

Consolidated Financial Statements and
Report of Independent Certified Public
Accountants

**United States Olympic and Paralympic
Committee**

December 31, 2019 and 2018

Contents

	Page
Report of Independent Certified Public Accountants	3
Consolidated Financial Statements	
Consolidated statements of financial position	5
Consolidated statements of activities	6
Consolidated statement of functional expenses	8
Consolidated statements of cash flows	10
Notes to consolidated financial statements	11
Supplemental Information	
Consolidating statement of financial position	32
Consolidating statement of activities - by entity	34
Consolidating statement of activities - by entity, by donor restriction	35

GRANT THORNTON LLP

515 S. Flower Street, 7th Floor
Los Angeles, CA 90071

D +1 213 627 1717

F +1 213 624 6793

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
United States Olympic and Paralympic Committee

We have audited the accompanying consolidated financial statements of the United States Olympic and Paralympic Committee and subsidiaries (the "Committee"), which comprise the consolidated statements of financial position as of December 31, 2019 and 2018, the related consolidated statements of activities, functional expenses and cash flows for the year then ended December 31, 2019, and the consolidated statement of activities and cash flows for the three-year period ended December 31, 2019 and the related notes to the financial statements.

Management's responsibility for the financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We did not audit the financial statements of the United States Olympic Endowment ("USOE"), which reflect 49.2% and 49.6% of the Committee's total assets as of December 31, 2019 and 2018, respectively, and 14% percent of the Committee's total revenues for the year ended December 31, 2019. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the USOE, is based solely on the reports of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, based on our audits and the reports of other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the United States Olympic and Paralympic Committee as of December 31, 2019 and 2018, and their changes in net assets, their functional expenses and their cash flows for the year ended December 31, 2019, and the changes in net assets and cash flows for the three-year period ended December 31, 2019, in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information on schedules 1-4 is presented for the purposes of additional analysis of the consolidated financial statements rather than to present the financial position and changes in net assets of the individual entities and is not a required part of the consolidated financial statements. The consolidating supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures. These additional procedures included comparing and reconciling the information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.



Los Angeles, California
June 22, 2020

United States Olympic and Paralympic Committee
CONSOLIDATED STATEMENTS FINANCIAL POSITION

December 31,

	2019	2018
	(in thousands)	
Assets		
Cash and cash equivalents	\$ 139,036	\$ 204,916
Restricted cash, cash equivalents and investments	20,882	19,412
Investments	315,724	270,526
Accounts receivable, net		
Pledges	2,489	2,938
Royalties and marks-rights	9,718	9,819
Other	15,303	7,878
Prepaid expenses and other assets	38,317	11,957
Inventories, net	1,635	1,656
Investments held for deferred compensation arrangements	1,353	1,146
Land, buildings, and equipment, net	61,271	63,895
Total assets	\$ 605,728	\$ 594,143
Liabilities and net assets		
Liabilities		
Accounts payable and accrued liabilities	\$ 36,871	\$ 28,064
Assets held on behalf of others	77,707	60,159
Deferred revenue	44,076	36,736
Deferred compensation arrangements	1,353	1,146
Total liabilities	160,007	126,105
Net assets		
Net assets without donor restrictions	404,241	443,037
Net assets with donor restrictions		
Restricted as to purpose or time	23,170	7,240
Restricted in perpetuity	18,310	17,761
	41,480	25,001
Total net assets	445,721	468,038
Total liabilities and net assets	\$ 605,728	\$ 594,143

The accompanying notes are an integral part of these consolidated financial statements.

United States Olympic and Paralympic Committee

CONSOLIDATED STATEMENTS OF ACTIVITIES

	Year ended December 31, 2019	Three-year period ended December 31, 2019
	<u>(in thousands)</u>	
Change in net assets without donor restrictions		
Support and revenue		
Sponsorship and licensing	\$ 134,905	\$ 426,726
Broadcast revenue	1,495	128,526
Contributions, net	8,833	47,662
Other program revenue	5,409	18,832
Investment income	44,359	70,736
Other revenue	3,609	8,159
Net assets released from restrictions - satisfaction of purpose / time restrictions	<u>6,547</u>	<u>13,954</u>
Total support and revenue	205,157	714,595
Expenses		
Program services		
High performance programs	111,071	321,279
Olympic and paralympic competitions	8,902	39,314
Athlete training facilities	27,340	83,306
Athlete and NGB foundational programs	30,357	72,255
Team USA media and promotion	<u>22,612</u>	<u>66,369</u>
Total program services	200,282	582,523
Supporting services		
Fundraising	10,521	32,473
Sales and marketing	8,800	36,949
General and administrative	<u>24,350</u>	<u>71,522</u>
Total supporting services	43,671	140,944
Total expenses	<u>243,953</u>	<u>723,467</u>
Change in net assets without donor restrictions	<u>\$ (38,796)</u>	<u>\$ (8,872)</u>

The accompanying notes are an integral part of these consolidated financial statements.

United States Olympic and Paralympic Committee
CONSOLIDATED STATEMENTS OF ACTIVITIES - CONTINUED

	Year ended December 31, 2019	Three-year period ended December 31, 2019
	(in thousands)	
Change in net assets without donor restrictions		
Support and revenue	\$ 205,157	\$ 714,595
Expenses	<u>243,953</u>	<u>723,467</u>
Change in net assets without donor restrictions	<u>(38,796)</u>	<u>(8,872)</u>
Change in net assets with donor restrictions		
Contributions	19,890	29,932
Investment income	3,136	4,307
Change in accounting treatment for contributions	-	(25,250)
Net assets released from restrictions - satisfaction of purpose / time restrictions	<u>(6,547)</u>	<u>(13,954)</u>
Change in net assets with donor restrictions	<u>16,479</u>	<u>(4,965)</u>
Change in net assets	(22,317)	(13,837)
Net assets, beginning of period	<u>468,038</u>	<u>459,558</u>
Net assets, end of period	<u>\$ 445,721</u>	<u>\$ 445,721</u>

The accompanying notes are an integral part of these consolidated financial statements.

United States Olympic and Paralympic Committee
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2019

	Year ended December 31, 2019											
	High Performance Programs						Program services					Total
	High Performance Grants	High Performance Management	Sports Medicine	Sports Science	Other High Performance Programs	Total High Performance Programs	Olympic and Paralympic Competitions	Athlete Training Facilities	Athlete and NGB Foundational Programs	Team USA Media and Promotion		
						(In thousands)						
Personnel	\$ 1,705	\$ 4,999	\$ 2,667	\$ 3,826	\$ 929	\$ 14,126	\$ 1,124	\$ 5,104	\$ 6,138	\$ 4,999	\$ 31,491	
Temporary Help	23	148	175	548	306	1,200	264	391	180	381	2,416	
Travel, Business Meeting & Professional Development	2,656	427	279	349	493	4,204	3,873	110	996	1,350	10,533	
Dues, Subscriptions & Licenses	98	(2)	34	26	287	443	5	28	70	91	637	
NGB & Athlete Support	76,220	39	3,468	42	365	0,134	-	-	13,209	3,212	96,555	
Event Expense	559	2	-	6	18	585	1,223	-	5	22	1,835	
Insurance	114	-	188	-	-	302	67	372	-	59	800	
Postage, Freight, & Handling	37	4	6	6	6	59	508	7	24	31	629	
Promotional & Public	7	1	4	-	35	47	82	36	228	6,975	7,368	
Supplies	47	19	284	103	189	642	163	1,926	51	57	2,839	
Equipment & Vehicles	6	1	39	134	42	222	10	294	(1)	50	575	
Miscellaneous	15	16	(9)	6	52	80	35	24	88	161	388	
Professional & Outside Services	1,308	149	541	731	644	3,373	137	284	7,891	2,058	13,743	
Rental	81	1	88	30	2	202	99	4,907	107	157	5,472	
Software, Repairs & Maintenance	1	-	191	14	-	206	-	217	1	15	439	
Utilities	24	34	56	36	5	155	45	95	32	61	388	
Depreciation	111	13	425	201	-	750	141	1,741	-	438	3,070	
Allocations	524	1,227	948	1,220	422	4,341	1,126	11,804	1,338	2,495	21,104	
Total	\$ 83,536	\$ 7,078	\$ 9,384	\$ 7,278	\$ 3,795	\$ 111,071	\$ 8,902	\$ 27,340	\$ 30,357	\$ 22,612	\$ 200,282	

(continued on next page)

The accompanying notes are an integral part of these consolidated financial statements.

United States Olympic and Paralympic Committee
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES - Continued
For the year ended December 31, 2019

	Year ended December 31, 2019							Total	Total Expenses
	Supporting services								
	USOPC Fundraising (b)	USOPF Fundraising (b)	USOPC Sales and Marketing	USOPC General and Administrative	USOPF General and Administrative (a)	USOE General and Administrative (a)	Shared Services		
	(In thousands)								
Personnel	\$ 5,016	\$ -	\$ 918	\$ 8,729	\$ -	\$ 236	\$ 7,709	\$ 22,608	\$ 54,099
Temporary Help	-	-	-	72	-	-	267	339	2,755
Travel, Business Meeting & Professional Development	-	512	85	1,036	100	56	350	2,139	12,672
Dues, Subscriptions & Licenses	-	30	13	141	4	3	50	241	878
NGB & Athlete Support	-	-	-	-	-	-	-	-	96,555
Event Expense	-	-	7	4	-	-	-	11	1,846
Insurance	-	2	34	1,307	55	21	-	1,419	2,219
Postage, Freight, & Handling	-	634	6	19	1	1	20	681	1,310
Promotional & Public	-	425	(133)	38	69	37	45	481	7,849
Supplies	-	20	50	144	1	8	958	1,181	4,020
Equipment & Vehicles	-	-	2	-	-	-	414	416	991
Miscellaneous	-	219	126	137	18	1	51	552	940
Professional & Outside Services	-	2,487	5,907	8,729	320	164	3,714	21,321	35,064
Rental	-	1	392	91	22	7	662	1,175	6,647
Software, Repairs & Maintenance	-	-	19	46	-	-	6,054	6,119	6,558
Utilities	-	27	35	40	7	7	2,155	2,271	2,659
Depreciation	-	-	92	3	-	3	3,794	3,892	6,962
Allocations	-	1,148	1,247	2,421	252	-	(26,246)	(21,178)	(71)
Total	<u>\$ 5,016</u>	<u>\$ 5,505</u>	<u>\$ 8,800</u>	<u>\$ 22,957</u>	<u>\$ 849</u>	<u>\$ 544</u>	<u>\$ (3)</u>	<u>\$ 43,668</u>	<u>\$ 243,953</u>

The accompanying notes are an integral part of these consolidated financial statements.

United States Olympic and Paralympic Committee

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended December 31, 2019	Three-year period ended December 31, 2019
	(In thousands)	
Operating activities		
Change in net assets	\$ (22,317)	\$ (13,837)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Provision for losses on accounts receivable	444	1,547
Depreciation	6,960	23,556
Gain on asset disposals	-	(181)
Change in accounting policy	-	25,250
Net realized gain on investments	(12,230)	(33,001)
Net unrealized gain on investments	(30,184)	(32,613)
Contributions and investment income restricted for investment in endowment	(1,962)	(3,993)
Net contributions by amateur sports organizations	5,410	5,541
Changes in assets and liabilities		
(Increase) decrease in receivables	(7,318)	8,968
(Increase) in prepaid expenses and other assets	(26,360)	(34,089)
Decrease in inventories	20	32
(Increase) in investments held for deferred compensation arrangements	(207)	(346)
Increase in accounts payable and accrued liabilities	8,720	6,427
Increase in deferred revenues	7,340	14,170
Increase in deferred compensation arrangements	207	346
Net cash used in operating activities	<u>(71,477)</u>	<u>(32,223)</u>
Investing activities		
Purchase of investment securities	(85,810)	(303,748)
Proceeds from sale and maturities of investment securities	95,251	317,082
Changes in restricted cash and investments	(1,470)	(5,781)
Proceeds from sale of equipment	-	38
Purchase of building improvements and equipment	(4,336)	(6,590)
Net cash provided by investing activities	<u>3,635</u>	<u>1,001</u>
Financing activities		
Contributions and investment income restricted for investment in endowment	1,962	3,993
Net cash provided by financing activities	<u>1,962</u>	<u>3,993</u>
Net decrease in cash and cash equivalents	(65,880)	(27,229)
Cash and cash equivalents, beginning of period	204,916	166,265
Cash and cash equivalents, end of period	<u>\$ 139,036</u>	<u>\$ 139,036</u>
Supplemental cash flow information		
Value-in-kind consideration received for marks-rights and licensing royalty income included in sponsorship and licensing	\$ 13,425	\$ 43,301
Reconciliation of restricted cash, cash equivalents, and investments:		
	December 31,	
Consolidated Statement of Financial Position	2019	2018
Cash and cash equivalents	\$ 139,036	\$ 204,916
Investments - restricted for purpose or time	3,675	3,596
Investments - restricted in perpetuity	17,207	15,816
Consolidated Statement of Cash Flows		
cash, cash equivalents, and investments	\$ 159,918	\$ 224,328

The accompanying notes are an integral part of these consolidated financial statements.

United States Olympic and Paralympic Committee
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2019 and 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The United States Olympic and Paralympic Committee (USOPC) was established by an Act of Congress for the purpose of establishing national goals for amateur athletic activities and to aid in and encourage the attainment of those goals. The USOPC is charged with the task of coordinating and developing amateur athletic activity in the United States, which directly relates to international amateur athletic competition. In addition, the USOPC exercises exclusive jurisdiction over all matters pertaining to the participation of the United States in the Olympic, Paralympic, Pan American and Parapan American Games. The USOPC also represents the United States as its National Olympic Committee in relations with the International Olympic Committee (IOC) and the Pan American Sports Organization, and as its National Paralympic Committee with the International Paralympic Committee.

The USOPC is governed by a board of directors, composed of six independent directors, three members selected from individuals nominated by the National Governing Bodies' (NGB) Council, three members selected from individuals nominated by the Athletes' Advisory Council, all U.S. members of the IOC (currently two) who are ex-officio directors on the board, and the CEO as an ex-officio non-voting member. As of December 31, 2019, the board had two vacant positions.

Quadrennial Accounting Period

The USOPC's activities are organized within a four-year cycle ending in the year the Summer Olympic Games are held; accordingly, the consolidated financial statements include the changes in net assets and cash flows for the year ended December 31, 2019 and the three-year period ended December 31, 2019, the third year of the four-year cycle.

Principles of Consolidation

The consolidated financial statements include the accounts of the USOPC and the United States Olympic and Paralympic Foundation (USOPF). The USOPF is a 501(c)(3) not-for-profit corporation formed in 2013 to transform the level of philanthropic support directed to the USOPC to fund America's Olympic and Paralympic athletes. The USOPF's fundraising initiatives are grounded in the USOPC's mission and are designed to help American athletes achieve sustained competitive excellence. The USOPC is the sole beneficiary and corporate member of the USOPF. As the sole member, the USOPC approves all nominations to the USOPF board of directors. The USOPC consolidates the accounts of the USOPF as a result.

Additionally, the consolidated financial statements also include the accounts of the United States Olympic Endowment (USOE). The USOPC consolidates the accounts of the USOE due to its deemed control of the USOE (Note C).

In addition, the consolidated financial statements also include the accounts of USOC HOSPITALITY, SERVICOS, COMERCIO, IMPORTACAO E EXPORTACAO LTDA (Hospitality). Hospitality is a limited liability company, incorporated in Brazil in 2015. Its primary purposes were to promote development in sport and serve as agent for the USOPC in Brazil in connection with the Rio 2016 Olympic Games. Hospitality also prepared and organized Rio 2016 Olympic Games related hosting and events for the USOPC and USOPF. The USOPC and the USOPF's ownership interests in USOPC Hospitality are 99% and 1%, respectively. Due to the USOPC and USOPF's combined 100% ownership, the accounts of Hospitality are consolidated with those of the USOPC and USOPF. As activity related to the Rio 2016 Olympic Games has concluded, this entity had limited activity in fiscal years 2019 and 2018.

United States Olympic and Paralympic Committee
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

Unless noted otherwise, the "Committee" hereinafter refers collectively to the USOPC and its consolidated entities.

All intercompany accounts and transactions have been eliminated in consolidation.

Broadcast Rights and Related Interest Income

The USOPC has agreements with the National Broadcasting Company (NBC) and the IOC whereby the USOPC receives scheduled broadcast rights payments in exchange for allowing NBC to broadcast the Olympic Games, Olympic Winter Games and other events in the U.S. In connection with the contract discussed in Note J, for Games in the years through 2020, no cash payments will be received and broadcast rights income will not be recognized until the year the respective Games are held and certain other requirements are met, including the participation of the official U.S. Olympic Team. Nonrefundable interest on amounts held in trust (Note J) is recognized as earned. Revenue from broadcast rights and related interest income is included in broadcast revenue in the accompanying consolidated statement of activities. Note P addresses the impact of the postponement of the 2020 Olympic Games.

USOPC Marks-Rights Income

Various companies enter into agreements with the IOC and the USOPC for the right to use Olympic marks and terminology over the contract term, which is normally four years. In addition to receiving the right to use Olympic marks and terminology, contracts with certain sponsors also include other deliverables, such as hospitality packages at the Olympic Games and Olympic Winter Games.

Contracts with international sponsors are initially negotiated and executed by the IOC for worldwide marks-rights. Payments are allocated between the IOC and the USOPC based upon the revenue-share contract between the IOC and the USOPC, with each receiving approximately 80% and 20% of such payments, respectively. Contracts with domestic sponsors are negotiated and executed by the USOPC for U.S. marks-rights. The IOC is not a party to these contracts and no payments are allocated to the IOC.

Cash payments for both programs are generally receivable in installments and are nonrefundable. Under certain agreements, the USOPC receives payment in the form of goods and services (value-in-kind). Value-in-kind is recorded at estimated fair value and the USOPC is able to request the goods and services upon need during the term of the contracts.

Revenue is recognized ratably over the performance period. The USOPC records deferred revenue for amounts received from a sponsor in excess of revenue that has been earned, and it records a receivable once revenue has been earned but cash payments have not yet been received. As of December 31, 2019, and 2018, \$18,448,000 and \$11,671,000, respectively, was deferred for payments received but not yet earned and \$3,502,000 and \$3,157,000, respectively, were due to the USOPC for revenues earned but not yet received. USOPC marks-rights income is included in sponsorship and licensing revenue in the accompanying consolidated statement of activities.

Value-in-kind (VIK) is recognized as revenue ratably over the performance period for the expected utilization portion of the amount stated in the contract, less a fair value adjustment, if necessary. The USOPC evaluates the expected utilization of value-in-kind annually. In the event the contract amount of value-in-kind is not expected to be utilized during the contract period, the USOPC reduces the amount to be recognized ratably over the remaining contract term. As of December 31, 2019, and 2018, \$340,000 and \$171,000, respectively, was deferred for value-in-kind received but not yet earned and \$4,777,000 and \$4,478,000, respectively, were due to the USOPC for value-in-kind earned but not yet received.

United States Olympic and Paralympic Committee
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

USOPC marks-rights income consisted of the following (in thousands):

	Year ended December 31, 2019	Three-year period ended December 31, 2019
Cash	\$ 118,459	\$ 374,183
Value-in-kind	12,778	39,843
	<u>\$ 131,237</u>	<u>\$ 414,026</u>

Licensing Royalty Income

Various companies enter into agreements for the right to sell merchandise with the USOPC's name and marks attached. Revenue from these agreements is recognized in the period that merchandise has been sold by the licensee. Under certain agreements, the USOPC receives payment as value-in-kind and it is recorded at estimated fair value in the period earned. Licensing royalty income is included in sponsorship and licensing revenue in the accompanying consolidated statement of activities.

USOPC licensing royalty income consisted of the following (in thousands):

	Year ended December 31, 2019	Three-year period ended December 31, 2019
Cash	\$ 3,021	\$ 9,242
Value-in-kind	647	3,458
	<u>\$ 3,668</u>	<u>\$ 12,700</u>

United States Olympic and Paralympic Properties

During 2018, the USOPC entered into a joint venture with LA 2028 to form U.S. Olympic and Paralympic Properties (USOPP). The formation of USOPP is to provide joint marketing efforts to the USOPC and LA 2028 through the 2028 Games to be held in Los Angeles, CA. The agreement stipulated a baseline revenue to the USOPC during the 2024 and 2028 quadrennials plus a share of revenues greater than a pre-determined revenue target. USOPP is an LLC with capital contributions of 1/3 by the USOPC and 2/3 by LA 2028.

Contributions

Contributions represent donations from the general public. The Committee reports contributions of cash and other assets as net assets with donor restrictions as to purpose or time or perpetuity if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the donor stipulations have been met, net assets are reclassified to net assets without donor restrictions and reported as releases from restrictions in the consolidated statement of activities. The Committee reports contributions of land, buildings and equipment as net assets without donor restrictions unless explicit donor stipulations specify how the donated assets must be used.

United States Olympic and Paralympic Committee
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
December 31, 2019 and 2018

Future payments on executed contributions are as follows:

<u>Year ending December 31,</u>	<u>(in thousands)</u>
2020	\$ 18,343
2021	14,483
2022	8,983
2023	5,064
2024	2,012
Thereafter	2
	\$ 48,887

Unconditional promises to give the Committee cash or other assets in the future are recorded at estimated fair value when the pledges are made by the donor. Fair value is determined by computing the present value of future cash flows discounted at the prevailing interest rate as of the period in which the agreement was received. An allowance for uncollectible pledges is provided based on specific circumstances and estimated rates based on historical collection patterns.

Cash and Cash Equivalents

Cash and short-term investments with original maturities of three months or less from the date of acquisition are considered cash and cash equivalents. The Committee maintains its deposits in multiple financial institutions, which, at times, may exceed the federally insured limits. Management does not believe that the Committee is exposed to any significant interest rate or other financial risk as a result of these deposits.

Restricted Cash, Cash Equivalents and Investments

Restricted cash, cash equivalents and investments represents cash and investments with donor restrictions for purpose or passage of time of \$3,675,000 and \$3,596,000 as of December 31, 2019 and 2018, respectively, and cash and investments with donor restrictions in perpetuity of \$17,207,000 and \$15,816,000 as of December 31, 2019 and 2018, respectively. These cash and investments are restricted for specific purposes according to donor intent (Note E). Of these restricted cash and investments, \$20,530,000 and \$16,239,000 were held by the USOE as a component of its investment pool as of December 31, 2019 and 2018, respectively (Note D).

Fair Value of Financial Instruments

The Committee's financial instruments consist of cash and cash equivalents, investments, receivables, and payables. The carrying values of cash, receivables (other than pledges) and payables approximate fair value due to their short-term nature. Investments are reported at fair values based upon quoted market prices or as determined by fund managers (Note A, Investments). For pledges receivable, fair value is determined by computing the present value of future cash flows discounted at the prevailing interest rate as of the period in which the agreement was received (Note A, Pledges receivable).

Investments

Investments in equity securities, including mutual funds, with readily determinable fair values and all investments in debt and convertible securities are reported based upon quoted market prices as of the date of the consolidated statements of financial position with realized and unrealized gains and losses included in the consolidated statement of activities. For alternative investments, which include hedge funds, fair values are based on estimates reported by fund managers where quoted market prices do not exist. The

United States Olympic and Paralympic Committee

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

Committee reviews and evaluates the estimated values by comparing them to audited financial statements of the funds and other available information.

Investment activity is accounted for on a trade-date basis, and investment income is reported on the accrual basis, net of investment expenses of \$872,000 and \$2,549,000 for the year ended December 31, 2019 and the three-year period ended December 31, 2019, respectively. Realized gains and losses are calculated based on the average-cost method.

Alternative investments include hedge funds, limited partnership interests and private equity funds. These investments are recorded at net asset value (NAV). The Committee also reviews audited financial statements of the underlying funds or partnerships, when available, and other information provided by fund managers or general partners. Investments in such funds do carry certain risks, including lack of regulatory oversight, interest rate risk, and market risk. Due to the level of risk associated with these investments, it is at least reasonably possible that changes in risk factors in the near term would materially affect amounts reported in the consolidated financial statements of financial position.

Accounts Receivable

Accounts receivable balances are reported net of an allowance for doubtful accounts of \$227,000 and \$671,000 as of December 31, 2019 and 2018, respectively.

The Committee reviews its allowance for doubtful accounts annually. Balances over 90 days past due and over a specified amount are reviewed individually for collectability. Account balances are charged against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote.

Pledges Receivable

Pledges receivable, net of an annual discount, are shown net of estimated uncollectible amounts of \$125,000 and \$125,000 as of December 31, 2019 and 2018, respectively. Pledges are due to be collected over the next three years in the following amounts:

<u>Year ending December 31,</u>	<u>As of December 31, 2019 (in thousands)</u>
2020	\$ 1,810
2021	453
2022	226
	<u>\$ 2,489</u>

Pledges receivable are recorded net of estimated donor benefits to be provided in conjunction with these pledges, which include hospitality, ticket and apparel packages for the Olympic Games and Olympic Winter Games. Estimated donor benefits at December 31, 2019 and 2018 were \$3,171,000 and \$2,614,000, respectively. The unamortized pledge discount was \$74,000 and \$137,000 as of December 31, 2019 and 2018, respectively.

Prepaid Expenses and Other Assets

Included in prepaid expenses and other assets are costs relating to international competitions. These balances were \$12,732,000 and \$298,000 as of December 31, 2019 and 2018, respectively. The 2019

United States Olympic and Paralympic Committee

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

and 2018 balances are related to the 2019 Pan American and Parapan American Games held in July and August of 2019 in Lima, Peru and the 2020 Olympic and Paralympic Games to be held in July and August of 2020 in Tokyo, Japan. The remainder of the balance of prepaid expenses and other assets is comprised of various deposits and payments.

Inventories

Inventories are stated at the lower of cost or market using the first-in, first-out method for determining cost. Inventories consist of food, supplies, airline tickets and other games-related items. Inventories are reported net of an allowance for excess and obsolete inventory of \$5,000 for both December 31, 2019 and 2018.

Land, Buildings, and Equipment

Land, buildings, and equipment are stated at cost for items purchased and at estimated fair value at the date of gift for items donated. Depreciation is provided on a straight-line basis over their estimated useful lives of 25 to 30 years for buildings, 5 to 20 years for building improvements and components, and 3 to 10 years for equipment. The Committee's policy on leasehold improvements is to depreciate the improvements over the shorter of the useful life of the improvement or the lease term, including renewal options when expected to be exercised. The Committee generally capitalizes items costing over \$30,000 that have a useful life over one year. The Committee recognized depreciation expense of \$6,961,000 and \$23,556,000 for the year ended December 31, 2019 and the three-year period ended December 31, 2019, respectively. Ordinary repairs and maintenance costs are expensed as incurred.

Advertising Costs

Advertising costs are expensed as incurred. Such costs amounted to \$221,000 and \$720,000 for the year ended December 31, 2019 and the three-year period ended December 31, 2019, respectively.

Federal Income Taxes

The USOPC, the USOPF and the USOE are exempt from federal and state income taxes on income from activities related to their exempt purposes under IRC Section 501(a) of the Internal Revenue Code (IRC) as organizations described in IRC Section 501(c)(3). The entities are also public charities under IRC Section 509(a). Neither the USOPC, the USOPF nor the USOE had material amounts of unrelated business income for the year ended December 31, 2019.

Hospitality is a taxable limited liability company incorporated in Brazil and did not have material amounts of unrelated business taxable income during the year ended December 31, 2019.

The Committee recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more-likely-than-not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority. The Committee has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Functional Expenses

The cost of providing the various programs and supporting services has been summarized on a functional basis in the consolidated statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Costs allocated among the programs include expenses associated with the following departments: Facilities Management, Information Technology, Events and Logistics, Security, and Shipping and Receiving. Costs of the Facilities Management and Security departments are allocated to the programs based upon square footage. Information Technology costs are

United States Olympic and Paralympic Committee
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

allocated by the number of workstations associated with each program. Lastly, costs of Events and Logistics, and Shipping and Receiving are allocated based upon each program's travel budget and headcount.

Classes of Net Assets

For financial reporting purposes, resources are classified into net asset categories according to the existence or absence of donor imposed restrictions. Accordingly, net assets of the Committee and changes therein are classified and reported as follows:

(A) **Net assets without donor restrictions** - currently available for operating purposes under the direction of the board and are not subject to donor imposed stipulations.

(B) **Net assets with donor restrictions** - comprised of:

- *Subject to expenditure for specific purpose or the passage of time* - when a restriction expires due to the passage of time or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions.
- *Subject to restriction in perpetuity* - generally, the donors of these assets permit the Committee to use all or part of the income earned on the related investments for specific or general purposes.

Management Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions. Such estimates and assumptions affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of support and revenue and expenses during the reporting period. Actual results could differ significantly from those estimates.

Asset Retirement Obligations

Costs related to the legal obligations to perform certain activities in connection with the retirement, disposal or abandonment of assets are accrued. The Committee has identified asbestos abatement as a conditional asset retirement obligation. Asbestos abatement costs were estimated based on physical inspections and cost estimates based on current market prices and applied on a per square foot basis. As of December 31, 2019 and 2018, the asset retirement obligation was \$636,000 and is a component of accounts payable and accrued liabilities on the consolidated statements of financial position. The building improvements associated with the asset retirement obligation have a net carrying value of \$0 as of December 31, 2019 and 2018 and the cost basis is included in building and leasehold improvements.

Recently Adopted Accounting Standards

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (ASC 606)*. The USOPC adopted ASC 606 effective January 1, 2019, using the modified retrospective approach. The standard outlines a five-step model whereby revenue is recognized as a performance obligation within a contract are satisfied. The five-step model is outlined below:

Step 1: Identify the contract(s) with customers.

Step 2: Identify the performance obligation(s) in the contract.

United States Olympic and Paralympic Committee
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
December 31, 2019 and 2018

Step 3: Determine the transaction price.

Step 4: Allocate the transaction price to the performance obligation(s) in the contract.

Step 5: Recognize revenue when (or as) the USOPC satisfies a performance obligation(s).

The USOPC recognizes revenue when the contracted goods or services are transferred in an amount that reflects the consideration the USOPC expects to be entitled to in exchange for those goods or services. ASC 606 also requires new and expanded disclosures regarding revenue recognition to ensure an understanding as to the nature, timing, amount and uncertainty of revenue and cash flows arising from contracts with customers. The USOPC feels that the current disclosures reflect this accurately. The USOPC's adoption of ASC 606 using the modified retrospective did not result in a cumulative catch-up adjustment or any significant changes to financial statement line items.

On June 21, 2018, the FASB issued Accounting Standards Update (ASU) 2018-08, *Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The amendments provide (1) a framework for determining whether a transaction should be accounted for as a contribution or as an exchange transaction, including how to evaluate whether a resource provider is receiving commensurate value in an exchange transaction and (2) guidance to assist entities in determining whether a contribution is either conditional or unconditional. Guidance applies to both recipients and resource providers. The effective date for resource recipients is fiscal years beginning after December 31, 2018. As a resource recipient, the USOPC adopted ASU 2018-08 effective January 1, 2019 using the modified retrospective approach, which did not have a material impact on opening balances as of the adoption date. The effective date for resource providers is fiscal years beginning after December 15, 2019. The USOPC in its capacity as a resource provider is currently evaluating the impact that the standard will have on the consolidated financial statements.

In 2019, the USOPC adopted ASU 2016-18, *Statement of Cash Flows – Restricted Cash*, which required the statement of cash flows to include restricted cash with its cash and cash equivalents balance and a reconciliation between all cash items on the balance sheet and the balance sheet per the statement of cash flows. In addition, changes in restricted cash related to transfers between cash and cash equivalents and restricted cash will not be presented as cash flow activities in the statement of cash flows. The effect of the adoption of this is the inclusion of restricted cash in the beginning and end of period balances of cash presented on the USOPC's consolidated statement of cash flows.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which is intended to increase the transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. A lessee will be required to recognize on the balance sheet the assets and liabilities of leases with lease terms of more than 12 months. Accounting by lessors will remain largely unchanged from current U.S. GAAP. Private entities must adopt the new guidance for reporting periods beginning after December 15, 2020, with early adoption permitted. The USOPC is currently evaluating the impact that the standard will have on the consolidated financial statements.

NOTE B - UNITED STATES OLYMPIC AND PARALYMPIC FOUNDATION

The USOPF was incorporated in 2013 for the purpose of generating philanthropic support for the USOPC. The USOPF made grants to the USOPC totaling \$26,091,000 and \$54,046,000 for the year ended December 31, 2019 and the three-year period ended December 31, 2019, respectively. These grants were in accordance with the USOPF's policy to transfer assets to the USOPC once the USOPF has received the

United States Olympic and Paralympic Committee

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

contribution payments. In addition, the USOPC made grants to the USOPF totaling, \$11,422,000 and \$35,072,000 for the year ended December 31, 2019 and three-year period ended December 31, 2019, respectively, which must be used by the USOPF exclusively for its own administrative and fundraising expenses. As a result of these transactions, the USOPC has a grant payable owed to the USOPF in the amount of \$0 and \$5,147,000 which is recorded in accounts payable, and the USOPF has a grant payable owed to the USOPC in the amount of \$0 and \$10,634,000 which is recorded in accounts receivable as of December 31, 2019 and 2018, respectively.

The USOPC has entered into a service agreement with the USOPF for the purposes of providing the use of certain services, personnel, assets and facilities, and the limited right to license and use certain intellectual property of the USOPC, in order to assist and/or facilitate the USOPF in the performance of its fundraising mission in the most effective and efficient manner. The amount billed under the services agreement by the USOPC to the USOPF was \$5,178,000 and \$16,798,000 for the year ended December 31, 2019 and the three-year period ended December 31, 2019, respectively. The USOPC conducts all day to day business activities and maintains books and records on behalf of the USOPF. Additionally, operating expenses are paid by the USOPC on behalf of the USOPF and the USOPF is obligated to reimburse the USOPC for these expenses. All financial transactions between the USOPF and the USOPC were eliminated upon consolidation in the accompanying consolidated financial statements.

NOTE C - UNITED STATES OLYMPIC ENDOWMENT

The USOE was incorporated on July 2, 1984, as a nonprofit corporation with a separate board of trustees. From 1984 through 1986, the USOPC contributed approximately \$111,400,000 to the USOE. These contributions are to be maintained in perpetuity (permanent endowment) to foster the United States participation in national and international amateur sports competition. These contributions are not presented as net assets with restrictions as the restrictions were designated by the USOPC. The income from contributed funds to the USOE and other assets may be expended in any year, accumulated and added to principal, or held as undistributed income for future distribution. As of December 31, 2019 and 2018, the USOPC has designated approximately \$111,400,000 as an amount to be maintained in perpetuity, which designation can be rescinded at any time.

In 2000, the trustees of the USOE adopted a policy whereby annual distributions of grants to the USOPC, NGBs, Multi-Sport Organizations, and Affiliated Sports Organizations were to be based on 5% of the USOE's average net assets over the last 12 fiscal quarters. Grants in the amount of \$10,562,000 and \$9,890,000 were approved by the USOE board of directors in December 2019 and 2018 for payment in January 2020 and 2019, respectively, and were recorded as grant payables by the USOE and grants receivable by the USOPC. All amounts were eliminated upon consolidation in the accompanying consolidated financial statements. Despite the fact that the USOPC consolidates the financial statements of the USOE, the USOE board of trustees is responsible for the distribution of USOE net assets.

The USOPC is the designated recipient of the net assets of the USOE in the event that the USOE is dissolved. Such dissolution would require the approval of two-thirds of the votes cast at two successive regularly scheduled meetings of the USOPC's board of directors at which a quorum is present.

United States Olympic and Paralympic Committee

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

NOTE D - DISCLOSURES ABOUT FAIR VALUE OF ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of the three levels of inputs that may be used to measure fair value:

- **Level 1** - Quoted prices in active markets for identical assets or liabilities as of the reporting date.
- **Level 2** - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in active markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- **Level 3** - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Recurring Measurements

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2019 and 2018:

	As of December 31, 2019			
	Fair value	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	(in thousands)			
Domestic common stocks	\$ 81,260	\$ 81,260	\$ -	\$ -
Mutual funds				
U.S. Treasury notes	20,655	20,655	-	-
Large-cap S&P 500 securities	40,195	40,195	-	-
International bonds	19,731	19,731	-	-
Total investments at fair value	161,841	<u>\$ 161,841</u>	<u>\$ -</u>	<u>\$ -</u>
Alternative investments at NAV (See A)	175,291			
Eliminations upon consolidation	<u>(21,408)</u>			
	<u>\$ 315,724</u>			

United States Olympic and Paralympic Committee

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

	As of December 31, 2018			
	Fair value	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		(in thousands)		
Domestic common stocks	\$ 48,906	\$ 48,906	\$ -	\$ -
Mutual funds				
U.S. Treasury notes	21,292	21,292	-	-
Large-cap S&P 500 securities	30,393	30,393	-	-
International bonds	16,780	16,780	-	-
Total investments at fair value	117,371	<u>\$ 117,371</u>	<u>\$ -</u>	<u>\$ -</u>
Alternative investments at NAV (See A)	169,394			
Eliminations upon consolidation	<u>(16,239)</u>			
	<u>\$ 270,526</u>			

(A) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts included above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying statements of financial position, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the years ended December 31, 2019 and 2018.

Traditional Investments

Where quoted market prices are available for identical securities in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities include cash and cash equivalents, domestic and international equity and bond mutual funds, exchange traded funds and U.S. treasury notes. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics or discounted cash flows, and are classified as Level 2 securities. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. At December 31, 2019 and 2018, the Committee holds no traditional investments classified as Level 2 or 3 in the hierarchy.

Alternative Investments

The Committee's alternative investments, including investments held solely as agent, for sport organizations, consist of hedge equity funds, limited partnerships, real estate funds, private equity funds, bond fund trusts, and funds of funds. As a group, the alternative investments invest in a variety of securities including, but not limited to, foreign and domestic publicly traded equity and debt securities, foreign and domestic fixed income investments, domestic commercial and residential real estate, options, warrants, derivatives and contracts. To the extent possible, fair value is based on the last sale price for securities listed on national exchanges. For securities not listed on national exchanges, fair value is determined at the last bid or asking price depending on the long or short position of the security. Investments for which

United States Olympic and Paralympic Committee

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

quotations are not available are valued at an estimated fair value by the fund managers using various models, comparisons and assumptions. Consideration is given to several factors, including the type of investment, risks, marketability, restrictions on disposition, quotations from other market participants and values of similar investments.

Alternative investments held at December 31 consist of the following:

	As of December 31, 2019			
	Fair value	Unfunded commitments	Redemption frequency	Redemption notice period
	(in thousands)			
Hedge equity funds ^(a)	\$ 45,794	\$ -	Annually	45 - 100 days
Limited partnerships ^(b)	64,674	-	Quarterly	10 - 60 days
Real estate fund ^(c)	12,617	9,647	Upon dissolution of fund	N/A
Private equity funds ^(d)	2,797	1,600	Upon dissolution of fund	N/A
Bond fund trust ^(e)	-	-	Monthly	10 days
Fund of funds ^(f)	49,409	7,620	Upon dissolution of fund	N/A
Other ^(g)	-	-	Upon dissolution of fund	N/A
Total	\$ 175,291	\$ 18,867		

	As of December 31, 2018			
	Fair value	Unfunded commitments	Redemption frequency	Redemption notice period
	(in thousands)			
Hedge equity funds ^(a)	\$ 41,457	\$ -	Annually	45 - 100 days
Limited partnerships ^(b)	69,595	-	Quarterly	10 - 60 days
Real estate fund ^(c)	10,408	12,255	Upon dissolution of fund	N/A
Private equity funds ^(d)	2,927	2,200	Upon dissolution of fund	N/A
Bond fund trust ^(e)	3,935	-	Monthly	10 days
Fund of funds ^(f)	41,001	10,440	Upon dissolution of fund	N/A
Other ^(g)	71	-	Upon dissolution of fund	N/A
Total	\$ 169,394	\$ 24,895		

(a) This class includes investments in three hedge funds that take both long and short positions. All investments in this class can be redeemed in the next year.

(b) This class includes two (at December 31, 2019) or three (at December 31, 2018) limited partnerships that invest primarily in foreign and domestic common stocks and commodities. Based on the partnership agreements, one of the funds valued at \$51,772,690 and of \$47,972,000 at 2019 and 2018, respectively, can invoke fund-level gates; however, none have been imposed to date.

(c) This class includes three real estate funds that invest primarily in U.S. commercial and residential real estate. These investments can never be redeemed with the funds. Distributions from the funds will be made upon dissolution of the funds. It is estimated the underlying assets of the fund, valued at \$633,451 and \$761,606 as of December 31, 2019 and December 31, 2018, respectively, will be liquidated in 2021.

United States Olympic and Paralympic Committee

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

- (d) This class includes two private equity funds that invest primarily in domestic and foreign limited partnerships. These investments can never be redeemed with the funds. Distributions from each fund will be made upon dissolution of the fund.
- (e) This class includes one bond fund trust (at December 31, 2018) that invests primarily in foreign government obligations. These investments can be redeemed monthly from the Trustee.
- (f) This class includes three fund of funds that invest in foreign and domestic venture capital limited partnerships. These investments can never be redeemed with the fund. Distributions from the fund will be made upon dissolution of the fund.
- (g) This class includes one fund in a lock-up period (at December 31, 2018) as the fund winds down and is expected to be liquidated and paid out over the next three to five years. During 2019, the Endowment received its final liquidating distribution.

NOTE E - NET ASSETS

Net assets consist of the following:

	As of December 31,	
	2019	2018
	(in thousands)	
Net assets without donor restrictions		
Undesignated	\$ 403,762	\$ 442,495
Board designated	479	542
Total net assets without donor restrictions	404,241	443,037
Subject to expenditure for specific purpose		
Athlete and athletic training	18,614	3,633
Subject to the passage of time		
Pledges receivable from third parties	1,385	993
Donor Benefits	3,171	2,614
Subject to restriction in perpetuity		
Endowment funds restricted in perpetuity (See A)	17,207	15,816
Pledges receivable from third parties	1,103	1,945
Total net assets with donor restrictions	41,480	25,001
Total net assets	\$ 445,721	\$ 468,038

- (A) These endowment funds have donor stipulations that classify as net assets restricted in perpetuity at the original value of donated gifts at the time they are added to the funds. All but one fund allows for 100% of annual investment earnings to be appropriated for expenditure in accordance with the donor's stipulations.

All Committee endowment funds restricted for perpetuity are invested and managed by the USOE. From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level the Committee is required to retain as a fund of perpetual duration pursuant to donor

United States Olympic and Paralympic Committee
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
December 31, 2019 and 2018

stipulation or the Uniform Prudent Management of Institutional Funds Act. In accordance with U.S. GAAP, there were no deficiencies of this nature that are reported in net assets with donor restrictions as of December 31, 2019 and 2018.

Endowment funds consist of the following:

	As of December 31, 2019		
	Without restriction - USOE	With restriction - perpetuity (in thousands)	Total
Endowment net assets, beginning of year	\$ 112,773	\$ 15,816	\$ 128,589
Investment return			
Investment income	991	1,284	2,275
Net appreciation	19,555	-	19,555
Contributions	1	107	108
Other - transfers	(20,546)	-	(20,546)
Endowment net assets, end of year	<u>\$ 112,774</u>	<u>\$ 17,207</u>	<u>\$ 129,981</u>
	As of December 31, 2018		
	Without restriction - USOE	With restriction - perpetuity (in thousands)	Total
Endowment net assets, beginning of year	\$ 112,772	\$ 13,989	\$ 126,761
Investment return			
Investment income	755	544	1,299
Net appreciation	16,310	1,283	17,593
Contributions	1	-	1
Other - transfers	(17,065)	-	(17,065)
Endowment net assets, end of year	<u>\$ 112,773</u>	<u>\$ 15,816</u>	<u>\$ 128,589</u>

United States Olympic and Paralympic Committee
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

NOTE F - LIQUIDITY

The following chart represents the Committee's financial assets available to meet cash needs for general expenditures within one year as of December 31, 2019. Financial assets are considered unavailable if not liquid or convertible within one year.

	As of December 31, 2019 <u>(in thousands)</u>
Financial assets	
Cash and cash equivalents	\$ 139,036
Restricted cash, cash equivalents and investments	20,882
Investments	315,724
Accounts receivable (net of VIK)	<u>22,732</u>
Total financial assets	498,374
Less those unavailable for general expenditure within one year:	
Net assets with restrictions	(41,480)
Pledges due in 2020	<u>1,810</u>
Investments - not redeemable within 365 days (reference Note D)	(64,823)
Accounts receivable not collectible within one year	<u>(19,489)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 374,392</u>

The Committee has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Committee also has no debt on the consolidated statement of financial position and typically pays its obligations using cash.

United States Olympic and Paralympic Committee
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

NOTE G - LAND, BUILDINGS, EQUIPMENT AND LEASES

Land, buildings and equipment consist of the following:

	As of December 31,	
	2019	2018
	(in thousands)	
Nondepreciable		
Land	\$ 3,310	\$ 3,310
Construction in progress	-	335
Depreciable		
Building and leasehold improvements	138,892	133,952
Capital projects	2,942	-
Furniture, fixtures and equipment	28,250	34,352
	173,394	171,949
Accumulated depreciation	(112,123)	(108,054)
	\$ 61,271	\$ 63,895

The Committee has entered into noncancelable operating leases that require future annual lease payments as follows:

Year ending December 31,	As of December 31, 2019
	(in thousands)
2020	\$ 737
2021	636
2022	502
2023	222
2024	227
Thereafter	1,542
	\$ 3,866

The total of all lease expenses, including long-term obligations and short-term rentals, was \$6,700,000 and \$20,988,000 for the year ended December 31, 2019 and the three-year period ended December 31, 2019, respectively.

United States Olympic and Paralympic Committee

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

NOTE H - INVESTMENTS BY AMATEUR SPORTS ORGANIZATIONS

The USOE has an investment program, which allows qualified NGBs and Multi-Sport Organizations and Affiliated Sports Organizations (collectively referred to as amateur sports organizations), to pool their funds for investment with the funds of the USOE. All of these participating groups are member organizations of the USOPC.

Investment income in the accompanying consolidated statement of activities does not include earnings attributable to the participating amateur sports organizations. Amounts invested by the amateur sports organizations represent the program participant's pro rata share of investments and earnings thereon and are included in assets held on behalf of others in the accompanying consolidated statements of financial position. Net investment income and market appreciation or depreciation are allocated based on the ratio of amateur sports organizations' invested funds to total USOE invested funds. Investment expenses and general and administrative expenses are not allocated to the amateur sports organizations. Approximately \$200,000 of direct investment expenses were absorbed by the USOE for the benefit of the amateur sports organizations for the year ended December 31, 2019.

Amounts invested by the amateur sports organizations and earnings thereon are as follows:

	As of December 31,	
	2019	2018
	(in thousands)	
Amateur sports organization investments, beginning of year	\$ 60,159	\$ 62,964
Net additions (withdrawals)	5,410	(938)
Interest	36	-
Dividends	595	474
Net realized gains	3,488	1460
Net unrealized gains (losses)	8,018	(3,801)
Amateur sports organization investments, end of year	\$ 77,706	\$ 60,159

NOTE I - GRANTS

The USOPC funds certain programs conducted by NGBs of sports eligible for the Olympic, Paralympic, Pan American and Parapan American Games. The USOPC also provides performance-based grants to eligible athletes involved in NGB and Paralympic sports programs. In addition, the USOPC offers an athlete health insurance program and other medical benefits to about 1,300 athletes. Lastly, the USOPC provides value-in-kind to member organizations. These costs are included within high performance programs expenses in the accompanying consolidated statement of activities.

The USOPC also provides grant funding to support the operations of the U.S. Center for SafeSport and tuition grants, education and career services to eligible athletes. In addition, the USOPC provides rent subsidies to several NGBs. These costs are included in athlete and NGB foundational programs in the accompanying consolidated statement of activities.

United States Olympic and Paralympic Committee

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

The USOPC also provides grants to NGBs to support management of the Olympic and Paralympic trials, to increase NGBs' digital media presence and to provide for outreach in the international sporting community. These costs are included in Team USA media and promotion in the accompanying consolidated statement of activities.

	Year ended December 31, 2019
	<u>(in thousands)</u>
Grants	
NGB and adaptive sport organization grants	\$ 56,005
Athlete grants	20,932
Elite athlete health insurance and other medical benefits for athletes	10,944
Other sport related organizations	<u>8,673</u>
Total grants	<u>\$ 96,554</u>

NOTE J - BROADCAST RIGHTS INCOME

In 2011, the USOPC entered into an agreement with NBC for the television rights for the Olympic Games and Olympic Winter Games in the years 2014 through 2020 totaling \$558,578,000. The contract stipulates periodic cash payments be made, which are guaranteed by NBC's Parent, Comcast Corporation, and will be held by NBC in trust and earn interest (as defined) until the Games occur and certain other requirements are met, including the participation of the official U.S. Olympic Team. At the time these requirements are met, the cash will be released to the USOPC and the amount will be recorded as revenue. As of December 31, 2019, and 2018, \$94,363,000 and \$7,293,000, respectively, was held by NBC in trust for future Games. Interest income was \$1,443,000 and \$3,362,000 for the year ended December 31, 2019 and the three-year period ended December 31, 2019, respectively, and is included in broadcast rights and related interest income in the accompanying consolidated statement of activities.

In 2014, the USOPC entered into multiple agreements with the IOC and NBC setting forth the terms and conditions whereby the USOPC will be paid for its agreed upon share of U.S. broadcast rights revenues for the Olympic and Winter Olympic Games to be held from 2022 through 2032. The agreement specifies that NBC will pay \$7,650,000,000 for the broadcast rights over the terms of these contracts, of which 12.75%, subject to adjustments per the IOC/USOPC Definitive Agreement, will be paid directly to the USOPC. The USOPC also entered into a separate agreement with NBC for the broadcast and exhibition rights in respect to the 2022 to 2032 US Olympic Trials and Exhibitions. For these rights NBC, will pay the USOPC \$69,000,000 over the term of the agreement.

NOTE K - DEFERRED COMPENSATION PLAN

The USOPC and the USOE have established tax sheltered 403(b) plans, which cover substantially all employees with one or more years of continuous service. The USOPC pays a combined base and matching contribution of up to 7.5% and 5.5% of eligible employee compensation into the 403(b) plan on behalf of employees hired on or before December 31, 2011 and on or after January 1, 2012, respectively. This contribution is 100% vested. In addition, employees may defer a portion of their salary or wages pre-tax into the plan. The retirement benefit expenses for the year ended December 31, 2019 and the three-year period ended December 31, 2019 were \$1,903,000 and \$5,957,000, respectively.

On April 1, 2011, the USOPC adopted a deferred compensation plan in accordance with Section 457(b) of the IRC. The purpose of this plan is to offer certain eligible employees of the USOPC the opportunity to

United States Olympic and Paralympic Committee

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

defer specified amounts of compensation on a pre-tax basis. The assets and liabilities associated with this plan were \$1,353,000 and \$1,146,000 as of December 31, 2019 and 2018, respectively. The assets and liabilities are presented separately on the consolidated statements of financial position.

NOTE L - CONCENTRATIONS OF CREDIT AND OTHER RISKS

A significant portion of the Committee's support and revenue is derived from broadcast-rights and USOPC marks-rights income. For accounts receivable, the total of all individual customers with more than 5% of the total outstanding balance represented 8% and 29% of the Committee's total balances at December 31, 2019 and 2018, respectively. Concentrations of credit risk with respect to other accounts receivable are limited due to the Committee's credit evaluation process and the right to withhold amounts due from NGBs from their grant payments. Amounts due from NGBs were \$1,227,000 and \$1,437,000 as of December 31, 2019 and 2018, respectively. The Committee does not believe any other significant concentrations of credit risk exist at December 31, 2019. The Committee believes that adequate reserves have been established for uncollectible amounts.

On August 19, 2009, the USOPC entered into an Economic Development Agreement with the City of Colorado Springs and Landco Equity Partners. The agreement has several components including a headquarters office building for the USOPC in downtown Colorado Springs, office space for several NGBs in a remodeled building called the U.S. Olympic Sport House, and upgrades to the Colorado Springs Olympic Training Center. On April 16, 2010, the USOPC moved into the headquarters building, and on April 30, 2010, six NGBs moved into the US Olympic Sport House. The improvements to the Colorado Springs Olympic Training Center began in the latter part of 2010. The headquarters and US Olympic Sport House buildings had a combined fair market value of \$34,388,000 when the USOPC took occupancy. As part of the agreement, the City is allowed to use the USOPC marks under certain conditions. For the year ended December 31, 2019 the USOPC recognized \$500,000 in marks-rights income from the City. The balance as of December 31, 2019 of \$10,125,000 in deferred marks-rights income will be recognized over the remaining 22 years of the agreement, for a total marks-rights value of \$15,000,000. The difference between the value of \$34,388,000 and the marks-rights revenue of \$15,000,000 is \$19,388,000 which was recorded as a one-time contribution in 2010 from the City of Colorado Springs and was included in contribution income in that year.

Valuation of Investments in Limited Partnerships

The Committee's investments in limited partnerships are recorded at their estimated fair market value as determined by the partnerships. Actual fair value of investments upon liquidation could vary significantly from the current estimated fair value.

NOTE M - IOC REVENUE SHARING AGREEMENT

In 2012, the USOPC entered into a revenue sharing agreement with the IOC setting forth the terms and conditions whereby the USOPC will be paid for its agreed upon share of U.S. broadcast rights and international sponsorship revenues for the years 2020 through 2040. The agreement requires the USOPC to make periodic contributions to the IOC to offset the costs of the Olympic Games and Olympic Winter Games held through 2040. Under the agreement, the USOPC will contribute a total of \$45,000,000 to the IOC for the 2012, 2016 and 2020 quadrennial periods, payable in equal quarterly installments each calendar quarter, commencing in the first calendar quarter of 2013 and ending in the last calendar quarter of 2020. Beginning in 2021 and ending in 2040, the USOPC will contribute \$20,000,000 to the IOC during each quadrennial period, adjusted for inflation as defined in the agreement.

United States Olympic and Paralympic Committee

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

Pursuant to the agreement, the Committee has recorded advanced payments to the IOC of \$4,438,000 and \$1,125,000 liability to the IOC as of December 31, 2019 and 2018, respectively. This liability is a component of accounts payable and accrued liabilities on the consolidated statements of financial position.

NOTE N - GROUP HEALTH INSURANCE AND SELF-INSURED RISKS

The USOPC is self-insured for employee and athlete health coverage. The USOPC purchases network and administrative services from a commercial insurer and stop-loss coverage for employee and athlete claims in excess of \$350,000. The administrative services provider works with the USOPC to calculate an estimated incurred but not reported claims liability at year-end based on actuarial data from their portfolio of clients. The total incurred but not reported claims liability is \$363,000 and \$392,000 for the employee plan and \$836,000 and \$831,000 for the athlete plan as of December 31, 2019 and 2018, respectively, and is a component of accounts payable and accrued liabilities on the consolidated statements of financial position.

NOTE O - COMMITMENTS AND CONTINGENCIES

The Committee is currently involved in multiple legal actions. Management believes that there are no pending legal proceedings against or involving the Committee where the outcome can be predicted and the financial impact can be estimated.

NOTE P - SUBSEQUENT EVENTS

On March 11, 2020, the World Health Organization declared coronavirus a global pandemic. As a result, public health responses around the world have included travel restrictions, quarantines, curfews, event cancellations, and business and school closures. On March 24, 2020, the International Olympic Committee and Tokyo Organizing Committee announced the postponement of the Olympic and Paralympic Games Tokyo 2020 to summer 2021.

The pandemic coupled with the postponement of the Games has triggered a series of impacts to revenues for the calendar year 2020 as well as the 2021-24 Quad. The Games postponement triggered the Termination Rights clause in the NBC Agreement, allowing NBC 10 days to terminate its contract. NBC elected not to terminate the agreement. A Right of Abatement clause was also triggered, whereby after completion of the Games in 2021, NBC and the IOC shall negotiate in good faith an equitable reduction in the applicable Broadcast Rights payments. In addition, the USOPC is negotiating with multiple current sponsors, USOPP and various vendors in Tokyo to accommodate the postponement, and further assessment of near- or long-term impact is ongoing.

Amid the pandemic, the USOPC shifted to a remote working environment on March 16, 2020, ceased all travel, and underwent a thorough review that ultimately led the organization to reduce its expenses over the five-year 2020-2024 period. As mentioned, the Olympic & Paralympic Training Centers ceased all athletic training activities following local state guidelines with only a few resident athletes remaining in the facilities. Some training activities are expected to resume in June with very limited access and heavy safety precautions being imposed.

The Committee has evaluated subsequent events through the date that the financial statements were available to be issued on June 22, 2020. Management is not aware of any subsequent events, other than those already mentioned, which would require recognition or disclosure in the financial statements.

SUPPLEMENTAL INFORMATION

United States Olympic and Paralympic Committee
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
December 31, 2019

	Schedule 1				
	USOPC	USOPF	USOE	Eliminations	Consolidated
	(In thousands)				
Assets					
Cash and cash equivalents	\$ 121,029	\$ 7,469	\$ 10,538	\$ -	\$ 139,036
Restricted cash, cash equivalents and investments	11,577	9,305	-	-	20,882
Investments	28,329	-	337,223	(49,828)	315,724
Accounts receivables, net					
Pledges	11,214	1,437	-	(10,162)	2,489
Royalties and marks-rights	9,718	-	-	-	9,718
Other	14,922	381	-	-	15,303
Prepaid expenses and other assets	36,050	2,241	26	-	38,317
Inventories, net	1,635	-	-	-	1,635
Investments held for deferred compensation arrangements	1,353	-	-	-	1,353
Land, buildings, and equipment, net	61,238	-	33	-	61,271
Total assets	<u>\$ 297,065</u>	<u>\$ 20,833</u>	<u>\$ 347,820</u>	<u>\$ (59,990)</u>	<u>\$ 605,728</u>
Liabilities and net assets					
Liabilities					
Accounts payable and accrued liabilities	\$ 36,513	\$ 60	\$ 211	\$ -	\$ 36,784
Accounts payable for investment securities purchased	-	-	87	-	87
USOE payable	-	-	10,162	(10,162)	-
Assets held on behalf of others	-	-	127,535	(49,828)	77,707
Deferred revenue	44,076	-	-	-	44,076
Deferred compensation arrangements	1,284	69	-	-	1,353
Other liabilities	-	-	-	-	-
Total liabilities	<u>81,873</u>	<u>129</u>	<u>137,995</u>	<u>(59,990)</u>	<u>160,007</u>
Net assets					
Net assets without donor restrictions	176,479	7,775	209,825	10,162	404,241
Net assets with donor restrictions					
Restricted by purpose or time	28,263	5,069	-	(10,162)	23,170
Restricted in perpetuity	10,450	7,860	-	-	18,310
	<u>38,713</u>	<u>12,929</u>	<u>-</u>	<u>(10,162)</u>	<u>41,480</u>
Total net assets	<u>215,192</u>	<u>20,704</u>	<u>209,825</u>	<u>-</u>	<u>445,721</u>
Total liabilities and net assets	<u>\$ 297,065</u>	<u>\$ 20,833</u>	<u>\$ 347,820</u>	<u>\$ (59,990)</u>	<u>\$ 605,728</u>

United States Olympic and Paralympic Committee
CONSOLIDATING STATEMENT OF FINANCIAL POSITION - CONTINUED
December 31, 2018

Schedule 2					
	USOPC	USOPF	USOE	Eliminations	Consolidated
	(In thousands)				
Assets					
Cash and cash equivalents	\$ 182,122	\$ 14,274	\$ 8,520	\$ -	\$ 204,916
Restricted cash, cash equivalents and investments	12,107	7,305	-	-	19,412
Investments	23,695	-	286,765	(39,934)	270,526
Accounts receivables, net					
Pledges	12,073	755	44	(9,934)	2,938
Royalties and marks-rights	9,819	-	-	-	9,819
Other	18,205	5,454	-	(15,781)	7,878
Prepaid expenses and other assets	11,935	-	22	-	11,957
Inventories, net	1,656	-	-	-	1,656
Investments held for deferred compensation arrangements	1,146	-	-	-	1,146
Land, buildings, and equipment, net	63,861	-	34	-	63,895
Total assets	<u>\$ 336,619</u>	<u>\$ 27,788</u>	<u>\$ 295,385</u>	<u>\$ (65,649)</u>	<u>\$ 594,143</u>
Liabilities and net assets					
Liabilities					
Accounts payable and accrued liabilities	\$ 27,683	\$ 66	\$ 315	\$ -	\$ 28,064
Accounts payable for investment securities purchased	-	-	-	-	-
Assets held on behalf of others	-	-	100,093	(39,934)	60,159
Deferred revenue	36,736	-	-	-	36,736
Deferred compensation arrangements	1,146	-	-	-	1,146
Other liabilities	5,191	10,634	9,890	(25,715)	-
Total liabilities	<u>70,756</u>	<u>10,700</u>	<u>110,298</u>	<u>(65,649)</u>	<u>126,105</u>
Net assets					
Net assets without donor restrictions	228,354	3,881	185,087	25,715	443,037
Net assets with donor restrictions					
Restricted by purpose or time	26,324	6,631	-	(25,715)	7,240
Restricted in perpetuity	11,185	6,576	-	-	17,761
	<u>37,509</u>	<u>13,207</u>	<u>-</u>	<u>(25,715)</u>	<u>25,001</u>
Total net assets	<u>265,863</u>	<u>17,088</u>	<u>185,087</u>	<u>-</u>	<u>468,038</u>
Total liabilities and net assets	<u>\$ 336,619</u>	<u>\$ 27,788</u>	<u>\$ 295,385</u>	<u>\$ (65,649)</u>	<u>\$ 594,143</u>

United States Olympic and Paralympic Committee
CONSOLIDATING STATEMENT OF ACTIVITIES - BY ENTITY
Year ended December 31, 2019

	USOPC	USOPF	Schedule 3 USOE	Eliminations	Consolidated
			(in thousands)		
Support and revenue					
Sponsorship and licensing	\$ 134,905	\$ -	\$ -	\$ -	\$ 134,905
Broadcast revenue	1,495	-	-	-	1,495
Contributions, net	10,900	28,384	1	(10,562)	28,723
Other program revenue	5,409	-	-	-	5,409
Investment income	10,297	1,355	35,844	(37,513)	9,983
Intercompany grants to USOPF/USOPC	26,091	11,422	-	-	37,513
Other revenue	8,708	11	-	(5,111)	3,608
Total support and revenue	<u>197,805</u>	<u>41,172</u>	<u>35,845</u>	<u>(53,186)</u>	<u>221,636</u>
Expenses					
Program services					
High performance programs	111,071	-	10,562	(10,562)	111,071
Olympic and paralympic competitions	8,902	-	-	-	8,902
Athlete training facilities	27,340	-	-	-	27,340
Athlete and NGB foundational programs	30,357	-	-	-	30,357
Team USA media and promotion	22,612	-	-	-	22,612
Intercompany grants to USOPF/USOPC	11,422	26,091	-	(37,513)	-
Total program services	<u>211,704</u>	<u>26,091</u>	<u>10,562</u>	<u>(48,075)</u>	<u>200,282</u>
Supporting services					
Fundraising	5,016	9,431	-	(3,926)	10,521
Sales and marketing	8,800	-	-	-	8,800
General and administrative	22,958	2,034	543	(1,185)	24,350
Total supporting services	<u>36,774</u>	<u>11,465</u>	<u>543</u>	<u>(5,111)</u>	<u>43,671</u>
Total expenses	<u>248,478</u>	<u>37,556</u>	<u>11,105</u>	<u>(53,186)</u>	<u>243,953</u>
Change in net assets	(50,673)	3,616	24,740	-	(22,317)
Net assets, beginning of period	265,863	17,089	185,086	-	468,038
Net assets, end of period	<u>\$ 215,190</u>	<u>\$ 20,705</u>	<u>\$ 209,826</u>	<u>\$ -</u>	<u>\$ 445,721</u>

United States Olympic and Paralympic Committee

CONSOLIDATING STATEMENT OF ACTIVITIES - BY ENTITY, BY DONOR RESTRICTION

Year ended December 31, 2019

	Schedule 4				
	USOPC	USOPF	USOE	Eliminations	Consolidated
	(In thousands)				
Changes in net assets without donor restrictions					
Support and revenue					
Sponsorship and licensing	\$ 134,905	\$ -	\$ -	\$ -	\$ 134,905
Broadcast revenue	1,495	-	-	-	1,495
Contributions, net	436	18,958	1	(10,562)	8,833
Other program revenue	5,409	-	-	-	5,409
Investment income	8,446	70	35,843	-	44,359
Intercompany grants to USOPF / USOPC	26,091	11,422	-	(37,513)	-
Other revenue	8,708	12	-	(5,111)	3,609
Net assets released from restrictions - satisfaction of purpose / time restrictions	10,067	9,737	-	(13,257)	6,547
Total support and revenue	<u>195,557</u>	<u>40,199</u>	<u>35,844</u>	<u>(66,443)</u>	<u>205,157</u>
Expenses					
Program services					
High performance programs	111,071	-	10,562	(10,562)	111,071
Olympic and paralympic competitions	8,902	-	-	-	8,902
Athlete training facilities	27,340	-	-	-	27,340
Athlete and NGB foundational programs	30,357	-	-	-	30,357
Team USA media and promotion	22,612	-	-	-	22,612
Intercompany contributions	11,422	26,091	-	(37,513)	-
Total program services	<u>211,704</u>	<u>26,091</u>	<u>10,562</u>	<u>(48,075)</u>	<u>200,282</u>
Supporting services					
Fundraising	5,016	9,431	-	(3,926)	10,521
Sales and marketing	8,800	-	-	-	8,800
General and administrative	22,958	2,034	543	(1,185)	24,350
Total supporting services	<u>36,774</u>	<u>11,465</u>	<u>543</u>	<u>(5,111)</u>	<u>43,671</u>
Total expenses	<u>248,478</u>	<u>37,556</u>	<u>11,105</u>	<u>(53,186)</u>	<u>243,953</u>
Change in net assets without donor restrictions	<u>(52,921)</u>	<u>2,643</u>	<u>24,739</u>	<u>(13,257)</u>	<u>(38,796)</u>
Changes in net assets with donor restrictions					
Contributions	10,464	9,426	-	-	19,890
Intercompany contributions	-	-	-	-	-
Changes in pledges	-	-	-	-	-
Investment income	1,851	1,285	-	-	3,136
Net assets released from restrictions - satisfaction of purpose / time restrictions	(10,067)	(9,737)	-	13,257	(6,547)
Change in net assets with donor restrictions	<u>2,248</u>	<u>974</u>	<u>-</u>	<u>13,257</u>	<u>16,479</u>
Change in net assets	<u>(50,673)</u>	<u>3,617</u>	<u>24,739</u>	<u>-</u>	<u>(22,317)</u>
Net assets, beginning of year	<u>265,863</u>	<u>17,088</u>	<u>185,087</u>	<u>-</u>	<u>468,038</u>
Net assets, end of year	<u>\$ 215,190</u>	<u>\$ 20,705</u>	<u>\$ 209,826</u>	<u>\$ -</u>	<u>\$ 445,721</u>