10,014)
PPP loan forgiveness	(266,300)	-
Donated securities	(10,196)	(5,116)
Changes in operating assets and liabilities		
Accounts receivable, net	26,259	(2,985)
Promises to give, net	340,667	340,000
Prepaid expenses and other assets	(16,671)	11,848
Accounts payable and accrued expenses	(27,516)	23,535
Deferred revenue	30,771	2,585
NET CASH FLOWS FROM OPERATING ACTIVITIES	(201,846)	(26,644)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of operating investments	75,354	26,678
Purchases of property and equipment	(16,490)	(28,164)
NET CASH FLOWS FROM INVESTING ACTIVITIES	58,864	(1,486)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from PPP loan agreement	269,581	266,300
Proceeds from new borrowing	122,805	-
Repayments under line of credit	(83,613)	-
Payments of principal on notes payable	(50,727)	(16,334)
NET CASH FLOWS FROM FINANCING ACTIVITIES	258,046	249,966
NET CHANGE IN CASH AND CASH EQUIVALENTS	115,064	221,836
CASH AND CASH EQUIVALENTS, Beginning of year	895,959	674,123
CASH AND CASH EQUIVALENTS, End of year	\$ 1,011,023	\$ 895,959
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Investments released from quasi-endowment	\$ -	\$ 235,872
Cash paid for interest	\$ 5,994	\$ 6,080

See accompanying notes to the financial statements.

Rocky Mountain Multiple Sclerosis Center

Notes to Financial Statements

1. Principal Activity and Significant Accounting Policies

Organization

Rocky Mountain Multiple Sclerosis Center, Inc. (the MS Center) was founded in 1978 as one of the nation's first comprehensive centers dedicated to the study and treatment of multiple sclerosis. The MS Center's mission is to improve the lives of people living with multiple sclerosis (MS), and their families, by providing care, support, education and research. The MS Center accomplishes its mission through a variety of programs, activities, collaborations and outreach.

Program Descriptions

KADEP

The King Adult Day Enrichment Program (KADEP) serves younger adults who have moderate to severe disability caused by neurological illnesses or trauma. KADEP is designed to enhance wellness, maintain or improve functional status, and provide opportunities for socialization, personal development and enjoyment.

Community Care and Support

MS Specialty Care: Through its affiliation with the Rocky Mountain MS Center at the University of Colorado, the University of Colorado - Anschutz Medical Campus and the University of Colorado Hospital Authority have joined together to form an "MS Center of Excellence," which serves the Rocky Mountain region through patient care, education, support and cutting-edge research. State-of-the-art medical care is provided by MS fellowship-trained neurologists, and includes a pediatric program that specializes in treating children and teens with MS. The MS Center also has affiliated MS-specialty clinics at the Denver Veteran's Administration Hospital and Denver Health Medical Center.

MS Support Programs: The MS Center is affiliated with specialty-support programs that are designed to help MS patients manage specific issues related to multiple sclerosis. We refer to specialized legal services which help individuals navigate the challenging process of applying for Social Security Disability Insurance. The MS Center also offers exercise & wellness programs including hydrotherapy and online exercise sessions, which provide adaptive exercise and social support to individuals living with MS.

The MS Center provides counseling and support services for people with MS and their families. Through individual and family counseling sessions, as well as seminars, the MS Center offers a range of resources to address individual needs. Every month, MS 101 classes are offered to newly diagnosed patients and their families. The MS Center is also home to peer support programming including our MS Young Professionals Network which provides volunteering, socializing, and leadership opportunities to individuals who have a connection to multiple sclerosis. The MSYPN launched a mentorship pilot program to provide support and comradery to pediatric MS patients.

Rocky Mountain Multiple Sclerosis Center

Notes to Financial Statements

Education

The MS Center conducts a variety of programs to educate those with multiple sclerosis, their families, the general public, and professionals providing services and care for individuals with MS. The MS Center conducts a variety of public seminars and maintains an interactive website at www.mscenter.org. Additional educational resources include pamphlets, written materials and videos. The MS Center publishes a quarterly magazine, "InforMS," which is available in both print and electronic versions, and distributes an electronic newsletter, "eMS News," which features research information, opportunities to participate in MS clinical research, and information on upcoming events.

Research

The MS Center sponsors basic science and translational research, which includes a variety of clinical trials. The physicians and scientists play a critical role in the development of current and emerging MS therapies, as well as studies to determine the biological basis of the disease.

Research priorities for the next five years are the identification of highly effective and safe therapies to maximize lifelong brain health and to meet each patient's needs, and development of an in-depth profile for MS to include genes, biomarkers, or environmental circumstances that are associated with earliest manifestations of MS and related neurological diseases. These efforts will help determine causes of MS and aid in the earliest potential intervention to either avoid or treat MS.

The MS Center also administers one of the world's largest fresh-brain tissue banks. The tissue is retrieved, stored and provided to MS researchers from around the world.

Cash and Cash Equivalents

The MS Center considers all cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted for endowment or held for long-term purposes of the MS Center are excluded from this definition.

Receivables and Credit Policies

Accounts receivable consist of noninterest-bearing amounts due from KADEP clients, as well as amounts due for advertising, contract services, and bequests. Management determines the allowance for uncollectable accounts based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectable. At June 30, 2021 and 2020, the allowance was approximately \$9,000 and \$12,000, respectively.

Rocky Mountain Multiple Sclerosis Center

Notes to Financial Statements

Investments

Investments 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 is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less investment management and custodial fees.

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 discounts 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 a review of subsequent collections. Promises to give are written off when deemed uncollectable. At June 30, 2021 and 2020, management determined no allowance was necessary.

Property and Equipment

Property and equipment additions over \$1,000 are capitalized and recorded at cost, or if donated, at fair value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from three to thirty years. When assets are sold or otherwise disposed of, the cost and related depreciation 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.

The MS Center reviews 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 or 2020.

Beneficial Interest in Assets Held by Community First Foundation

During 2004, the MS Center established an endowment fund (the Fund) under Community First Foundation's (CFF) Non-profit Preservation Endowment Challenge Grant program and named itself beneficiary. The MS Center granted variance power to CFF which allows CFF to modify any condition or restriction on its distributions for any specified charitable purpose or to any specified organization if, in the sole judgment of CFF's Board of Directors, such restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community. The Fund is held and invested by CFF for the benefit of the MS Center, and is reported at fair value in the statement of financial position, with distributions and changes in fair value recognized in the statement of activities.

Rocky Mountain Multiple Sclerosis Center

Notes to Financial Statements

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed 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.

Net assets with donor restrictions - Net assets subject to donor restrictions that may or will be met by expenditures or actions of the MS Center and/or the passage of time, and certain income earned on net assets held in perpetuity that has not yet been appropriated for expenditure by the MS Center's Board of Directors.

The MS Center reports contributions restricted 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 support is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Net assets whose use is limited by donor-imposed restrictions that neither expire by the passage of time nor can be fulfilled or otherwise removed by action of the MS Center are net assets to be maintained in perpetuity and included in net assets with donor restrictions. The restrictions stipulate that resources be maintained in perpetuity but permit the MS Center to expend the income generated in accordance with the provisions of the agreements. Net assets to be maintained in perpetuity include the MS Center's beneficial interest in assets held by Community First Foundation.

Revenue and Revenue Recognition

Revenue is recognized when earned. Special events revenue received in advance is deferred to the applicable period in which the event takes place. Contributions 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 are not recognized until the conditions on which they depend have been substantially met.

KADEP and Other Service Revenue

Patient care service revenue is reported at the amount that reflects the consideration to which the MS Center expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors, and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the MS Center bills the patients and third-party payors several days after the services are performed or the patient is discharged from the facility. Revenue is recognized as the performance obligations are satisfied.

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Performance obligations are determined based on the nature of the services provided by the MS Center. Revenue for performance obligations satisfied at a point in time is generally recognized when the patient receives service from the MS Center, and the MS Center does not believe it is required to provide additional services.

The MS Center determines the transaction price based on standard charges for services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with the MS Center's policy, or implicit price concessions provided to uninsured patients. The MS Center determines its estimates of contractual adjustments and discounts based on contractual agreements, its discount policies, and historical experience. The MS Center determines its estimate of implicit price concessions based on its historical collection experience with this class of patients.

Laws and regulations concerning government programs, including Medicaid, are complex and subject to varying interpretation. As a result of investigations by governmental agencies, various health care organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in organizations entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties, and potential exclusion from the related programs. There can be no assurance that regulatory authorities will not challenge the MS Center's compliance with these laws and regulations, and it is not possible to determine the impact (if any) such claims or penalties would have upon the MS Center. In addition, the contracts the MS Center has with commercial payors also provide for retroactive audit and review of claims.

Settlements with third-party payors for retroactive revenue adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and the MS Center's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known (that is, new information becomes available), or as years are settled or are no longer subject to such audits, reviews, and investigations.

Charity Care

The MS Center provides health care services to patients who meet certain criteria under its charity care policy without charge or at amounts less than established rates. Since the MS Center does not pursue collection of these amounts, they are not reported as client service revenue. The estimated cost of providing these services was approximately \$30,000 and \$29,000, for the years ended June 30, 2021 and 2020, respectively.

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Donated Services and In-Kind Contributions

Volunteers contribute significant amounts of time to the MS Center's 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 accounting principles generally accepted in the United States of America ("GAAP"). Contributed goods are recorded at fair value at the date of donation. The MS Center records donated professional services and materials at the respective fair values of the services and materials received (Note 13).

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 costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Certain categories of expenses are attributable to one or more programs or supporting functions. Those expenses include but are not limited to salaries, payroll taxes, benefits, professional services, telecommunications, printing and publications, and insurance. These expenses are allocated to program, general and administrative, and fundraising functions based on their utility of time and cost to each class. Other allocated costs include depreciation, occupancy, interest, insurance, and repairs and maintenance, which are allocated based on square footage.

Income Taxes

The MS Center is organized as a Colorado nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3), qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi), and has been determined not to be a private foundation under Section 509(a)(1). The MS Center is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the MS Center is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purposes and files an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS to report its unrelated business taxable income. The MS Center had an insignificant amount of unrelated business income and has not accrued a provision for income tax expense at June 30, 2021 or 2020.

The MS Center believes that it has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The MS Center 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. The MS Center's Forms 990, 990-T and other income tax filings required by state, local, or non-U.S. tax authorities are no longer subject to examination for years before 2017.

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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 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

The MS Center 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. Credit risk associated with accounts 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 government agencies, as well as, individuals and foundations supportive of the MS Center's mission. Investments are made by management and the Investment 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 the MS Center. Total cash and cash equivalents held by banks with balances in excess of federally insured limits was approximately \$761,000 and \$659,000 at June 30, 2021 and 2020, respectively. The MS Center has not experienced any losses as a result of these concentrations.

Subsequent Events

The MS Center has evaluated subsequent events through February 17, 2022, the date the financial statements were available to be issued. There were no events requiring adjustment or disclosure except as described in Note 18.

Recently Adopted Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606). This ASU, which is a comprehensive new revenue recognition model that requires an organization to recognize revenue to depict the transfer of goods or services to a customer at an amount that reflects the consideration an organization expects to receive in exchange for those goods or services. It also requires more detailed disclosures to enable users of financial statements to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. Organizations that transition to this new standard may either retrospectively restate each prior reporting period or follow the modified retrospective method, which reflects the cumulative effect of initially applying the updates with an adjustment to net assets at the date of adoption.

The MS Center adopted this standard effective July 1, 2020, using the modified retrospective approach. The cumulative effect of applying the new standard was deemed immaterial by management. Therefore, no adjustments were made to the MS Center's financial condition, results of operations, or cash flows as a result of the adoption of ASU 2014-09.

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Recently Issued Accounting Pronouncements

In February of 2016, the FASB issued ASU 2016-02, Topic 842, *Leases*. The purpose of this ASU is to establish the principle to report transparent and economically neutral information about the assets and liabilities that arise from leases. The new guidance is effective for public business entities with fiscal years beginning after December 15, 2018. For all other organizations the new guidance is effective for fiscal years beginning after December 15, 2020 and interim periods with fiscal years beginning after December 15, 2021. Management is currently evaluating the impact of adoption of this standard on its financial statements.

The FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958) on Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which requires organizations to present contributed nonfinancial assets as a separate line item in the Statement of Activities, apart from cash and other financial assets, and disaggregate into different categories those nonfinancial assets. For each category of utilized assets, the description of programs or other activities in which the assets are utilized and any donor-imposed restrictions on the use of assets need to be disclosed. The standard is effective for the MS Center's fiscal year 2022. The impact of this standard on the MS Center's financial statements is being evaluated.

2. Availability of Resources and Liquidity

The following represents the MS Center's financial assets:

June 30,	2021	2020
Cash and cash equivalents	\$ 1,011,023	\$ 895,959
Operating investments	905,837	779,287
Accounts receivable, net	91,512	114,253
Promises to give, due within one year	7,000	340,667
Less purpose restricted donations	(321,625)	(512,956)
Total financial assets available for use for general expenditures over the next year	\$ 1,693,747	\$ 1,617,210

The MS Center's goal is generally to structure and maintain its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Total financial assets available as of June 30, 2021 approximate eight months' expenses.

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

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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 the MS Center 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, the MS Center develops inputs using the best information available in the circumstances.

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 the MS Center's assessment of the quality, risk or liquidity profile of the asset.

A significant portion of the MS Center's investment assets are classified within Level 1 because they are comprised of open-end mutual funds with readily determinable fair values based on daily redemption values. Corporate bonds 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. The fair value of the beneficial interest in charitable trust held by others is based on the fair value of trust investments as reported by the Trustee using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the underlying assets; the fair value of the MS Center's beneficial interest in assets held by Community First Foundation is based on the fair value of fund investments as reported by Community First Foundation. These are considered to be Level 3 measurements. During the years ended June 30, 2021 and 2020, there were no transfers into or out of level 3 of the fair value hierarchy.

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The following tables present assets measured at fair value on a recurring basis, except those measured at cost as identified below:

<i>June 30, 2021</i>	Level 1	Level 2	Level 3	Total
Operating investments				
Cash equivalents (at cost)	\$ 15,356	\$ -	\$ -	\$ 15,356
Domestic corporate bonds	-	37,220	-	37,220
Mutual funds				
International equity	247,194	-	-	247,194
Domestic index	606,067	-	-	606,067
Total operating investments	868,617	37,220	-	905,837
Endowment investments				
Cash equivalents (at cost)	1,741	-	-	1,741
Domestic corporate bonds	-	4,219	-	4,219
Mutual funds				
International equity	28,019	-	-	28,019
Domestic index	68,695	-	-	68,695
Total endowment investments	\$ 98,455	\$ 4,219	\$ -	\$ 102,674
Assets held by Community				
First Foundation	\$ -	\$ -	\$ 471,800	\$ 471,800

<i>June 30, 2020</i>	Level 1	Level 2	Level 3	Total
Operating investments				
Cash equivalents (at cost)	\$ 37,656	\$ -	\$ -	\$ 37,656
Domestic corporate bonds	-	38,230	-	38,230
International corporate bonds	-	23,525	-	23,525
Mutual funds				
International equity	159,592	-	-	159,592
Domestic index	520,284	-	-	520,284
Total operating investments	717,532	61,755	-	779,287
Endowment investments				
Cash equivalents (at cost)	3,948	-	-	3,948
Domestic corporate bonds	-	4,008	-	4,008
International corporate bonds	-	2,466	-	2,466
Mutual funds				
International equity	16,732	-	-	16,732
Domestic index	54,546	-	-	54,546
Total endowment investments	\$ 75,226	\$ 6,474	\$ -	\$ 81,700
Assets held by Community				
First Foundation	\$ -	\$ -	\$ 404,551	\$ 404,551

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Notes to Financial Statements

4. Net Investment Return

Net investment return consists of the following:

<i>June 30,</i>	2021	2020
Operating investments		
Interest and dividends	\$ 13,449	\$ 15,763
Net realized and unrealized gain (loss)	184,933	8,928
Less investment management fees	(6,674)	(5,198)
Total operating investment income	191,708	19,493
Endowment investments		
Interest and dividends	1,479	3,362
Net realized and unrealized gain	20,227	14
Less investment management fees	(731)	(1,389)
Total endowment investment income	20,975	1,987
Total investment income	\$ 212,683	\$ 21,480

5. Promises to Give

At June 30, 2021 and 2020, unconditional promises to give totaled \$28,000 and \$368,667 respectively and were due as follows:

<i>June 30,</i>	2021	2020
Due within one year	\$ 7,000	\$ 340,667
Due within one to five years	21,000	23,000
Thereafter	-	5,000
Total promises to give	\$ 28,000	\$ 368,667

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6. Property and Equipment

Property and equipment consisted of the following:

<i>June 30,</i>	2021	2020
Land	\$ 686,016	\$ 686,016
Building and improvements	1,104,260	1,104,260
Furniture and equipment	246,787	231,973
Total property and equipment	2,037,063	2,022,249
Less accumulated depreciation	(685,116)	(617,009)
Total property and equipment, net	\$ 1,351,947	\$ 1,405,240

7. Line of Credit

The MS Center has a \$375,000 revolving line of credit with a bank, secured by property. Borrowings under the agreement bear interest at the Wall Street Journal prime rate plus 0.75%, or a floor rate of 4.00% (4.00% at June 30, 2021). Accrued interest and principal are due at maturity on July 27, 2023. At June 30, 2021 and 2020, the balance of the line of credit was \$0 and \$83,613, respectively.

8. Notes Payable

Notes Payable

In May 2015, the MS Center entered into a note payable in the amount of \$109,607, secured by certain real estate, with an interest rate of 4.25% and monthly payments of principal and interest of \$1,513 through the maturity date of May 2022. The note payable balance at June 30, 2020 was \$33,349.

In July 2020, the MS Center entered into a note payable in the amount of \$122,805, secured by certain real estate, with an interest rate of 3.90% and monthly payments of principal and interest of \$1,677 through the maturity date of August 2027. The note payable balance at June 30, 2021 was \$109,958.

Payment Protection Program Loan

As a result of the economic stimulus efforts by the U.S. Government related to the COVID-19 outbreak (see Note 16), the MS Center received funding for a Paycheck Protection Program loan through the Small Business Administration (SBA) totaling \$266,300 during 2020 and \$269,581 during 2021. These loans are forgivable if loan funds are used for approved expenses and the MS Center maintains its workforce. In March of 2021, the original loan of \$266,300 was forgiven by the SBA, which has been reflected in revenue in the accompanying statement of activities. At the date of these financial statements, the MS Center has applied for forgiveness for the second loan of \$269,581.

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Future maturities of the notes payable and Paycheck Protection Program loan are as follows for the years ending June 30:

2022	\$ 285,646
2023	16,712
2024	17,377
2025	18,084
2026	18,813
2027 and later	18,376

Total future minimum notes payable	\$ 375,008
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9. Operating Leases

The MS Center leases office equipment under a non-cancelable operating lease with monthly payments of \$93, expiring in 2023. Rent expense amounted to \$9,105 and \$8,263 for the years ended June 30, 2021 and 2020, respectively. Future minimum lease payments required under the agreement are as follows for the year ended June 30:

2022	\$ 1,116
2023	837

Total minimum lease payments	\$ 1,953
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10. Endowment

The MS Center's endowment (the Endowment) consists of five individual funds established by donors to provide annual funding for specific activities and general operations. The Endowment also includes certain net assets without donor restrictions designated for endowment by the Board of Directors, designated net assets which the board approved to be fully released during the year ended June 30, 2020 to unrestricted net assets. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The MS Center'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 such donor stipulations. As a result of this interpretation, the MS Center classifies as net assets with donor restrictions required to be maintained in perpetuity: (a) the original value of gifts donated to the Endowment, (b) the original value of subsequent gifts to the Endowment, and (c) accumulations to the Endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. The remaining portion of the donor-restricted endowment fund is classified as net assets with donor restrictions to be maintained in perpetuity until those amounts are appropriated for expenditure by the MS Center in a manner consistent with the standard of prudence prescribed by UPMIFA.

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The MS Center 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.

Endowment net asset composition by type were as follows:

<i>June 30, 2021</i>	Without Donor Restrictions	With Donor Restrictions	Total
Donor restricted endowment funds			
Original donor-restricted gift amount required to be maintained in perpetuity	\$ -	\$ 59,282	\$ 59,282
Accumulated investment earnings not yet appropriated for spending		43,392	43,392
Total endowment net assets	\$ -	\$ 102,674	\$ 102,674

<i>June 30, 2020</i>	Without Donor Restrictions	With Donor Restrictions	Total
Donor restricted endowment funds			
Original donor-restricted gift amount required to be maintained in perpetuity	\$ -	\$ 59,282	\$ 59,282
Accumulated investment earnings not yet appropriated for spending	-	22,418	22,418
Total endowment net assets	\$ -	\$ 81,700	\$ 81,700

Investment and Spending Policies

The MS Center has adopted investment and spending policies for the endowment that attempt to provide a predictable stream of funding to programs supported by the endowment while seeking to preserve the original fair values of the original gifts made to the endowment. The MS Center expects the endowment, over time, to provide a rate of return sufficient to preserve the original fair values of its endowment assets while providing an opportunity for real growth. Actual returns in any given year may vary from this amount. To satisfy its long-term rate-of-return objectives, the MS Center relies on a total-return strategy in which investment returns are achieved through both capital

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appreciation (realized and unrealized) and current yield (interest and dividends). The MS Center targets a diversified asset allocation that places a greater emphasis on corporate bonds and equity mutual funds to achieve its long-term return objectives within prudent risk constraints.

The MS Center has a policy of appropriating for distribution each year, so much of the endowment as is necessary to fund discretionary expenses as determined by the Board of Directors. In establishing this policy, the MS Center considered the long-term expected return on its endowment. Accordingly, over the long term, the MS Center expects the current spending policy to preserve the net assets with donor restrictions to be maintained in perpetuity of the endowment. This is consistent with the MS Center's objective to preserve the original fair values of the original gifts made to the Endowment as well as to provide an opportunity for real growth through new gifts and undistributed investment return. With the exception of the release of board designated net assets (see Note 12), no distributions were made during the years ended June 30, 2021 and 2020.

Changes in endowment net assets for the years ended June 30 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets at June 30, 2019	\$ 227,845	\$ 79,713	\$ 307,558
Net investment return	8,027	1,987	10,014
Distributions	(235,872)	-	(225,858)
Endowment net assets at June 30, 2020	-	81,700	81,700
Net investment return		20,974	20,974
Endowment net assets at June 30, 2021	\$ -	\$ 102,674	\$ 102,674

11. Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes:

<i>June 30,</i>	2021	2020
Expiration of time restrictions		
Promises to give	\$ 28,000	\$ 35,000
Purpose restricted by donors		
Research	172,437	438,477
Exercise and wellness programs	35,436	16,498
Peer support programs	7,750	10,030
Education seminars	98,500	38,000
Equipment	7,502	9,951
Subject to MS Center's spending policy and appropriation		
Donor restricted endowment	102,674	81,700
Trust funds held in perpetuity		
Beneficial interest in assets held by CFF	471,800	404,551
Total net assets with donor restrictions	\$ 924,099	\$ 1,034,207

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Net assets released from restrictions were as follows:

<i>June 30,</i>	2021	2020
Education and support programs	\$ 127,000	\$ 172,122
KADEP program	98,187	99,834
Research and program grants	381,375	401,355
Exercise and wellness programs	7,002	23,313
Peer support programs	26,780	14,970
Promises to give	7,000	7,000
Equipment and garden	18,191	22,129
Total net assets released from restrictions	\$ 665,535	\$ 740,723

12. Donated Services and Materials

The MS Center received donated services and materials as follows:

<i>June 30, 2021</i>	Program Services	Management and General	Fundraising	Special Events	Totals
Professional services	\$ 1,079	\$ 2,296	\$ -	\$ -	\$ 3,375
Equipment and supplies	605	-	-	2,500	3,105
Publicity	-	-	36,200	-	36,200
Total donated services and materials	\$ 1,684	\$ 2,296	\$ 36,200	\$ 2,500	\$ 42,680

<i>June 30, 2020</i>	Program Services	Management and General	Fundrais- ing	Special Events	Totals
Professional services	\$ 3,905	\$ 6,575	\$ -	\$ -	\$ 10,480
Equipment and supplies	3,597	-	-	41,265	44,862
Publicity	-	-	40,700	-	40,700
Total donated services and materials	\$ 7,502	\$ 6,575	\$ 40,700	\$ 41,265	\$ 96,042

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13. Joint Costs of Activities that Include a Fundraising Appeal

The MS Center produces a quarterly newsletter that includes programmatic and administrative information, together with a request for contributions in support of the MS Center's mission. During the year ended June 30, 2021 and 2020, the costs of producing the newsletter included joint costs not directly attributable to any single function. Those costs were allocated among the following functional expense categories:

<i>June 30</i>	2021	2020
Education program	\$ 29,843	\$ 21,232
Management and general	9,831	11,189
Fundraising and development	2,682	2,819
Total joint costs of activities that include a joint appeal	\$ 42,356	\$ 35,240

14. Retirement Plan

The MS Center sponsors a Savings Incentive Match Plan (the Plan) qualified under section 408(p) of the Internal Revenue Code covering substantially all employees. Under the Plan, the MS Center matches employee voluntary salary deferrals up to 3% of each employee's gross compensation. During the year ended June 30, 2021 and 2020, the MS Center contributed approximately \$36,500 and \$36,000, respectively, to the Plan.

15. Commitments

Rocky Mountain MS Center at the University of Colorado

The MS Center partners with the University of Colorado - Anschutz Medical Campus and the University of Colorado Hospital Authority to operate the Rocky Mountain MS Center at the University of Colorado. The agreement expires July 31, 2022. The MS Center is required to pay the University of Colorado Denver for services of the Medical Director and other physicians. Payments expected to be made under the contract in future periods are \$101,868.

16. Risks and Uncertainties

The COVID-19 outbreak, which was declared a worldwide pandemic on March 11, 2020 by the World Health Organization (WHO), has caused business disruption in a variety of industries, markets and geographic regions. As a result of the spread of the COVID-19, public events and MS Center's activities have been limited and economic uncertainties have risen which could have a negative financial impact on donations and program service revenues. There continues to be considerable uncertainty around the duration and full impact of the pandemic.

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17. Significant Concentrations

GAAP requires disclosures of information about current vulnerabilities due to certain concentrations. These matters include the following:

Revenue Concentrations

During the year ended June 30, 2021 and 2020, Medicaid payments represented approximate 30% and 36% of revenue, respectively.

Pledge and Receivable Concentrations

For the year ended June 30, 2021, there was one individual donor that represented 89% of the MS Center's pledges. Medicaid payments represented 36% of accounts receivable.

For the year ended June 30, 2020, there were two individual donors that represented 91% of the MS Center's pledges. Medicaid payments represented 46% of accounts receivable.

Vendor Concentrations

For the years ended June 30, 2021 and 2020, there was one vendor that represented 10% of the MS Center's disbursements.

18. Subsequent Events

On September 1, 2021, the note payable discussed in Note 8 was refinanced. The new loan amount is \$668,000, with an annual rate of 4.13% and matures on September 1, 2046. The proceeds in excess of the original principal balance were used to acquire real property adjacent to the MS Center's current property.

On October 22, 2021, the MS Center learned that the 2nd PPP loan was approved for forgiveness by the SBA (see Note 8).