



Ronald McDonald
House Charities®
Intermountain Area



RONALD MCDONALD HOUSE CHARITIES® OF THE INTERMOUNTAIN AREA FINANCIAL STATEMENTS

YEARS ENDED December 31, 2022 and 2021

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
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YEARS ENDED DECEMBER 31, 2022 AND 2021

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Independent Auditor's Report

To the Board of Directors
Ronald McDonald House Charities of the Intermountain Area, Inc.

Opinion

We have audited the accompanying financial statements of **Ronald McDonald House Charities of the Intermountain Area, Inc.** (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Ronald McDonald House Charities of the Intermountain Area, Inc.** (the "Organization") as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

A handwritten signature in black ink that reads "Lawson Company P.C." in a cursive, flowing script.

Salt Lake City, Utah
May 23, 2023

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2022 AND 2021

	2022	2021
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 612,334	\$ 1,070,320
Contributions and accounts receivable, net	2,235,595	1,004,658
Prepaid expenses	2,035	2,782
Total current assets	2,849,964	2,077,760
NONCURRENT ASSETS		
Cash and cash equivalents	3,885,339	797,954
Contributions and accounts receivable, net	707,423	1,349,077
Investments	9,556,245	10,719,643
Operating lease right-of-use asset	45,416	-
Property and equipment, net	12,025,286	11,688,249
Total noncurrent assets	26,219,709	24,554,923
Total assets	\$ 29,069,673	\$ 26,632,683
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 345,958	\$ 58,878
Accrued expenses	208,751	177,283
Operating lease liability, current portion	10,418	-
Total current liabilities	565,127	236,161
NONCURRENT LIABILITIES		
Operating lease liability, net of current portion	34,998	-
Total noncurrent liabilities	34,998	-
Total liabilities	600,125	236,161
NET ASSETS		
Without donor restrictions		
Undesignated	11,866,068	11,867,541
Board designated	8,455,321	10,069,282
With donor restrictions	8,148,159	4,459,699
Total net assets	28,469,548	26,396,522
Total liabilities and net assets	\$ 29,069,673	\$ 26,632,683

See accompanying notes to financial statements

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES AND SUPPORT			
Public support			
Individual contributions	\$ 1,962,185	\$ -	\$ 1,962,185
In-kind contributions	924,437	-	924,437
Foundation contributions	487,285	-	487,285
Corporate contributions	216,109	-	216,109
Capital campaign contributions	-	4,365,390	4,365,390
Special events	1,201,697	51,000	1,252,697
Less: cost of direct benefit to donors	<u>(250,205)</u>	<u>-</u>	<u>(250,205)</u>
Net revenue from special events	<u>951,492</u>	<u>51,000</u>	<u>1,002,492</u>
Net assets released from restrictions	<u>727,930</u>	<u>(727,930)</u>	<u>-</u>
Total public support	<u>5,269,438</u>	<u>3,688,460</u>	<u>8,957,898</u>
Other revenues			
Third-party reimbursements	124,955	-	124,955
Proceeds from insurance claims	447,508	-	447,508
Loss on disposal of property and equipment	(165,141)	-	(165,141)
Other income	<u>3,901</u>	<u>-</u>	<u>3,901</u>
Total other revenues	<u>411,223</u>	<u>-</u>	<u>411,223</u>
Total public support and other revenues	<u>5,680,661</u>	<u>3,688,460</u>	<u>9,369,121</u>
EXPENSES			
Program services	4,241,182	-	4,241,182
Support services			
Management and general	549,270	-	549,270
Fundraising	802,297	-	802,297
Payments to RMHC Global	534	-	534
Total expenses	<u>5,593,283</u>	<u>-</u>	<u>5,593,283</u>
Change in net assets from operations	87,378	3,688,460	3,775,838
Investment income, net	<u>(1,702,812)</u>	<u>-</u>	<u>(1,702,812)</u>
Change in net assets	(1,615,434)	3,688,460	2,073,026
Net assets - beginning of year	<u>21,936,823</u>	<u>4,459,699</u>	<u>26,396,522</u>
Net assets - end of year	<u>\$ 20,321,389</u>	<u>\$ 8,148,159</u>	<u>\$ 28,469,548</u>

See accompanying notes to financial statements

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT			
Public support			
Individual contributions	\$ 1,991,871	\$ -	\$ 1,991,871
In-kind contributions	817,800	-	817,800
Foundation contributions	567,102	-	567,102
Government grants	392,453	-	392,453
Corporate contributions	161,234	-	161,234
Capital campaign contributions	-	3,479,072	3,479,072
Special events	812,554	100,000	912,554
Less: cost of direct benefit to donors	(139,751)	-	(139,751)
Net revenue from special events	<u>672,803</u>	<u>100,000</u>	<u>772,803</u>
Net assets released from restrictions	<u>252,752</u>	<u>(252,752)</u>	<u>-</u>
Total public support	<u>4,856,015</u>	<u>3,326,320</u>	<u>8,182,335</u>
Other revenues			
Third-party reimbursements	134,482	-	134,482
Other income	6,042	-	6,042
Total other revenues	<u>140,524</u>	<u>-</u>	<u>140,524</u>
Total public support and other revenues	<u>4,996,539</u>	<u>3,326,320</u>	<u>8,322,859</u>
EXPENSES			
Program services	3,812,843	-	3,812,843
Support services			
Management and general	468,553	-	468,553
Fundraising	728,387	-	728,387
Payments to RMHC Global	992	-	992
Total expenses	<u>5,010,775</u>	<u>-</u>	<u>5,010,775</u>
Change in net assets from operations	(14,236)	3,326,320	3,312,084
Investment income, net	<u>1,030,750</u>	<u>-</u>	<u>1,030,750</u>
Change in net assets	1,016,514	3,326,320	4,342,834
Net assets - beginning of year	<u>20,920,309</u>	<u>1,133,379</u>	<u>22,053,688</u>
Net assets - end of year	<u>\$ 21,936,823</u>	<u>\$ 4,459,699</u>	<u>\$ 26,396,522</u>

See accompanying notes to financial statements

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022

	Program Services	Management and General	Fundraising	Payments to RMHC Global	Cost of Direct Benefits to Donors	Total
Salaries	\$ 1,610,027	\$ 279,900	\$ 456,429	\$ -	\$ -	\$ 2,346,356
Employee benefits	200,605	80,185	61,717	-	-	342,507
Payroll taxes	116,846	20,010	33,055	-	-	169,911
Total salaries and related expenses	<u>1,927,478</u>	<u>380,095</u>	<u>551,201</u>	<u>-</u>	<u>-</u>	<u>2,858,774</u>
Supplies	923,513	-	-	-	-	923,513
Professional fees	158,951	87,780	18,389	-	-	265,120
Office	51,657	12,894	9,100	-	-	73,651
Food and facilities	6,887	6,985	120,888	-	212,680	347,440
Auction items and takeaw ays	-	-	-	-	37,525	37,525
Rent	203,358	-	-	-	-	203,358
Maintenance and repairs	88,680	-	-	-	-	88,680
Utilities	77,075	598	1,023	-	-	78,696
Insurance	72,850	565	967	-	-	74,382
Printing and postage	12,207	1,106	47,288	-	-	60,601
Communications	35,174	1,800	1,900	-	-	38,874
Bank fees	-	43,203	-	-	-	43,203
Public relations	-	400	11,652	-	-	12,052
Conferences and education	7,130	4,877	3,600	-	-	15,607
Travel	9,004	136	569	-	-	9,709
Bad debt	-	-	-	-	-	-
Emergency housing expenses	168,371	-	-	-	-	168,371
Miscellaneous	892	-	-	-	-	892
Dues and subscriptions	1,464	4,978	29,130	-	-	35,572
Total expenses before depreciation and amortization	<u>3,744,691</u>	<u>545,417</u>	<u>795,707</u>	<u>-</u>	<u>250,205</u>	<u>5,336,020</u>
Depreciation and amortization	496,491	3,853	6,590	-	-	506,934
Payments to RMHC Global, unallocated	-	-	-	534	-	534
Total functional expenses	<u>\$ 4,241,182</u>	<u>\$ 549,270</u>	<u>\$ 802,297</u>	<u>\$ 534</u>	<u>\$ 250,205</u>	<u>\$ 5,843,488</u>
RECONCILIATION TO STATEMENT OF ACTIVITIES						
Cost of direct benefit to donors	-	-	-	-	(250,205)	(250,205)
Total expenses	<u>\$ 4,241,182</u>	<u>\$ 549,270</u>	<u>\$ 802,297</u>	<u>\$ 534</u>	<u>\$ -</u>	<u>\$ 5,593,283</u>

See accompanying notes to financial statements

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2021

	Program Services	Management and General	Fundraising	Payments to RMHC Global	Cost of Direct Benefits to Donors	Total
Salaries	\$ 1,357,998	\$ 259,314	\$ 391,558	\$ -	\$ -	\$ 2,008,870
Employee benefits	167,230	68,319	48,898	-	-	284,447
Payroll taxes	96,444	19,205	29,521	-	-	145,170
Total salaries and related expenses	<u>1,621,672</u>	<u>346,838</u>	<u>469,977</u>	<u>-</u>	<u>-</u>	<u>2,438,487</u>
Supplies	799,379	-	-	-	-	799,379
Professional fees	111,421	46,502	60,839	-	-	218,762
Office	34,262	10,334	10,129	-	-	54,725
Food and facilities	1,882	8,080	92,017	-	98,539	200,518
Auction items and takeaw ays	-	-	-	-	41,212	41,212
Rent	155,083	-	-	-	-	155,083
Maintenance and repairs	85,806	-	-	-	-	85,806
Utilities	77,349	600	1,027	-	-	78,976
Insurance	65,390	507	868	-	-	66,765
Printing and postage	17,613	1,397	54,701	-	-	73,711
Communications	33,219	1,350	1,800	-	-	36,369
Bank fees	-	44,276	-	-	-	44,276
Public relations	1,324	85	11,476	-	-	12,885
Conferences and education	25	-	127	-	-	152
Travel	23,424	127	988	-	-	24,539
Bad debt	-	-	-	-	-	-
Emergency housing expenses	255,367	-	-	-	-	255,367
Miscellaneous	646	-	-	-	-	646
Dues and subscriptions	1,513	4,364	17,437	-	-	23,314
Total expenses before depreciation and amortization	<u>3,285,375</u>	<u>464,460</u>	<u>721,386</u>	<u>-</u>	<u>139,751</u>	<u>4,610,972</u>
Depreciation and amortization	527,468	4,093	7,001	-	-	538,562
Payments to RMHC Global, unallocated	-	-	-	992	-	992
Total functional expenses	<u>\$ 3,812,843</u>	<u>\$ 468,553</u>	<u>\$ 728,387</u>	<u>\$ 992</u>	<u>\$ 139,751</u>	<u>\$ 5,150,526</u>

RECONCILIATION TO STATEMENT OF ACTIVITIES

Cost of direct benefit to donors	-	-	-	-	(139,751)	(139,751)
Total expenses	<u>\$ 3,812,843</u>	<u>\$ 468,553</u>	<u>\$ 728,387</u>	<u>\$ 992</u>	<u>\$ -</u>	<u>\$ 5,010,775</u>

See accompanying notes to financial statements

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 2,073,026	\$ 4,342,834
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation and amortization	506,934	538,562
Noncash investment income, net	1,851,477	(924,033)
Amortization of discount on contributions receivable	(72,367)	124,325
In-kind contributions of property and equipment	-	(8,000)
In-kind contributions of investments	(19,765)	(15,560)
Proceeds from insurance claims	(447,508)	-
Loss on disposal of property and equipment	165,141	-
Changes in assets and liabilities		
Prepaid expenses	747	39,911
Accounts and contributions receivable, net	(516,916)	(2,364,471)
Operating lease right-of-use asset	(45,416)	
Accounts payable	287,080	39,655
Accrued liabilities	31,468	(27,307)
Operating lease liability, current portion	45,416	-
Net cash provided by operating activities	3,859,317	1,745,916
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(1,009,112)	(198,547)
Proceeds from insurance claims	447,508	-
Principal payments on note receivable	-	256,901
Proceeds from sale of investments	3,006,421	1,709,221
Purchase of investments	(3,674,735)	(3,524,378)
Net cash used in investing activities	(1,229,918)	(1,756,803)
CASH FLOWS FROM FINANCING ACTIVITIES	-	-
Net increase in cash and cash equivalents	2,629,399	(10,887)
Cash and cash equivalents, beginning of year	1,868,274	1,879,161
Cash and cash equivalents, end of year	\$ 4,497,673	\$ 1,868,274
Cash and cash equivalents, current	\$ 612,334	\$ 1,070,320
Cash and cash equivalents, non-current	3,885,339	797,954
	\$ 4,497,673	\$ 1,868,274
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for:		
Interest	\$ -	\$ -
Income taxes	\$ -	\$ -
Noncash investing and financing activities:		
Operating lease obligations and right-of-use assets recognized	\$ 46,821	\$ -
See accompanying notes to financial statements		

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Ronald McDonald House Charities of the Intermountain area, Inc. (the “Organization”) is a Utah nonprofit charitable corporation formed in May 1985. The mission of Ronald McDonald House Charities (“RMHC”) is to create, find and support programs that directly improve the health and well-being of children and their families. Collectively, RMHC and the network of local Chapters ascribe to five core values: we are focused on the critical needs of children, we lead with compassion, we celebrate the diversity of our people and our programs, we value our heritage and we operate with accountability and transparency.

We fulfill our mission through operation of sustainable programs that enable family-centered care, bridge access to quality health care, are a vital part of the health care continuum and strengthen families during difficult times. The following programs, operated by the Organization, represent the core functions of Ronald McDonald House:

Ronald McDonald House

When children must travel long distances to access top medical care, accommodations and support for families can be expensive or not readily available. The Organization helps families stay close to their ill or injured child through the Ronald McDonald House program located in Salt Lake City, Utah, which provide temporary lodging, meals and other support to children and their families. The program provides families with emotional and physical comfort and increases the caregivers’ ability to spend more time with their child, to interact with their clinical care team and to participate in critical medical care decisions.

Ronald McDonald Family Room

When a child is critically ill, parents may be reluctant to leave the hospital. In order to provide comfort and support to their child, it is important that parents have an opportunity to rest, have a meal or have a moment of quiet. Located inside medical care facilities, the Ronald McDonald Family Room programs in Primary Children’s Hospital serve as a place of respite, relaxation and privacy for family members, often just steps away from where their child is being treated. The Ronald McDonald Family Room program provides parents with an opportunity to remain close to their hospitalized child and to be an active member of their child’s health care team.

Ronald McDonald Hospitality Carts

The Ronald McDonald Hospitality Carts program offers comfort items for pediatric families with Ogden Regional Medical Center and Shriners’ Hospital for Children. These mobile carts are stocked with needed comfort items for child patients, and their siblings and caregivers, including healthy snacks, hygiene items, family games, notebooks, and other comfort and respite items.

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and are presented on the basis of net assets without donor restrictions and net assets with donor restrictions. Net assets with donor restrictions are created only by donor-imposed restrictions on their use. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions. All other net assets, including board-designated or appropriated amounts, are net assets without donor restrictions and are reported as part of the net assets without donor restrictions.

Measure of Operations

The Organization's change in net assets from operations on the statements of activities includes all operating revenues and expenses that are an integral part of its program and supporting activities, net assets released from donor restrictions to support operating expenditures and other non-operating funds to support current operating activities. The measure of operations excludes investment return on investments.

Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management of the Organization to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash equivalents include money market funds and all highly liquid investments with a maturity date of less than three months from the date of purchase. The Organization's cash balances may exceed Federal Deposit Insurance Corporation limits from time to time. As of December 31, 2022, the uninsured balance was \$2,469,057. The Organization has not experienced any losses in such accounts and management believes that it is not exposed to any significant credit risk on cash.

Contributions Receivable

Contributions receivable are unconditional promises to give. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Contributions receivable are written off when deemed uncollectible. The Organization considers all contributions receivable to be collectible; therefore, no allowance for uncollectible receivables has been recorded as of December 31, 2022 and 2021, respectively.

The Organization is the beneficiary under various wills and trust agreements of which the total realizable amount is not presently determinable. Such amounts are recorded when a will is declared valid by probate court and the proceeds are measurable.

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statements of financial position. Realized and unrealized gains and losses and income are included in the statements of activities.

The Organization maintains master investment accounts for its donor-restricted and board-designated endowments. Realized and unrealized gains and losses from securities in the master investment accounts are allocated monthly to the individual endowments based on the relationship of the fair value of each endowment to the total fair value of the master investment accounts, as adjusted for additions to or deductions from those accounts.

Property and Equipment

Property and equipment are stated at cost, if purchased, or estimated fair value, if donated, at the date of donation. Additions of \$5,000 or more are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed as incurred. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets as follows:

Buildings and improvements	15 - 39 Years
Furniture and equipment	3 - 10 Years
Vehicles	10 Years

Impairment of Long-Lived Assets

The Organization evaluates its long-lived assets for any events or changes in circumstances which indicate that the carrying amount of such assets may not be fully recoverable. The Organization evaluates the recoverability of long-lived assets by measuring the carrying amount of such assets against the estimated undiscounted future cash flows associated with them. At the time such evaluation indicates that the future undiscounted cash flows of certain long-lived assets are not sufficient to recover the carrying value of such assets, the assets are adjusted to their fair values.

Donated Assets, Property and Equipment, and Services

Donated marketable securities, property and equipment, and other noncash donations are recorded as contributions at their fair values at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated services are recognized as contributions if the services: (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. The Organization also receives donated services from other contributors and volunteers that are not measurable, and therefore, are excluded from the financial statements.

Net Assets

The Organization's net assets and changes therein are classified and reported as follows:

Without Donor Restrictions

Net assets that are not subject to donor-imposed restrictions or law. The governing board has designated, from net assets without donor restrictions, net assets for board designated endowment.

With Donor Restrictions

Net assets subject to donor-imposed restrictions. Some donor-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.

Revenue Recognition

Contributions and Grants

Unconditional promises to give are recognized as revenue in the period the promise was made. Contributions, grants, and bequests are recognized as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. 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. We report 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.

Conditional grants and contract funds are recorded as revenue when earned. Revenue is earned when eligible expenditures or deliverables, as defined in each contract, are met. Funds received but not yet earned are shown as deferred revenue. Expenditures under contracts are subject to review by the granting authority. To the extent, if any, that such a review reduces expenditures allowable under these contracts, the Organization will record such disallowance at the time the final assessment is made.

Functional Expenses

The statements of functional expenses report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, payroll taxes and employee benefits, which are allocated on the basis of estimated time and effort, and depreciation, insurance, utilities, and communications, which are allocated on a square footage basis.

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Tax Status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income, if any, from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

Reclassifications

Certain amounts have been reclassified for the year ended December 31, 2021 to conform to the presentation for the year ended December 31, 2022. The reclassifications had no impact on previously reported total net assets.

Adoption of New Accounting Standards

In March of 2016, the FASB issued ASU 2016-02, *Leases*, which requires all leases with a term of more than 12 months to be recognized as assets and liabilities on the balance sheet at inception. A lessee recognizes a lease liability to make lease payments owed to a lessor (liability) and a benefit for the right to use the leased asset (asset) for the lease term. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee would depend on whether the lessee is expected to consume more than an insignificant portion of the economic benefits embedded in the underlying asset. This new guidance is effective for fiscal years beginning after December 15, 2021.

The Organization has elected the package of practical expedients permitted in ASC Topic 842. Accordingly, the Organization 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. The adoption of this standard as of January 1, 2022, did not materially impact the Organization's statements of financial position, activities, or cash flows. See Note 11 for further disclosure of the Organization's lease contracts.

In September of 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which increases the transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure requirements. This update requires organizations to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash and other financial assets. Additionally, organizations enhance disclosures by disaggregating the amount of nonfinancial assets recognized within the statement of activities by type of contributed nonfinancial asset and providing additional qualitative information for each disaggregated category. The Organization adopted this standard for the year ending December 31, 2022 and has applied the guidance retrospectively.

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
NOTES TO FINANCIAL STATEMENTS
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NOTE 2 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date consisted of the following:

	2022	2021
Cash and cash equivalents	\$ 612,334	\$ 1,070,320
Current portion of accounts and contributions receivable	2,235,595	1,004,658
	\$ 2,847,929	\$ 2,074,978

As part of its liquidity management plan, the Organization structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of daily requirements in savings and investments. To help manage unanticipated liquidity needs, the Organization has credit cards with an aggregate credit limit of \$80,000, which it could draw upon. Although the Organization does not intend to spend from its board-designated funds, the following funds could be made available for general expenditure through board appropriation, if necessary.

	Cash and cash equivalents	Investments
Board -designated		
Maintenance fund	\$ 25,442	\$ 52,000
Legacy endowment	253,110	8,124,769
	\$ 278,552	\$ 8,176,769

NOTE 3 ACCOUNTS AND CONTRIBUTIONS RECEIVABLE

Accounts and contributions receivable consist primarily of pledges as of December 31:

	2022	2021
Accounts and contributions receivable		
Less than one year	\$ 2,235,595	\$ 1,004,658
One to five years	761,967	1,475,988
	2,997,562	2,480,646
Less: unamortized discount	(54,544)	(126,911)
	2,943,018	2,353,735
Less: current portion of accounts and contributions receivable, net	(2,235,595)	(1,004,658)
Total long-term accounts and contributions receivable	\$ 707,423	\$ 1,349,077

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
NOTES TO FINANCIAL STATEMENTS
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NOTE 3 ACCOUNTS AND CONTRIBUTIONS RECEIVABLE (CONTINUED)

The discount rate used for the years ended December 31, 2022 and 2021 ranged from 1.50% to 5.00%.

NOTE 4 FAIR VALUE MEASUREMENTS

In determining fair value, the Organization uses various valuation approaches within the fair value measurement framework. Fair value measurements are determined based on the assumptions that market participants would use in pricing an asset or liability. A hierarchy for inputs is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Levels within the hierarchy are based on the reliability of inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets;

Level 2 - Valuations based on quoted prices for similar assets or liabilities or identical assets or liabilities in less active markets, such as dealer or broker markets; and

Level 3 - Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable, such as pricing models, discounted cash flow models, and similar techniques not based on market, exchange, dealer, or broker-traded transactions.

The fair values of assets and liabilities measured on a recurring basis as of December 31, 2022 are as follows:

	Assets at Fair Value as of December 31, 2022			
	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 1,889,408	\$ -	\$ -	\$ 1,889,408
Exchange-traded funds:				
Equity	-	5,232,345	-	5,232,345
Debt securities:				
Government bonds	-	735,780	-	735,780
Corporate bonds	-	726,847	-	726,847
Asset-backed securities	-	208,473	-	208,473
Alternative investments	-	763,392	-	763,392
	\$ 1,889,408	\$ 7,666,837	\$ -	\$ 9,556,245

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

The fair values of assets and liabilities measured on a recurring basis as of December 31, 2021 are as follows:

Assets at Fair Value as of December 31, 2021				
	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 2,280,901	\$ -	\$ -	\$ 2,280,901
Exchange-traded funds:				
Equity	-	6,402,208	-	6,402,208
Debt securities:				
Government bonds	-	954,332	-	954,332
Corporate bonds	-	584,005	-	584,005
Asset-backed securities	-	158,063	-	158,063
Alternative investments	-	340,134	-	340,134
	\$ 2,280,901	\$ 8,438,742	\$ -	\$ 10,719,643

Fair values for Level 1 investments are determined by reference to quoted market prices and other relevant information generated by market transactions. Fair values of Level 2 investments are determined by reference to quoted prices for similar assets in less active markets. Fair values of Level 3 investments are determined from valuation techniques in which one or more inputs are unobservable. The Organization reviewed and evaluated the values and assumptions used in determining the fair value of Level 3 financial instruments. The carrying amounts of all other assets and liabilities reflected in the statements of financial position for the Organization's financial instruments approximates their respective fair value due to the short-term maturities of those instruments. There have been no changes in valuation techniques and related inputs. The Organization's policy is to recognize transfers into and out of Level 3 as of the date of the event or change in circumstances that caused the transfer.

Certain of the Organization's investments classified as exchange-traded funds and hedge funds are recorded at net asset value in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Fair value represents the net asset value (NAV) of shares or units held by the Organization at year end. The financial statements of these investments are prepared in accordance with U.S. GAAP and are audited annually by independent auditors. As of December 31, 2022 and 2021, the Organization had no unfunded commitments to invest in these funds. Redemptions, at NAV, of shares in these investments are immediate with one-day notice.

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
NOTES TO FINANCIAL STATEMENTS
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NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

Components of investment return for the years ended December 31, 2022 and 2021 are summarized as follows:

	2022	2021
Investment return:		
Interest and dividends	\$ 251,128	\$ 188,695
Net unrealized/realized gains and losses	(1,851,477)	924,033
Investment fees	(102,464)	(81,978)
	\$ (1,702,812)	\$ 1,030,750

NOTE 5 PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of December 31:

	2022	2021
Land	\$ 1,898,213	\$ 1,898,213
Buildings and improvements	13,454,474	13,752,187
Furniture and fixtures	1,123,122	1,116,584
Vehicles	104,305	123,026
Construction in process	912,916	19,373
Total cost of property and equipment	17,493,030	16,909,383
Less: accumulated depreciation	(5,467,744)	(5,221,134)
Total property and equipment, net	\$ 12,025,286	\$ 11,688,249

Depreciation expense was \$506,934 and \$538,562 for the years ended December 31, 2022 and 2021, respectively.

During 2022, the Organization incurred significant damage to the primary kitchen and food storage areas. As a result of this incident, the Organization recognized a loss on disposal of \$165,141 due to damage that was determined based on the net book value of the damaged assets. Additionally, the Organization recorded \$447,508 in proceeds from insurance claims, which represents the replacement cost of the damaged items.

NOTE 6 ENDOWMENT FUNDS

The Organization's endowment consists of two funds established by donors to provide annual funding for specific activities and general operations. The endowments consist of donor-restricted and board-designated endowment funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 6 ENDOWMENT FUNDS (CONTINUED)

The Organization's endowment funds consist of the Kroc endowment, Cambia Family Support endowment, and the Legacy endowment. The Kroc endowment consists of donor-restricted funds of \$500,000, which are restricted in perpetuity. The Cambia Family Support endowment consist of donor-restricted funds of \$1,250,000, which are restricted in perpetuity. The Legacy endowment consists of board-designated funds designated to support ongoing operations.

Interpretation of Relevant Law

The Organization has interpreted 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 December 31, 2022, there were no such donor stipulations. As a result of this interpretation, the organization retains in perpetuity:

- The original value of gifts donated to the endowment, and
- 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 by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. The Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the various funds
- The purposes of the donor-restricted endowment funds
- 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 Organization's investment policies

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to the programs supported by the endowments. The endowment assets are invested in a manner that is intended to produce returns that are 2% to 3% higher than the rate of inflation, while assuming a moderate level of investment risk.

Spending Policy

The Organization has a policy which allows all portions of the endowment fund that are not donor-restricted in perpetuity to be appropriated for expenditure at the discretion of the board of directors.

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 6 ENDOWMENT FUNDS (CONTINUED)

Strategies Employed for Achieving Objectives

The Organization relies on a total return strategy in which investment returns are achieved through capital appreciation and current yield (interest and dividends). The organization targets a diversified asset allocation that emphasizes common stocks and fixed income securities to achieve its long-term objectives within prudent risk constraints.

Endowment net assets composition by fund type as of December 31, 2022 was as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted Kroc endowment fund:			
Original donor-restricted gift required to be maintained in perpetuity by donor	\$ -	\$ 500,000	\$ 500,000
Donor-restricted Cambia endowment fund:			
Original donor-restricted gift required to be maintained in perpetuity by donor	-	875,000	875,000
Total donor-restricted endowment fund	<u>-</u>	<u>1,375,000</u>	<u>1,375,000</u>
Board-designated endowment fund	<u>8,455,321</u>	<u>-</u>	<u>8,455,321</u>
Total endowment funds	<u>\$ 8,455,321</u>	<u>\$ 1,375,000</u>	<u>\$ 9,830,321</u>

Endowment net assets composition by fund type as of December 31, 2021 was as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted Kroc endowment fund:			
Original donor-restricted gift required to be maintained in perpetuity by donor	\$ -	\$ 500,000	\$ 500,000
Donor-restricted Cambia endowment fund:			
Original donor-restricted gift required to be maintained in perpetuity by donor	-	500,000	500,000
Total donor-restricted endowment fund	<u>-</u>	<u>1,000,000</u>	<u>1,000,000</u>
Board-designated endowment fund	<u>10,069,282</u>	<u>-</u>	<u>10,069,282</u>
Total endowment funds	<u>\$ 10,069,282</u>	<u>\$ 1,000,000</u>	<u>\$ 11,069,282</u>

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 6 ENDOWMENT FUNDS (CONTINUED)

Changes in endowment net assets for the years ended December 31, 2022 and 2021 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Net assets, December 31, 2020:	\$ 8,564,532	\$ 500,000	\$ 9,064,532
Reclassification to endowment	590,371	500,000	1,090,371
Investment income, net	999,495	-	999,495
Appropriation of endowment assets for expenditure	<u>(85,116)</u>	-	<u>(85,116)</u>
Net asset, December 31, 2021	10,069,282	1,000,000	11,069,282
Reclassification to endowment	128,870	375,000	503,870
Investment income, net	(1,689,166)	-	(1,689,166)
Appropriation of endowment assets for expenditure	<u>(53,665)</u>	-	<u>(53,665)</u>
Net asset, December 31, 2022	<u>\$ 8,455,321</u>	<u>\$ 1,375,000</u>	<u>\$ 9,830,321</u>

From time to time the fair value of assets associated with the board designated and donor restricted endowment funds may fall below the level that the Organization's policies, donors, or UPMIFA requires to retain as a fund of perpetual duration. Deficiencies of this nature would be reported in unrestricted net assets. The Organization does not have any deficiencies as of December 31, 2022 and 2021.

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
NOTES TO FINANCIAL STATEMENTS
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NOTE 7 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31, 2022 and 2021 consisted of the following:

	<u>2022</u>	<u>2021</u>
Subject to expenditure for specified purpose:		
Capital campaign - Legacy of Love	\$ 3,937,338	\$ 1,069,916
Promises to give, proceeds which are restricted by donors for capital campaign - Legacy of Love	<u>2,409,821</u>	<u>1,539,783</u>
Total subject to expenditure for specified purpose	<u>6,347,159</u>	<u>2,609,699</u>
Subject to specified future event		
Special events scheduled in subsequent year	<u>51,000</u>	<u>100,000</u>
Total subject specified future event	<u>51,000</u>	<u>100,000</u>
Not subject to appropriation or expenditure		
Donor-restricted contributions held in perpetuity	<u>1,750,000</u>	<u>1,750,000</u>
Total not subject of appropriation or expenditure	<u>1,750,000</u>	<u>1,750,000</u>
Total net assets with donor restrictions	<u>\$ 8,148,159</u>	<u>\$ 4,459,699</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the occurrence of the passage of time or other events specified by the donors as following for the years ended December 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Satisfaction of purpose restrictions:		
Capital campaign - Legacy of Love	\$ 627,930	\$ 86,252
Special events	100,000	166,500
Expiration of time restrictions	<u>-</u>	<u>-</u>
Total net assets released from donor restrictions	<u>\$ 727,930</u>	<u>\$ 252,752</u>

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 8 BOARD-DESIGNATED NET ASSETS

The board of directors has designated certain net assets without donor restrictions for specific purposes, including the maintenance fund and Legacy endowment. The maintenance fund is designated for capital improvements and projects. The Legacy endowment is designated for ongoing house operations. Board-designated net assets consisted of the following at December 31, 2022 and 2021:

	2022	2021
Maintenance fund	\$ 77,442	\$ 121,426
Legacy endowment	8,377,879	9,947,856
Total board-designated net assets	\$ 8,455,321	\$ 10,069,282

NOTE 9 DONATED GOODS AND SERVICES

The fair value of donated goods and services included as contributions in the financial statements and the corresponding expense categories for the years ended December 31, 2022 and 2021 are as follows:

	2022	2021	Utilization in Programs or Other	Valuation Techniques and Inputs
Use of facilities	\$ 203,357	\$ 155,082	Donated program space	Contributed facilities are valued using rates for space of similar size and quality
Specialized services	23,345	19,227	Legal counsel	Contributed services are valued at the estimated fair value for similar services
Food	121,725	113,453	Food for guest families	Food is valued at the estimated fair value based on values of similar products
Supplies and other goods	576,010	522,038	Supplies for programs	Goods are valued at the estimated fair value based on values of similar products
	\$ 924,437	\$ 809,800		

NOTE 10 RETIREMENT PLAN

The Organization established a 401(k)-retirement plan that covers employees who meet certain eligibility requirements. The Organization contributes profit-sharing contributions for eligible employees. The Organization's contributions to the retirement plan for the years ending December 31, 2022 and 2021 was \$67,547 and \$60,729, respectively.

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 11 OPERATING LEASES

The Organization leases office equipment and family room facilities under various operating leasing arrangements. The leases expire at various dates through 2027. The Organization includes in the determination of the right-of-use assets and lease liabilities any renewal options when the options are reasonably certain to be exercised.

The weighted-average discount rate is based on the discount rate implicit in the lease, or if the implicit rate is not readily determinable from the lease, then the Organization estimates an applicable incremental borrowing rate. The incremental borrowing rate is estimated using a risk-free rate.

The Organization has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis. Lease expense was \$205,094 and \$155,082 for the years ended December 31, 2022 and 2021, respectively, which included donated rent of \$203,357 and \$155,082 for the years ended December 31, 2022 and 2021, respectively.

The following table summarizes the supplemental cash flow information for the year ended December 31, 2022:

	2022
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows for operating leases	\$ 1,738
Right-of-use assets obtained in exchange for lease liabilities:	
Operating leases	\$ 46,821

The following summarizes the weighted-average remaining lease term and weighted-average discount rate used:

	2022
Weighted-average remaining lease term:	
Operating leases	4.8 years
Weighted-average discount rate:	
Operating leases	4.27%

RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
NOTES TO FINANCIAL STATEMENTS
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NOTE 11 OPERATING LEASES

The future minimum lease payments under noncancelable operating leases with terms greater than one year are listed below as of December 31, 2022:

	<u>Operating</u>
For the years ending December 31,	
2023	\$ 10,418
2024	10,418
2025	10,417
2026	10,417
2027	8,680
Thereafter	<u>-</u>
Total lease payments	50,350
Less: present value discount	<u>(4,934)</u>
Present value of lease liabilities	<u>\$ 45,416</u>

NOTE 12 RELATED PARTY TRANSACTIONS

Ronald McDonald House Charities (RMHC) is a system of independent, separately registered public benefit organizations, referred to as “Chapters” within the global organization. The Organization is an independent operating Chapter within the RMHC system. Each Chapter is licensed by McDonald’s Corporation and Ronald McDonald House Charities, Inc. to use RMHC related trademarks in conjunction with fundraising activities and the operation of its programs; the License Agreement also sets standards of operations for programs, governance, finance, branding and reporting.

Ronald McDonald House Charities, Inc. (RMHC Global), a separately registered nonprofit organization, ensures delivery of the mission across the globe. As a center of excellence, RMHC Global builds and sustains a robust infrastructure of support to the network of Chapters, including operations, licensing and compliance, finance, risk management, communications, marketing and development. The Organization remits to RMHC Global 25% of its revenues from all national fundraising efforts facilitated by RMHC Global, as defined by the license agreement. During the years ended December 31, 2022 and 2021, the Organization received \$273,955 and \$335,422, respectively, from these revenue streams.

The Organization receives contributions from RMHC Global and board members to support general operations and capital campaigns. During the years ended December 31, 2022 and 2021, the Organization received contributions of \$1,445,611 and \$805,447, respectively, from related parties.

**RONALD MCDONALD HOUSE CHARITIES OF THE INTERMOUNTAIN AREA, INC.
NOTES TO FINANCIAL STATEMENTS
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NOTE 13 SUBSEQUENT EVENTS

Subsequent events were evaluated through May 23, 2023, which is the date the financial statements were available to be issued. From their review, management has determined that there were no significant recognizable or unrecognizable subsequent events that were not properly disclosed.