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Independent Auditor's Report

**To the Board of Directors
Council for the Advancement of Science Writing, Inc.**

We have audited the accompanying financial statements of the Council for the Advancement of Science Writing, Inc. ("CASW") (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Independent Auditor's Report
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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CASW as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report Summarized Comparative Information

We have previously audited the CASW's December 31, 2019 financial statements, and we have expressed an unmodified audit opinion on those audited financial statements in our report dated April 8, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Owen J. Flanagan & Co.

April 7, 2021

COUNCIL FOR THE ADVANCEMENT OF SCIENCE WRITING, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

	<u>2020</u>	<u>2019</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 245,674	\$ 140,718
Investments	1,054,640	959,064
Accounts receivable	2,990	-
Prepaid expenses	10,000	1,521
	<u>10,000</u>	<u>1,521</u>
<u>Total Assets</u>	<u>\$ 1,313,304</u>	<u>\$ 1,101,303</u>
<u>Liabilities and Net Assets</u>		
<u>Liabilities</u>		
Accrued expenses	\$ 25,816	\$ 19,410
Advances for future conferences	120,000	-
Payroll related payables	746	911
	<u>746</u>	<u>911</u>
<u>Total Liabilities</u>	<u>146,562</u>	<u>20,321</u>
<u>Net Assets</u>		
Without donor restrictions		
Undesignated	875,370	775,491
Board designated	242,389	190,886
	<u>1,117,759</u>	<u>966,377</u>
With donor restrictions		
Purpose restricted	-	69,850
Endowment fund	48,983	44,755
	<u>48,983</u>	<u>114,605</u>
<u>Total Net Assets</u>	<u>1,166,742</u>	<u>1,080,982</u>
<u>Total Liabilities and Net Assets</u>	<u>\$ 1,313,304</u>	<u>\$ 1,101,303</u>

See notes to financial statements.

COUNCIL FOR THE ADVANCEMENT OF SCIENCE WRITING, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

	Without Donor Restrictions			With Donor Restrictions			2020 Total	2019 Total
	Undesignated	Board Designated	Total	Purpose Restricted	Endowment Fund	Total		
<u>Support and Revenue</u>								
New Horizons grant	\$ -		\$ -				\$ -	\$ 115,000
Taylor/Blakeslee grant	20,000		20,000				20,000	20,000
Contributions	161,966		161,966	\$ -	\$ 97	\$ 97	162,063	208,635
PPP loan forgiveness	27,608		27,608				27,608	-
Management fee IPF	2,122	\$ (2,122)	-				-	-
In-kind donations	25,000		25,000				25,000	-
Other income	3,170		3,170				3,170	-
Net investment return	127,447	11,731	139,178		5,352	5,352	144,530	184,924
Transfer to NSHERF	(100,000)	100,000					-	-
Transfer from IPF	25,000	(25,000)					-	-
Net assets released from restriction	71,071		71,071	(69,850)	(1,221)	(71,071)	-	-
<u>Total Support and Revenue</u>	<u>363,384</u>	<u>84,609</u>	<u>447,993</u>	<u>(69,850)</u>	<u>4,228</u>	<u>(65,622)</u>	<u>382,371</u>	<u>528,559</u>
<u>Expenses</u>								
Program	161,058	33,106	194,164			-	194,164	340,383
Management and general	89,321		89,321			-	89,321	73,325
Fund-raising	13,126		13,126			-	13,126	10,597
<u>Total Expenses</u>	<u>263,505</u>	<u>33,106</u>	<u>296,611</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>296,611</u>	<u>424,305</u>
Change in Net Assets	99,879	51,503	151,382	(69,850)	4,228	(65,622)	85,760	104,254
Net Assets, Beginning of year	775,491	190,886	966,377	69,850	44,755	114,605	1,080,982	976,728
Net Assets, End of year	<u>\$ 875,370</u>	<u>\$ 242,389</u>	<u>\$ 1,117,759</u>	<u>\$ -</u>	<u>\$ 48,983</u>	<u>\$ 48,983</u>	<u>\$ 1,166,742</u>	<u>\$ 1,080,982</u>

See notes to financial statements.

COUNCIL FOR THE ADVANCEMENT OF SCIENCE WRITING, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

	<u>2020</u>	<u>2019</u>
<u>Cash Flows Provided (Used)</u>		
<u>From Operating Activities:</u>		
Change in net assets for year	\$ 85,760	\$ 104,254
Contributions restricted for long term investment	(97)	(600)
Change in unrealized appreciation	(88,678)	(140,045)
Realized gains	(46,196)	(30,818)
Increase in contributions receivable	(2,990)	-
Increase in prepaid expenses	(8,479)	(1,271)
Increase in advances for future conferences	120,000	-
Increase in accrued expenses	6,406	1,707
Decrease in payroll related payables	(165)	(5,041)
<u>Net Cash Flows Provided (Used) by Operating Activities</u>	<u>65,561</u>	<u>(71,814)</u>
<u>From Investing Activities:</u>		
Proceeds from sale of investments	558,472	590,813
Purchase of investments	(519,174)	(588,831)
<u>Net Cash Flows Provided by Investing Activities</u>	<u>39,298</u>	<u>1,982</u>
<u>From Financing Activities:</u>		
Contributions restricted for long term investment	97	600
Net increase (decrease) in cash and cash equivalents for year	104,956	(69,232)
Cash and cash equivalents, beginning of year	140,718	209,950
Cash and cash equivalents, End of Year	<u>\$ 245,674</u>	<u>140,718</u>

COUNCIL FOR THE ADVANCEMENT OF SCIENCE WRITING, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

	Programs					Total Programs	Management and General	Fund- Raising	2020 Total	2019 Total
	IPF Direct	IPF Indirect	Total IPF	New Horizons	SJI					
Salaries		\$ 13,024	\$ 13,024	\$ 18,392	\$ 55,374	\$ 86,790	\$ 29,440	\$ 12,149	\$ 128,379	\$ 161,293
Payroll taxes		1,030	1,030	1,481	4,558	7,069	2,539	953	10,561	13,202
Employee benefits		593	593	2,871	2,374	5,838	3,832	24	9,694	13,205
Postage		-	-	-	-	79	190	-	269	167
Telephone		-	-	-	-	-	324	-	324	1,518
Office expense	77	-	77	-	39	176	4,618	-	4,794	2,862
Professional fees	-	-	-	12,950	-	12,950	22,092	-	35,042	22,637
Directors meeting	-	-	-	-	-	-	-	-	-	18,844
Program meetings	435	-	435	2,413	3,616	6,464	-	-	6,464	43,870
International travel fellowships	1,500	-	1,500	-	-	1,500	-	-	1,500	38,467
Taylor/Blakeslee fellowship	-	-	-	-	-	23,000	-	-	23,000	33,573
Grants and honoraria	-	-	-	-	9,645	11,770	-	-	11,770	1,500
Vic Cohn Award	-	-	-	-	-	3,000	-	-	3,000	3,000
Evert Clark/Seth Payne award	-	-	-	-	-	1,000	-	-	1,000	1,000
Website development	-	-	-	-	-	-	25,000	-	25,000	-
Technology	-	-	-	-	1,360	1,360	1,205	-	2,565	1,710
Book project	-	-	-	-	-	-	-	-	-	60,000
IPF distribution	25,000	-	25,000	-	-	25,000	-	-	25,000	-
Travel	6,094	-	6,094	851	-	7,253	-	-	7,253	6,625
Miscellaneous	-	-	-	-	-	915	81	-	996	832
Total Expenses	\$ 33,106	\$ 14,647	\$ 47,753	\$ 38,958	\$ 76,966	\$ 194,164	\$ 89,321	\$ 13,126	\$ 296,611	\$ 424,305

See notes to financial statements.

COUNCIL FOR THE ADVANCEMENT OF SCIENCE WRITING, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

Note 1 **Organization**

Council for the Advancement of Science Writing, Inc. (CASW) is a not-for-profit educational organization organized for the purpose of increasing public understanding of science by upgrading the quality and quantity of science and medical writing, and by improving relationships between scientists and the press. CASW is a charitable organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code.

CASW receives the majority of its support from grants and contributions.

Note 2 **Significant Accounting Policies**

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Under this method, revenues are recognized when earned and expenses are recognized when the obligation is incurred.

Basis of Presentation

Net assets are recorded based on donor-imposed restrictions or lack thereof.

Net Assets Without Donor Restrictions - These assets are free from donor restriction and can be used to carry out the operations of CASW in accordance with its bylaws. These assets can be further disaggregated as Board Designated as referred to in Note 7.

Net Assets With Donor Restrictions - These assets are either restricted for a specific purpose or for a future time period. These assets can be further disaggregated as Endowment Funds which are restricted by the donor to be invested in perpetuity and income earned is to be used in accordance with the gift instrument as referred to in Note 5.

Contributions

Contributions are recorded as revenue when earned. Gifts received with donor stipulations that limit the use of the donated assets are reported as net assets with donor restrictions. When a donor restriction expires, that is, when a time restriction ends or purpose restriction is fulfilled, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions with donor restrictions, received and expended in the same period are reflected as contributions without donor restrictions in the accompanying financial statements.

Cash and Cash Equivalents

CASW considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents along with balances in the checking accounts.

COUNCIL FOR THE ADVANCEMENT OF SCIENCE WRITING, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

Note 2 **Significant Accounting Policies** (Continued)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in The United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Investment Income Recognition

Investments are presented at fair value. The difference between recorded cost and fair value is recognized as unrealized gain or loss. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date.

Fair Value of Investments

CASW follows FASB Accounting Standards Codification guidance on *Fair Value Measurements* which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

The investments of CASW at December 31, 2020 are all classified as Level 1.

Functional Allocation of Expenses

Certain categories of expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis that is consistently applied. The expenses that are allocated are salaries, payroll taxes and employee benefits, and are based on the estimates of time and effort per employee.

Accounting for Uncertainty in Income Taxes

CASW recognizes the effect of income tax positions only if these positions are more likely than not to be sustained. Management has determined that CASW had no uncertain tax positions that would require financial statement recognition and/or disclosure. CASW is no longer subject to examinations by the applicable taxing jurisdictions prior to 2017.

COUNCIL FOR THE ADVANCEMENT OF SCIENCE WRITING, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

Note 2 Significant Accounting Policies (Continued)

Subsequent Events

In connection with the preparation of the financial statements, CASW evaluated subsequent events after the statement of financial position date of December 31, 2020 through April 7, 2021 which was the date the financial statements were available to be issued.

Note 3 Concentration of Credit Risk

Financial instruments that potentially subject CASW to significant concentrations of credit risk consist principally of cash and cash equivalents. At times cash balances held at financial institutions may be in excess of federally insured limits.

Note 4 Investments

Investment return consists of the following for the years ended December 31:

	<u>2020</u>	<u>2019</u>
Interest and dividends	\$ 16,643	\$ 21,188
Realized gain on investments	46,196	30,818
Change in unrealized gain on investments	88,678	140,045
Directly reported investment fees	<u>(6,987)</u>	<u>(7,127)</u>
	<u>\$ 144,530</u>	<u>\$ 184,924</u>

Investments consists of the following for the years ended December 31:

	<u>2020</u>	
	<u>Cost</u>	<u>Fair Value</u>
Exchange Traded Funds	\$405,620	\$ 439,369
Certificate of Deposits & Bond Funds	77,801	78,448
Equities	<u>332,475</u>	<u>536,823</u>
	<u>\$815,896</u>	<u>\$ 1,054,640</u>
	<u>2019</u>	
	<u>Cost</u>	<u>Fair Value</u>
Exchange Traded Funds	\$323,312	\$ 327,258
Money Market Funds	50,000	50,000
Equities	<u>435,686</u>	<u>581,806</u>
	<u>\$808,998</u>	<u>\$ 959,064</u>

COUNCIL FOR THE ADVANCEMENT OF SCIENCE WRITING, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

Note 4 **Investments** (Continued)

The following are major categories of investments measured at estimated fair value for the years ended December 31:

	2020	
	<u>Level 1</u>	<u>Total</u>
Exchange Traded Funds		
Equity	\$ 97,338	\$ 97,338
Fixed Income	297,232	297,232
Commodity	44,799	44,799
Certificate of Deposits & Bond Funds	78,448	78,448
Equities - Common Stocks		
Information Technology	153,971	153,971
Health Care	67,900	67,900
Financial	64,859	64,859
Communication Services	52,667	52,667
Consumer Discretionary	74,818	74,818
Real Estate Investment Trust	14,873	14,873
Other	107,735	107,735
	<u>\$ 1,054,640</u>	<u>\$ 1,054,640</u>

	2019	
	<u>Level 1</u>	<u>Total</u>
Exchange Traded Funds		
Equity	\$ 28,823	\$ 28,823
Fixed Income	298,435	298,435
Equities - Common Stocks		
Information Technology	126,112	126,112
Health Care	87,967	87,967
Financial	83,258	83,258
Communication Services	68,241	68,241
Consumer Discretionary	66,278	66,278
Real Estate Investment Trust	17,769	17,769
Other	132,181	132,181
	<u>\$ 909,064</u>	<u>\$ 909,064</u>
Money Market Funds		50,000
		<u>\$ 959,064</u>

COUNCIL FOR THE ADVANCEMENT OF SCIENCE WRITING, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

Note 5 **Endowment**

During 2017, CASW received a transfer of funds of \$45,519 to open a separate investment account for the Clark/Payne Award endowment. CASW will manage and administer the funds of the endowment and is responsible for issuing the award and reimbursing for all travel and meeting expenses relating to the award. The net investment income of the endowment will be released up to the related expenses incurred each year and CASW can draw from the original gift amount of \$45,519 to cover any Clark/Payne Award expenses due to any short-fall from net investment income.

The endowment also consists of funds designated by the Board of Directors of CASW relating to the WCSJ International Program Fund (Note 7).

The Board of Directors of CASW has interpreted the New York Prudent Management of Institutional Funds Act ("NYPMIFA") as requiring the preservation of the value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary, or in those cases where the law allows appropriation for spending of the original gift amounts. As a result of this interpretation, the Board of Directors classifies as net assets with donor restrictions (a) the original value of the gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations of investment returns to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Investment Return Objectives, Risk Parameters and Strategies: CASW has adopted an investment policy, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve a return that exceeds the inflation rate over time, and in relation to certain market indices. Endowment assets are invested in a well-diversified asset mix, which includes equity and fixed income securities, to enhance the returns of the portfolio and reduce the volatility of the returns. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed by a professional investment advisor to not expose the fund to unacceptable levels of risk and to control risk through diversification, monitoring direct and indirect costs, and promoting the highest level of transparency.

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Board of Directors of CASW has interpreted NYPMIFA to permit spending from underwater endowments in accordance with prudent measures required by law. Deficiencies of this nature exist as a result from unfavorable market fluctuations and continued appropriation of expenses relating to the donor-restricted endowment fund.

COUNCIL FOR THE ADVANCEMENT OF SCIENCE WRITING, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

Note 5 Endowment (Continued)

Endowment net asset composition by type of fund as of December 31, 2020 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Endowment Assets
Donor-restricted endowment fund	\$ -	\$ 48,983	\$ 48,983
Board-designated endowment fund	125,222	-	125,222
Total funds	\$ 125,222	\$ 48,983	\$ 174,205

The following is a reconciliation of the activity in the endowment fund for the years ended December 31:

	Without Donor Restrictions Board-Designated	With Donor Restrictions	Total
Balance at December 31, 2018	\$ 176,193	\$ 39,132	\$ 215,325
Contributions		600	600
Net investment return	36,914	7,166	44,080
Appropriation for expenditure	(50,000)	(2,143)	(52,143)
Balance at December 31, 2019	163,107	44,755	207,862
Contributions	-	97	97
Net investment return	12,115	5,352	17,467
Appropriation for expenditure	(50,000)	(1,221)	(51,221)
Balance at December 31, 2020	\$ 125,222	\$ 48,983	\$ 174,205

Note 6 Commitment and Contingency

As of December 31, 2020, CASW has accepted offers from organizations to host the annual New Horizons in Science conference for the years ended 2021 through 2023. Expected contributions from these organizations, to be recognized as revenue during the conference year, total \$115,000 during 2021 and \$118,000 during 2022 and 2023.

Note 7 Board Designated Net Assets

The WCSJ International Program Fund (IPF) is a suite of programs developed to extend the impact of the 2017 World Conference of Science Journalists (WCSJ) by strengthening training, networking, and knowledge sharing among science journalists worldwide. It was funded with generous donations to WCSJ made available thanks to judicious conference cost savings. CASW will manage these funds, in concert with WCSJ's organizing partners, and has invested a portion to create a small ongoing stream of returns to sponsor long-term networking and education that support international science journalism, particularly connections between US and international journalists. During 2020, \$25,000 was distributed to NASW and shown as an expense on the statement of functional expenses and \$25,000 was transferred to CASW as undesignated on the statement of activities.

COUNCIL FOR THE ADVANCEMENT OF SCIENCE WRITING, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

Note 7 **Board Designated Net Assets** (Continued)

On February 18, 2021, CASW announced the launch of a new program, the National Science-Health-Environment Reporting Fellowships (NSHERF), to be undertaken in collaboration with the Center for Excellence in Health Care Journalism and the Society of Environmental Journalists. Pursuant to a November 30, 2020 award letter to the Center from the Howard Hughes Medical Institute, a pilot year will be funded by an HHMI grant of \$155,895, augmented with the \$100,000 contribution received in 2020 that was designated by the Board for this project.

Below is a summary of the Board Designated Net Assets as of December 31, 2020:

IPF	\$ 142,389
NSHERF	<u>100,000</u>
Total Board Designated Net Assets	<u><u>\$ 242,389</u></u>

Note 8 **With Donor Restrictions**

Net assets with donor restrictions consist of the following for the years ended December 31:

	<u>2020</u>	<u>2019</u>
Purpose Restricted:		
Initiative for Science Journalism	\$ -	\$ 69,850
Endowment Fund:		
Clark/Payne Award	<u>48,983</u>	<u>44,755</u>
	<u><u>\$ 48,983</u></u>	<u><u>\$ 114,605</u></u>

Net assets released from restrictions consist of the following for the years ended December 31:

	<u>2020</u>	<u>2019</u>
Purpose Restricted:		
Initiative for Science Journalism	\$ 69,850	\$ 5,150
Newsletters	<u>-</u>	<u>628</u>
Total Purpose Restricted	69,850	5,778
Endowment Fund:		
Clark/Payne Award	<u>1,221</u>	<u>2,143</u>
	<u><u>\$ 71,071</u></u>	<u><u>\$ 7,921</u></u>

COUNCIL FOR THE ADVANCEMENT OF SCIENCE WRITING, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

Note 9 In-Kind Donations

In-kind donations are recognized as contributions if they create or enhance nonfinancial assets or are services that require specialized skills that would have otherwise been purchased by CASW. During 2020, CASW received total in-kind donations of \$25,000 for website development services.

Note 10 PPP Loan

In April 2020, CASW was granted a loan in the amount of \$27,608, pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, which was enacted March 27, 2020. The loan matures after two years and bears interest at a rate of 1% per annum, payable monthly after six months. Funds from the loan may be used for payroll costs, health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations incurred after February 15, 2020. Under the terms of the PPP, certain amounts of the loan may be forgiven if they are used for qualifying expenses as described in the CARES Act. CASW received forgiveness on the loan in February 2021.

CASW opted to treat the loan as a conditional contribution received during 2020. Subsequently, the proceeds were recognized as contribution revenue as of December 31, 2020 since the conditions were substantially met.

Note 11 Liquidity and Availability of Financial Assets

The following reflects CASW's financial assets as of December 31, 2020, reduced by amounts not available for general expenditures within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations.

Cash and cash equivalents	\$ 245,674
Investments	1,054,640
Accounts receivable	<u>2,990</u>
Total financial assets	1,303,304
Contractual or donor-imposed restrictions	
Endowment funds	(48,983)
Board Designations in endowment	<u>(125,222)</u>
Financial assets available to meet cash needs	
for general expenditures within one year	<u>\$ 1,129,099</u>

CASW manages its liquidity and cash needs by establishing a budget for each fiscal year based on expected revenues to fund anticipated expenses. The invested portfolio assets that are not restricted (Operating Fund) are intended to support the programs and mission of CASW in the near-term, as well as in perpetuity. Disbursements from the Operating Fund are determined by the CASW Board of Directors, as needed. The annual withdrawal rate will vary from year to year and the portfolio should have sufficient liquidity to meet requests for distributions in full within seven business days.

COUNCIL FOR THE ADVANCEMENT OF SCIENCE WRITING, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

Note 12 **Subsequent Events**

In January 2021 the U.S. Small Business Administration, in consultation with the Treasury Department, announced that the Paycheck Protection Program (the "PPP) reopened for new and certain existing PPP borrowers under certain limitations. During February 2021, CASW was granted a loan during the second round in the amount of \$33,357 subject to the same general loan terms as their first draw. CASW intends to use the entire loan amount for qualifying expenses in order to achieve full forgiveness.

Note 13 **COVID-19**

In March 2020, the World Health Organization declared the incidence of COVID-19 to be a pandemic. As a result, the 2020 annual New Horizons in Science conference was postponed until 2021 and other virtual events were held during 2020 in its place. The revenue collected for the 2020 conference are shown as advances for future conference on the Statement of Financial Position. The COVID-19 pandemic has resulted in substantial volatility in global financial markets. As the outbreak continues and should conditions worsen, CASW may continue to experience a disruption in operations as well as a decline in contributions and investment return. Due to changing market conditions, an estimate of the total loss due to the outbreak, if any, cannot be determined as this time.