



Financial Statements
June 30, 2023

Keystone Symposia on Molecular and Cellular Biology

(With Comparative Totals for 2022)

Keystone Symposia on Molecular and Cellular Biology

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June 30, 2023

(with comparative totals for 2022)

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Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Keystone Symposia on Molecular and Cellular Biology, which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Keystone Symposia on Molecular and Cellular Biology as of June 30, 2023, 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.

Basis for Opinion

We conducted our audit 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 of the Audit of the Financial Statements section of our report. We are required to be independent of Keystone Symposia on Molecular and Cellular Biology and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Change in Accounting Principle

As discussed in Note 8 to the financial statements, Keystone Symposia on Molecular and Cellular Biology has adopted the provisions of FASB Accounting Standards Codification Topic 842, *Leases*, as of July 1, 2022, using the modified retrospective approach with an adjustment at the beginning of the adoption period. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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; 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 Keystone Symposia on Molecular and Cellular Biology's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities of 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 Keystone Symposia on Molecular and Cellular Biology'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 Keystone Symposia on Molecular and Cellular Biology'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.

Report on Summarized Comparative Information

We have previously audited Keystone Symposia on Molecular and Cellular Biology 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 14, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Eide Bailly LLP

Denver, Colorado
December 15, 2023

Keystone Symposia on Molecular and Cellular Biology

Statement of Financial Position

June 30, 2023

(with comparative totals for 2022)

	2023	2022
Assets		
Cash and cash equivalents	\$ 1,282,616	\$ 488,878
Investments	15,890,340	15,957,181
Accounts receivable	211,996	179,709
Employee retention tax credits (ERTC) receivable	-	367,366
Promises to give, net	1,404,464	505,438
Prepaid expenses and other assets	401,177	498,591
Property and equipment, net	23,065	55,715
Operating lease right-of-use assets	187,285	-
Endowment investments	844,101	733,356
	\$ 20,245,044	\$ 18,786,234
Liabilities and Net Assets		
Accounts payable and accrued expenses	\$ 1,057,486	\$ 1,435,888
Deferred revenue	309,400	855,726
Capital lease obligations	-	17,693
Operating lease liabilities	181,773	-
	1,548,659	2,309,307
Net Assets		
Without donor restrictions		
Undesignated	2,005,196	1,429,854
Board-designated		
Reserve Fund	8,166,784	7,746,702
Growth and Enhancement Fund	2,504,135	2,462,781
Future of Science Fund	3,439,418	3,386,841
	14,110,337	13,596,324
	16,115,533	15,026,178
With donor restrictions	2,580,852	1,450,749
	18,696,385	16,476,927
	\$ 20,245,044	\$ 18,786,234
	\$ 20,245,044	\$ 18,786,234

Keystone Symposia on Molecular and Cellular Biology

Statement of Activities

Year Ended June 30, 2023

(with comparative totals for 2022)

	2023		Total	2022
	Without Donor Restrictions	With Donor Restrictions		
Revenue, Support, and Gains				
Conference registration and other, net of scholarships of \$1,412,375 and \$935,355, respectively	\$ 8,752,835	\$ -	\$ 8,752,835	\$ 4,577,403
Housing commissions and other income	609,988	-	609,988	231,642
Federal and state contracts and grants	635,955	-	635,955	336,053
Contributions and sponsorships	1,356,660	1,726,597	3,083,257	2,093,409
In-kind contributions	181,642	-	181,642	292,045
Government assistance - PPP loan	-	-	-	611,330
Net investment return (loss)	756,449	38,014	794,463	(976,425)
Net assets released from restrictions	581,893	(581,893)	-	-
Total revenue, support, and gains	<u>12,875,422</u>	<u>1,182,718</u>	<u>14,058,140</u>	<u>7,165,457</u>
Expenses and Losses				
Scientific and educational symposia	7,523,483	-	7,523,483	5,271,316
Supporting services expense				
Management and general	3,288,811	-	3,288,811	3,206,306
Fundraising and development	957,396	-	957,396	854,126
Total supporting services expense	<u>4,246,207</u>	<u>-</u>	<u>4,246,207</u>	<u>4,060,432</u>
Total expenses	<u>11,769,690</u>	<u>-</u>	<u>11,769,690</u>	<u>9,331,748</u>
Loss on disposal of property and equipment	16,377	-	16,377	-
Loss on uncollectable promises to give	-	52,615	52,615	-
Total expenses and losses	<u>11,786,067</u>	<u>52,615</u>	<u>11,838,682</u>	<u>9,331,748</u>
Change in Net Assets	1,089,355	1,130,103	2,219,458	(2,166,291)
Net Assets, Beginning of Year	<u>15,026,178</u>	<u>1,450,749</u>	<u>16,476,927</u>	<u>18,643,218</u>
Net Assets, End of Year	<u>\$ 16,115,533</u>	<u>\$ 2,580,852</u>	<u>\$ 18,696,385</u>	<u>\$ 16,476,927</u>

Keystone Symposia on Molecular and Cellular Biology
Statement of Functional Expenses
Year Ended June 30, 2023
(with comparative totals for 2022)

	2023				2022
	Scientific and Educational Symposia	Management and General	Fundraising and Development	Total	
Salaries, wages, and benefits	\$ 1,272,692	\$ 1,662,287	\$ 736,166	\$ 3,671,145	\$ 3,463,062
Conferences, conventions, and meetings	3,166,246	170,765	-	3,337,011	2,082,812
Speaker travel	1,462,103	-	-	1,462,103	846,469
Travel and meals	781,607	31,590	13,786	826,983	412,168
Professional services	377,776	282,351	5,930	666,057	840,281
Office expenses	61,898	451,467	8,460	521,825	420,423
Advertising and promotion	1,958	290,663	200	292,821	398,965
Payroll taxes	88,232	103,750	45,110	237,092	207,539
Other	95,567	42,060	84,608	222,235	156,592
Occupancy	63,833	105,214	20,537	189,584	184,206
Information technology	131,065	31,190	6,845	169,100	122,347
Staff recruitment	-	27,811	29,158	56,969	71,038
Insurance	11,897	22,966	3,827	38,690	38,937
Bank fees and finance charges	-	38,550	-	38,550	21,078
Depreciation	8,609	14,193	2,769	25,571	45,157
Bad debt	-	7,299	-	7,299	4,245
Staff education	-	6,655	-	6,655	16,429
Total expenses	\$ 7,523,483	\$ 3,288,811	\$ 957,396	\$ 11,769,690	\$ 9,331,748

Keystone Symposia on Molecular and Cellular Biology

Statement of Cash Flows

Year Ended June 30, 2023

(with comparative totals for 2022)

	2023	2022
Operating Activities		
Change in net assets	\$ 2,219,458	\$ (2,166,291)
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	25,571	45,157
Realized and unrealized (gain) loss on investments	(396,850)	1,255,839
Loss on sale of property and equipment	16,377	-
Loss on uncollectable promises to give	52,615	-
Contributions restricted to endowment	(107,599)	(140,975)
Endowment net investment return	(38,014)	47,738
Forgiveness of PPP loan	-	(611,330)
Changes in operating assets and liabilities		
Accounts receivable	(32,287)	(122,696)
Employee retention tax credits receivable	367,366	-
Promises to give, net	(951,641)	62,950
Prepaid expenses and other assets	97,414	(189,663)
Operating lease assets and liabilities	(23,205)	-
Accounts payable and accrued expenses	(378,402)	923,653
Deferred revenue	(546,326)	774,575
Net Cash from (used for) Operating Activities	304,477	(121,043)
Investing Activities		
Purchases of investments	(18,672,102)	(13,554,710)
Proceeds from sales of investments	19,135,793	13,595,322
Purchases of property and equipment	(9,298)	(10,011)
Net additions to endowment	(72,731)	(107,672)
Net Cash from (used for) Investing Activities	381,662	(77,071)
Financing Activities		
Collections of contributions restricted to endowment	107,599	140,972
Principal payments on capital lease	-	(20,510)
Net Cash from (used for) Financing Activities	107,599	120,462
Net Change in Cash and Cash Equivalents	793,738	(77,652)
Cash and Cash Equivalents, Beginning of Year	488,878	566,530
Cash and Cash Equivalents, End of Year	\$ 1,282,616	\$ 488,878

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

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

Comparative Financial Information

The accompanying financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with our audited financial statements for the year ended June 30, 2022, from which the summarized information was derived.

Recent Accounting Guidance

Effective July 1, 2022, Symposia adopted the new lease accounting guidance in Accounting Standards Update No. 2016-02, Leases (Topic 842). Symposia elected to apply the guidance as of July 1, 2022, the beginning of the adoption period. The comparative financial information and disclosures presented are in accordance with the legacy standard, ASC 840. The standard requires the recognition of right-of-use assets and lease liabilities for lease contracts with terms greater than 12 months. Operating lease costs are recognized in the statement of activities as a single lease cost and finance lease costs are recognized in two components, interest expense and amortization expense. Symposia has elected the package of practical expedients permitted in ASC Topic 842. Accordingly, Symposia accounted for its existing leases as either finance or operating lease under the new guidance, without reassessing (a) whether the contract contains a lease under ASC Topic 842, (b) whether classification of the operating lease would be different in accordance with ASC Topic 842, or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs in ASC Topic 842 at lease commencement.

As a result of the adoption of the new lease accounting guidance, Symposia recognized on July 1, 2022, the beginning of the adoption period operating lease liabilities and operating right-of-use assets of \$360,513. The adoption of the new standard did not materially impact Symposia's statements of activities or cash flows.

Cash and Cash Equivalents

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

Investments

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

Receivables and Credit Policies

Accounts receivable consist primarily of non-interest bearing amounts due from Symposia activities. Management determines the allowance for uncollectable accounts receivable based on historical experience, an assessment of economic conditions, and review of subsequent collections. Accounts receivable are written off when deemed uncollectable. No allowance was considered necessary at June 30, 2023 and 2022.

Receivables from contracts with customers are reported as accounts receivable and contract liabilities are reported as deferred revenue in the accompanying statement of financial position. The Symposia's accounts receivable and deferred revenue at July 1, 2021 were \$57,013 and \$81,151, respectively.

Promises to Give

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

Management determines the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and review of subsequent collections. Promises to give are written off when deemed uncollectable. At June 30, 2023 and 2022, the allowance was \$184,000.

Property and Equipment

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

Right of Use Leased Assets

Right of use leased assets and liabilities are recognized at the lease commencement date and represent Symposia's right to use an underlying asset for the lease term. Right of use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right of use leased assets are amortized over the shorter of the lease term or the useful life of the underlying asset using the straight-line method. The amortization period is three years for Symposia's right of use leased assets.

Impairment of Long-Lived assets

Symposia reviews the carrying values of property and equipment and right of use leased assets 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, 2023 and 2022.

Net Assets

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

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

Net Assets with Donor Restrictions – Net assets subject to donor (or certain grantor) restrictions. Some donor (or certain grantor) imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Symposia reports conditional and unconditional 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 revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Donated Services and In-Kind Contributions

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

Revenue and Revenue Recognition

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

Advertising Costs

Advertising costs, which are expensed as incurred, totaled \$292,821 and \$398,965 for the years ended June 30, 2023 and 2022, respectively.

Functional Allocation of Expenses

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

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

Income Taxes

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

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

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and those differences could be material.

Financial Instruments and Credit Risk

Symposia manages deposit concentration risk by placing cash and money market accounts with financial institutions believed by management to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. Symposia maintains cash in the bank deposit accounts which exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per deposit, per insured bank, for each account ownership category. At June 30, 2023 and 2022, Symposia had approximately \$989,000 and \$213,000, respectively, in excess of FDIC-insured limits. To date, Symposia has not experienced losses in any of these accounts.

Credit risk associated with accounts receivable, ERTC receivable, and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies and foundations supportive of Symposia's mission.

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

Subsequent Events

Symposia has evaluated subsequent events through December 15, 2023, the date the financial statements were available to be issued.

Note 2 - Liquidity and Availability

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

	2023	2022
Cash and cash equivalents	\$ 1,282,616	\$ 488,878
Investments	1,530,639	2,133,648
Accounts receivable	211,996	179,709
Employee retention tax credits (ERTC) receivable	-	367,366
Promises to give, due in one year	235,000	447,500
Endowment spending-rate distributions	33,764	29,334
	<u>\$ 3,294,015</u>	<u>\$ 3,646,435</u>

Symposia's endowment funds consist of donor-restricted endowments. Income from donor-restricted endowments is restricted for specific purposes. Donor-restricted endowment funds are not available for general expenditure. Symposia's governing board has designated a portion of net assets without donor restrictions for the Reserve Fund, Growth and Enhancement Fund, and Future of Science Fund. These funds are invested for long-term appreciation and current income but remain available and may be spent at the discretion of the Board (Note 10). The Symposia also has a line of credit available to meet short-term needs (Note 6).

Note 3 - Fair Value Measurements and Disclosures

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

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

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

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

Level 3 – Unobservable inputs for the asset. In these situations, Symposia develops inputs using the best information available in the circumstances. Symposia has no Level 3 assets at June 30, 2023 and 2022.

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

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

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

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

Keystone Symposia on Molecular and Cellular Biology

Notes to Financial Statements

June 30, 2023

The following table presents assets measured at fair value on a recurring basis, except those measured at cost as identified below, at June 30, 2023:

	Total	Fair Value Measurements at Report Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Non-endowment Investments				
Operating Investments				
Cash and money market funds, at cost	\$ 51,647	\$ -	\$ -	\$ -
U.S. government and agency obligations	1,422,236	1,422,236	-	-
Mutual funds	56,756	56,756	-	-
	<u>1,530,639</u>	<u>1,478,992</u>	<u>-</u>	<u>-</u>
Investments Restricted to Global Health Meeting Series				
Cash and money market funds, at cost	849	-	-	-
U.S. government and agency obligations	248,515	248,515	-	-
	<u>249,364</u>	<u>248,515</u>	<u>-</u>	<u>-</u>
Board-designated Investments				
Cash and money market funds, at cost	828,510	-	-	-
Corporate bonds	2,862,034	-	2,862,034	-
U.S. government and agency obligations	2,032,851	2,032,851	-	-
Domestic equities	8,150,468	7,468,382	682,086	-
Mutual funds	236,474	236,474	-	-
	<u>14,110,337</u>	<u>9,737,707</u>	<u>3,544,120</u>	<u>-</u>
	<u>\$ 15,890,340</u>	<u>\$ 11,465,214</u>	<u>\$ 3,544,120</u>	<u>\$ -</u>
Endowment Investments				
Cash and money market funds, at cost	\$ 46,146	\$ -	\$ -	\$ -
Corporate bonds	171,947	-	171,947	-
U.S. government and agency obligations	122,131	122,131	-	-
Domestic equities	489,670	489,670	-	-
Mutual funds	14,207	14,207	-	-
	<u>\$ 844,101</u>	<u>\$ 626,008</u>	<u>\$ 171,947</u>	<u>\$ -</u>

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The following table presents assets measured at fair value on a recurring basis, except those measured at cost as identified below, at June 30, 2022:

	Total	Fair Value Measurements at Report Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Non-endowment Investments				
Operating investments				
Cash and money market funds, at cost	\$ 232,275	\$ -	\$ -	\$ -
U.S. government and agency obligations	1,843,420	-	1,843,420	-
	57,953	57,953	-	-
	<u>2,133,648</u>	<u>57,953</u>	<u>1,843,420</u>	<u>-</u>
Investments Restricted to Global Health Meeting Series				
Cash and money market funds, at cost	227,209	-	-	-
	631,194	-	-	-
Board-designated Investments				
Cash and money market funds, at cost	2,844,446	-	2,844,446	-
Corporate bonds	2,259,018	-	2,259,018	-
U.S. government and agency obligations	7,650,730	7,650,730	-	-
Domestic equities	210,936	210,936	-	-
	<u>13,596,324</u>	<u>7,861,666</u>	<u>5,103,464</u>	<u>-</u>
	<u>\$ 15,957,181</u>	<u>\$ 7,919,619</u>	<u>\$ 6,946,884</u>	<u>\$ -</u>
Endowment Investments				
Cash and money market funds, at cost	\$ 31,271	\$ -	\$ -	\$ -
Corporate bonds	154,032	-	154,032	-
U.S. government and agency obligations	122,330	-	122,330	-
Domestic equities	414,300	414,300	-	-
Mutual Funds	11,423	11,423	-	-
	<u>\$ 733,356</u>	<u>\$ 425,723</u>	<u>\$ 276,362</u>	<u>\$ -</u>

Note 4 - Promises to Give

Unconditional promises to give are estimated to be collected as follows at June 30, 2023 and 2022:

	2023	2022
Within one year	\$ 575,461	\$ 447,500
In one to five years	1,112,600	260,000
	1,688,061	707,500
Less allowance for uncollectable promises to give	(184,000)	(184,000)
Less discount to net present value at rates averaging 5%	(99,597)	(18,062)
	<u>\$ 1,404,464</u>	<u>\$ 505,438</u>

Promises to give of \$270,000 and \$325,000 are restricted by donors for current year operations which were either released to net assets without donor restrictions or recorded as loss on uncollectable promises to give in accordance with Symposia's recognition policy as of June 30, 2023 and 2022, respectively.

During the year ended June 30, 2023 and 2022, the Symposia received contributions from the Board of Directors totaling \$41,421 and \$135,325, respectively.

Note 5 - Property and Equipment

Property and equipment consists of the following at June 30, 2023 and 2022:

	2023	2022
Furniture and fixtures	\$ 132,373	\$ 188,638
Equipment	196,546	229,248
Building improvements	100,634	100,634
	429,553	518,520
Less accumulated depreciation and amortization	(406,488)	(462,805)
	<u>\$ 23,065</u>	<u>\$ 55,715</u>

Note 6 - Line of Credit

Symposia had a \$300,000 revolving line of credit with a bank, secured by accounts receivable. Borrowings under the line bear interest at the greater of: the bank's prime rate plus 0.25%, or the floor rate of 5.00% (Rates of 8.25% and 5.00% at maturity and 2022, respectively). Accrued interest and principal were due at maturity on April 1, 2023. No amounts were outstanding under the line of credit at June 30, 2023 and 2022, and the line of credit matured without a renewal during the year ended June 30, 2023.

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

The Symposia was granted a second \$611,330 draw loan during the year ended June 30, 2022, under the Paycheck Protection Program (PPP) administered by a Small Business Administration (SBA) approved partner. The loan was uncollateralized and fully guaranteed by the Federal Government. The Symposia was eligible for loan forgiveness of up to 100% of the loans, upon meeting certain requirements, if the funds were used for certain payroll, rent, and utility expenses. The Symposia initially recorded the loan as a refundable advance and recorded the forgiveness in accordance with guidance for conditional contributions when there was no longer a measurable performance or other barrier and a right to return of the PPP loan. Government assistance of \$611,330 has been recorded for the year ended June 30, 2022, during which the Symposia received a notice of the loan forgiveness.

Note 8 - Leases

Symposia leases office facilities and equipment for various terms under long-term, non-cancelable operating lease agreements. The leases expire at various dates through 2026. The leases provide for increases in future minimum annual rental payments based on defined within the lease agreement.

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

Additionally, the office space operating lease agreement requires Symposia to cover common area maintenance expenses for various operation, maintenance, and repair of the office space. Symposia is not including non-lease components in the calculation of the right-of-use asset and related lease liability.

Lease costs are expensed as incurred and were \$189,584 for the year ended June 30, 2023. The operating cash flows from operating leases were \$164,050 for the year ended June 30, 2023.

As of June 30, 2023, the weighted-average remaining lease term was 2 years and the weighted-average discount rate was 2.88%.

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Future minimum lease payments under noncancelable operating leases with terms greater than one year are listed below as of June 30, 2023:

Years Ending June 30,	
2024	\$ 160,159
2025	20,637
2026	4,341
Total minimum lease payments	185,137
Less amount representing interest	(3,364)
Present value of lease liabilities	\$ 181,773

Future minimum payments determined under the guidance in the legacy standard, Topic 840, are listed below as of June 30, 2022:

Years Ending June 30,	Capital Lease	Operating leases
2023	\$ 36,098	\$ 182,357
2024	16,296	139,522
2025	16,296	-
Total minimum lease payments	68,690	\$ 321,879
Less amount representing interest	(8,997)	
Capital lease obligations	\$ 59,693	

Leased property under capital leases at June 30, 2022, includes:

Equipment	\$ 98,263
Less accumulated amortization	(81,887)
	\$ 16,376

Note 9 - Endowment

Symposia has three endowment funds (Endowment) restricted by donors to provide support for the Diversity in Life Science program, to conduct one meeting each year on a topic related to cancer immunotherapy, and for scholarships. The Endowment includes only donor-restricted funds, as the Board of Directors has not designated any net assets without donor restrictions to function as endowment. Net assets associated with the Endowment are classified and reported based on the existence or absence of donor-imposed restrictions. In addition, Symposia has seven other endowment funds restricted by individual donors to provide support for the Diversity in Life Science program, meeting support for topics on cancer immunotherapy, support to fund keynote lectures in emerging topics in membranes and lipids, travel stipends for a student or postdoc from Kenya to attend a Keystone Symposia meeting in person or virtually and another for unrestricted general operating support.

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Symposia’s Board of Directors has interpreted the Colorado Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. At June 30, 2023 and 2022, there were no contrary donor stipulations. As a result of this interpretation, Symposia retains in perpetuity: (a) the original value of initial and subsequent gift amounts and (b) any accumulations to the Endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA.

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

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

As of June 30, 2023 and 2022, Symposia had the following endowment net asset composition by fund:

	Without Donor Restrictions	With Donor Restrictions	Total
<u>June 30, 2023</u>			
Original donor-restricted gift amount required to be maintained in perpetuity by donors	\$ -	\$ 775,244	\$ 775,244
Accumulated investment gains	-	68,857	68,857
	\$ -	\$ 844,101	\$ 844,101
<u>June 30, 2022</u>			
Original donor-restricted gift amount required to be maintained in perpetuity by donors	\$ -	\$ 667,645	\$ 667,645
Accumulated investment gains	-	65,711	65,711
	\$ -	\$ 733,356	\$ 733,356

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Symposia has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. At June 30, 2023, funds with original gift values of \$113,716, fair values of \$107,676, and deficiencies of \$6,040 were reported in net assets with donor restrictions. At June 30, 2022, funds with original gift values of \$132,975, fair values of \$123,883, and deficiencies of \$9,092 were reported in net assets with donor restrictions.

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June 30, 2023

Investment and Spending Policies

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

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

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

Changes in Endowment net assets for the years ended June 30, 2023 and 2022 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
<u>Year ended June 30, 2023</u>			
Endowment net assets, beginning of year	\$ -	\$ 733,356	\$ 733,356
Net investment return	-	38,014	38,014
Contributions	-	107,599	107,599
Distributions	-	(34,868)	(34,868)
	-	(34,868)	(34,868)
Endowment net assets, end of year	\$ -	\$ 844,101	\$ 844,101
<u>Year ended June 30, 2022</u>			
Endowment net assets, beginning of year	\$ -	\$ 673,422	\$ 673,422
Net investment loss	-	(47,738)	(47,738)
Contributions	-	140,972	140,972
Distributions	-	(33,300)	(33,300)
	-	(33,300)	(33,300)
Endowment net assets, end of year	\$ -	\$ 733,356	\$ 733,356

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Note 10 - Net Assets With and Without Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes as of June 30, 2023 and 2022:

	2023	2022
Subject to The Passage of Time	\$ 223,417	\$ 417,948
Subject to Expenditure for Specified Purpose		
Global Health Meeting Series	1,383,663	190,460
Diversity in Life Science program	36,888	56,788
Specific meeting support	92,783	52,197
	1,736,751	717,393
Endowments		
Subject to appropriation and expenditure when a specified event occurs - restricted by donors for		
Meeting support	59,370	58,516
Diversity in Life Science program	9,485	7,195
	68,855	65,711
Perpetual in nature, earnings from which are subject to endowment spending policy and appropriation		
Meeting support	483,422	480,510
Diversity in Life Science program	139,801	98,030
Scholarships	152,023	89,105
	775,246	667,645
Total endowments	844,101	733,356
	\$ 2,580,852	\$ 1,450,749

As of June 30, 2023 and 2022, the Board of Directors has designated net assets without donor restrictions into three reserve categories as follows:

	2023	2022
Reserve Fund	\$ 8,166,784	\$ 7,746,702
Growth and Enhancement Fund	2,504,135	2,462,781
Future of Science Fund	3,439,418	3,386,841
	\$ 14,110,337	\$ 13,596,324

The Reserve Fund is established to provide funding for operations in times of adverse cash flow conditions in any given year. The purpose of the Growth and Enhancement Fund is to provide support for new initiatives that could not be accomplished using current operating funds. The Future of Science Fund is established to provide scholarships for students who represent the next generation of academic and industrial leaders to enable them to attend the Symposia's annual series of scientific conferences at a reduced cost. The Future of Science Fund may also be used for scholarships for underrepresented students and investigators, global-health travel awards, general conference program support, or for specific conferences.

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

Note 11 - Donated Materials and Professional Services

Symposia received donated professional services as follows during the years ended June 30, 2023 and 2022, respectively:

	2023	2022
Conference space and services	\$ 26,277	\$ 246,347
Speakers' travel	155,365	45,698
	<u>\$ 181,642</u>	<u>\$ 292,045</u>

Gift-in-kind valuation techniques - conference space and services are valued using the published pricing of the host property for the services provided in-kind. Speaker travel is based on an average of the paid speaker travel expenses which includes air, ground and lodging. All gifts-in-kind are unrestricted and were used for scientific and educational symposia.

Note 12 - Employee Benefits

Symposia sponsors a salary deferral and discretionary profit-sharing plan under Section 401(k) of the Internal Revenue Code covering substantially all full-time employees. The plan provides that employees who have completed three consecutive months of service may voluntarily contribute up to the maximum allowed by the IRS. Employer contributions are discretionary and are determined and authorized by the Board of Directors each plan year. Beginning January 1, 2021, the Symposia changed the matching contribution from 6% to 3% and included a safe harbor contribution. During the years ended June 30, 2023 and 2022, matching contributions totaled \$72,951 and \$79,934, respectively. During the years ended June 30, 2023 and 2022, total safe harbor contributions were \$81,685 and \$85,806, respectively.