

Special Olympics Wisconsin, Inc.

Madison, Wisconsin

Financial Statements

Years Ended December 31, 2019 and 2018

Special Olympics Wisconsin, Inc.

Financial Statements
Years Ended December 31, 2019 and 2018

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Independent Auditor's Report

Board of Directors
Special Olympics Wisconsin, Inc.
Madison, Wisconsin

Independent Auditor's Report

We have audited the accompanying financial statements of Special Olympics Wisconsin, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years 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; 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Special Olympics Wisconsin, Inc. at December 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States.

Wipfli LLP

Wipfli LLP

May 26, 2020
Madison, Wisconsin

Special Olympics Wisconsin, Inc.

Statements of Financial Position

December 31, 2019 and 2018

<i>Assets</i>	2019	2018
Current assets:		
Cash and cash equivalents	\$ 2,943,947	\$ 1,189,155
Certificates of deposit, current portion	200,252	556,324
Contributions receivable	740,658	192,688
Prepaid expenses	140,412	74,786
Total current assets	4,025,269	2,012,953
Other assets:		
Investments	1,535,542	1,434,655
Certificates of deposit, long term	948,290	620,494
Contributions receivable, long term	28,920	28,376
Total other assets	2,512,752	2,083,525
Property and equipment	204,871	204,871
Accumulated depreciation	(193,791)	(190,816)
Property and equipment, net	11,080	14,055
TOTAL ASSETS	\$ 6,549,101	\$ 4,110,533
<i>Liabilities and Net Assets</i>		
Current liabilities:		
Accounts payable	\$ 116,426	\$ 101,170
Grant funds received in advance	97,415	72,318
Other liabilities	34,038	45,019
Accrued payroll and related	113,856	95,301
Total current liabilities	361,735	313,808
Net assets:		
Without donor restriction:		
Undesignated	3,082,940	2,710,324
Board designated	1,000,000	1,000,000
Total without donor restriction	4,082,940	3,710,324
With donor restriction	2,104,426	86,401
Total net assets	6,187,366	3,796,725
TOTAL LIABILITIES AND NET ASSETS	\$ 6,549,101	\$ 4,110,533

See accompanying notes to financial statements.

Special Olympics Wisconsin, Inc.

Statements of Activities

Years Ended December 31, 2019 and 2018

	2019	2018
Changes in net assets without donor restriction:		
Public support and revenue:		
Public support:		
Contributions	\$ 908,698	\$ 977,402
Fund-raising	4,164,328	4,108,403
In-kind	2,202,846	2,246,775
Total public support	7,275,872	7,332,580
Revenue:		
Registration fees	70,139	84,278
Investment income (loss)	261,468	(68,996)
Other	42,852	32,028
Total revenue	374,459	47,310
Net assets released from restriction	47,836	113,231
Total public support and revenue without donor restriction	7,698,167	7,493,121
Expenses:		
Program activities:		
Public education	524,693	589,610
Training	2,538,124	2,609,718
Games and competition	1,140,979	1,361,647
Outreach	692,797	438,668
Agency	606,438	650,042
Total program services	5,503,031	5,649,685
Support services:		
Administration and management	486,193	408,705
Fund-raising	1,336,327	1,516,264
Total support services	1,822,520	1,924,969
Total expenses	7,325,551	7,574,654
Changes in net assets without donor restrictions	372,616	(81,533)
Changes in net assets with donor restrictions:		
Contributions	2,065,861	32,320
Net assets released from restrictions	(47,836)	(113,231)
Changes in net assets with donor restrictions	2,018,025	(80,911)
Changes in net assets	2,390,641	(162,444)
Net assets - Beginning of year	3,796,725	3,959,169
Net assets - End of year	\$ 6,187,366	\$ 3,796,725

See accompanying notes to financial statements.

Special Olympics Wisconsin, Inc.

Statements of Functional Expenses
Year Ended December 31, 2019

	PROGRAM SERVICES						SUPPORTING SERVICES			Total Expenses
	Public Education	Training	Games and Competition	Outreach	Agency	Total	Administration/ Management	Fund-raising	Total	
Salaries	\$ 260,655	\$ 329,318	\$ 288,735	\$ 320,373	\$ 0	\$ 1,199,081	\$ 286,711	\$ 419,367	\$ 706,078	\$ 1,905,159
Employee expenses	43,254	54,649	47,914	53,164	0	198,981	47,579	69,592	117,171	316,152
Insurance	0	12,208	12,208	783	385	25,584	35,339	6,020	41,359	66,943
Professional fees and services	48,223	25,118	49,599	34,024	2,456	159,420	18,217	188,565	206,782	366,202
Office expenses	25,751	46,403	89,311	53,629	51,917	267,011	25,951	178,233	204,184	471,195
Advertising and public relations/education	44,783	0	0	0	2,503	47,286	0	4,133	4,133	51,419
Recognition and awards	593	766	42,932	20,078	36,759	101,128	4,310	36,986	41,296	142,424
Occupancy	41,080	62,648	144,463	65,839	121,639	435,669	45,329	137,989	183,318	618,987
Travel and meetings	13,841	15,747	54,261	37,721	6,295	127,865	10,672	49,167	59,839	187,704
National fee assessment	0	47,867	47,866	0	0	95,733	0	0	0	95,733
Printing and publications	12,873	1,036	4,340	2,951	6,408	27,608	4,088	2,303	6,391	33,999
Competition and training	0	1,525	173,318	10,274	369,461	554,578	0	330	330	554,908
Fund-raising	33,293	0	0	0	0	33,293	4,441	175,364	179,805	213,098
Grants	0	0	100	93,215	0	93,315	0	850	850	94,165
Miscellaneous	0	0	62	0	0	62	1,580	0	1,580	1,642
Depreciation	347	530	446	522	0	1,845	386	744	1,130	2,975
Total Expenses Before In-kind	524,693	597,815	955,555	692,573	597,823	3,368,459	484,603	1,269,643	1,754,246	5,122,705
In-kind	0	1,940,309	185,424	224	8,615	2,134,572	1,590	66,684	68,274	2,202,846
TOTAL EXPENSES	\$ 524,693	\$ 2,538,124	\$ 1,140,979	\$ 692,797	\$ 606,438	\$ 5,503,031	\$ 486,193	\$ 1,336,327	\$ 1,822,520	\$ 7,325,551

See accompanying notes to financial statements.

Special Olympics Wisconsin, Inc.

Statements of Functional Expenses (Continued)

Year Ended December 31, 2018

	PROGRAM SERVICES					SUPPORTING SERVICES				Total Expenses
	Public Education	Training	Games and Competition	Outreach	Agency	Total	Administration/ Management	Fund-raising	Total	
Salaries	\$ 267,774	\$ 348,196	\$ 360,195	\$ 199,503	\$ 0	\$ 1,175,668	\$ 257,078	\$ 468,467	\$ 725,545	\$ 1,901,213
Employee expenses	46,014	59,834	61,896	34,283	0	202,027	44,176	80,501	124,677	326,704
Insurance	0	11,724	11,724	0	385	23,833	32,240	6,486	38,726	62,559
Professional fees and services	62,543	28,036	71,234	25,269	4,428	191,510	13,298	190,311	203,609	395,119
Office expenses	27,109	32,213	101,433	33,513	52,348	246,616	14,019	208,915	222,934	469,550
Advertising and public relations/education	55,579	0	0	665	2,035	58,279	0	4,250	4,250	62,529
Recognition and awards	131	3,048	41,286	8,174	43,893	96,532	3,048	40,840	43,888	140,420
Occupancy	50,388	56,378	150,412	37,078	127,273	421,529	26,780	140,567	167,347	588,876
Travel and meetings	18,774	19,553	136,339	27,195	3,997	205,858	8,259	72,014	80,273	286,131
National fee assessment	0	48,655	48,655	0	0	97,310	0	0	0	97,310
Printing and publications	12,459	195	5,812	5,702	6,694	30,862	4,006	6,302	10,308	41,170
Competition and training	0	0	186,957	1,501	391,700	580,158	0	261	261	580,419
Fund-raising	48,546	0	966	0	3,855	53,367	156	249,786	249,942	303,309
Grants	0	0	35	65,585	0	65,620	328	0	328	65,948
Miscellaneous	0	0	348	0	2,907	3,255	1,283	116	1,399	4,654
Depreciation	293	328	340	200	0	1,161	156	650	806	1,967
Total Expenses Before In-kind	589,610	608,160	1,177,632	438,668	639,515	3,453,585	404,827	1,469,466	1,874,293	5,327,878
In-kind	0	2,001,558	184,015	0	10,527	2,196,100	3,878	46,798	50,676	2,246,776
TOTAL EXPENSES	\$ 589,610	\$ 2,609,718	\$ 1,361,647	\$ 438,668	\$ 650,042	\$ 5,649,685	\$ 408,705	\$ 1,516,264	\$ 1,924,969	\$ 7,574,654

See accompanying notes to financial statements.

Special Olympics Wisconsin, Inc.

Statements of Cash Flows

Years Ended December 31, 2019 and 2018

	2019	2018
Increase in cash and cash equivalents:		
Cash flows from operating activities:		
Changes in net assets	\$ 2,390,641	(\$ 162,444)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation	2,975	1,967
Realized and unrealized (gain) loss on investments	(231,797)	95,323
Changes in operating assets and liabilities:		
Contributions receivable	(548,514)	27,889
Prepaid expenses	(65,626)	9,123
Accounts payable	15,256	(3,471)
Grant funds received in advance	25,097	(39,882)
Other liabilities	(10,981)	(32,429)
Accrued payroll and related	18,555	(21,599)
Net cash provided by (used in) operating activities	1,595,606	(125,523)
Cash flows from investing activities:		
Purchase of certificates of deposit	(308,220)	(655,264)
Proceeds from sale of certificates of deposit	356,324	603,792
Purchase of investments	(102,611)	(171,488)
Proceeds from sale of investments	213,693	144,689
Net cash provided by (used in) investing activities	159,186	(78,271)
Changes in cash and cash equivalents	1,754,792	(203,794)
Cash and cash equivalents - Beginning of year	1,189,155	1,392,949
Cash and cash equivalents - End of year	\$ 2,943,947	\$ 1,189,155

See accompanying notes to financial statements.

Special Olympics Wisconsin, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Nature of Operations

Special Olympics Wisconsin, Inc. (SOWI) was incorporated in 1972, as a nonprofit organization. The mission of SOWI is to provide year-round sports training and athletic competition in a variety of Olympic-type sports for children and adults with intellectual disabilities. SOWI provides them with continuing opportunities to develop physical fitness, demonstrate courage, experience joy, and participate in a sharing of gifts, skills, and friendship with their families, other Special Olympic athletes, and the community. The primary source of revenue is public support.

Organization Structure

SOWI is a statewide organization. With the Program Headquarters in Madison and seven Regional offices throughout the state, Special Olympics Wisconsin serves over 10,000 athletes in 170 communities. The financial position and results of activities of all are included in these financial statements. The following Regional programs are included in these financial statements:

<u>Area</u>	
<u>Number</u>	
2	North Central Region Special Olympics
3	Indianhead Region Special Olympics
4	Fox Valley Region Special Olympics
5	Northeastern Region Special Olympics
6	South Central Region Special Olympics
7	Southeastern Region Special Olympics
8	Greater Milwaukee Region Special Olympics

Basis of Presentation

All financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

Classification of Net Assets

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

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations or where donor-imposed stipulations are met in the year of the contribution.

Net Assets Without Donor Restrictions, Board Designated - The governing board has designated, from net assets without donor restrictions, a board-designated investment. SOWI has adopted the policy that certain net assets be maintained to ensure SOWI's ability to continue to provide quality services to athletes in the event of an emergency or changing economic conditions.

Special Olympics Wisconsin, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Classification of Net Assets (Continued)

Net Assets With Donor Restrictions - Net assets subject to donor-imposed stipulations that may or may not be met, either by actions of SOWI and/or the passage of time. Other explicit donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. 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.

Use of Estimates

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

Cash Equivalents

For purpose of financial statement presentation, SOWI includes cash held in their investment account as cash equivalents.

Certificates of Deposit

For purpose of financial statement presentation, SOWI classifies certificates of deposit with maturity of one year or less as short term. Those that have a maturity one greater than one year are classified as long term.

Contributions Receivable

Contributions receivable consists of general receivables from various funding sources and donors. It also consists of pledges receivable from SOWI's telemarketer, who manages pledges provided to SOWI. SOWI believes these receivables are fully collectible and no allowance for doubtful accounts has been recorded.

Investments

Investments are carried at fair value. Realized and unrealized gains and losses are reflected in the statements of activities as changes in net assets without donor restriction unless their use is restricted by explicit donor stipulations or law. Investment fees have been netted against return.

Property and Equipment

Property and equipment are recorded at cost. Assets with a cost greater than \$2,500 and having estimated useful lives of more than one year are capitalized and depreciated using the straight-line method. Donated assets are recorded at the estimated fair market value of the asset at the time of the donation.

Income Taxes

SOWI is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code. It is also exempt from Wisconsin franchise or income tax.

Special Olympics Wisconsin, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Uncertain Tax Positions

SOWI is required to assess whether it is more likely than not that a tax position will be sustained upon examination on the technical merits of the position assuming the taxing authority has full knowledge of all information. If the tax position does not meet the more likely than not recognition threshold, the benefit of that position is not recognized in the financial statements. SOWI has determined there are no amounts to record as assets or liabilities related to uncertain tax positions.

Revenue Recognition

Contributions are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution contains a condition when both of the following are present:

- An explicit identifying of a barrier, that is more trivial, that must be overcome before the revenue can be earned and recognized.
- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met.

Conditional contributions are recognized when the barrier(s) to entitlement are overcome. Unconditional contributions are recognized as revenue when received. Unconditional contributions or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, 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. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

In-Kind Contributions

Donated services are recognized if the services create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by SOWI. Donated services and expenses are recorded at market value and are recognized as revenue and expense in the period they are received.

SOWI receives a significant amount of other volunteer time in various capacities that does not meet the above definition. Therefore, these services do not meet the criteria for recognition. As a result, no amount has been recognized in the financial statements for these services.

SOWI receives many in kind donations of tangible items and professional services which are reflected in these financial statements. However, we would be remised if we didn't share the value of volunteer time not included in the financial statements because they do not meet the criterion under generally accepted accounting principles for recording. SOWI could not deliver our mission without them.

Over 162,000 hours are annually contributed by the above nonprofessional volunteers. Special Olympics of Wisconsin, Inc. calculated the service contributed by nonprofessional volunteers during the year ended December 31, 2019 and 2018, was \$4,124,009 and \$4,459,382, respectively. This calculation utilized the Independent Sector's Value of Volunteer Time (www.independentsector.org/volunteer_time).

Special Olympics Wisconsin, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Administrative costs such as salaries and employee expenses are allocated based on a time study of personnel; whereas costs such as professional fees and services, occupancy, and supplies are allocated by full time equivalents.

Change in Accounting Policy

On June 21, 2018, the FASB issued ASU 2018-08 *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this ASU assist in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) subject to Subtopic 958-605 or as exchange (reciprocal) transactions subject to Accounting Standards Codification 606 and (2) determining whether a contribution is conditional. The contribution guidance in Subtopic 958-605 requires an entity to determine whether a transaction is conditional, which affects the timing of the revenue recognized. SOWI has applied the amendments in this ASU on a modified prospective basis. There was no change on opening balances of net assets and no prior period results were restated.

Fund-Raising Costs

SOWI achieves some of its programmatic and management and general goals using direct mail and telemarketing campaigns that include requests for contributions. The costs of conducting those campaigns were \$66,585 and \$97,092 for the years ended December 31, 2019 and 2018, respectively. These joint costs are not directly attributable to the program, management and general, or the fund-raising components of the activities and were allocated as follows:

	2019	2018
Public education	\$ 33,292	\$ 48,546
Fund-raising	33,293	48,546
Totals	\$ 66,585	\$ 97,092

Note 2: Concentration of Credit Risk

SOWI maintains cash balances and certificates of deposit at several financial institutions. Balances are insured at each financial institution up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). At certain times during the year, the bank balances may be in excess of FDIC coverage. SOWI has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash. SOWI's investments are not insured and are subject to market risk (see Note 4).

Special Olympics Wisconsin, Inc.

Notes to Financial Statements

Note 3: Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions or designations limiting their use, within twelve months of the statement of financial position date, comprise the following as of December 31:

	2019	2018
Cash and cash equivalents	\$ 2,943,947	\$ 1,189,155
Certificates of deposit	200,252	556,324
Contributions receivable	740,658	192,688
Investments	1,535,542	1,434,655
Subtotal current financial assets	5,420,399	3,372,822
Less: Net assets without restriction, board designated	(1,000,000)	(1,000,000)
Less: Grant funds received in advance	(97,415)	(72,318)
Less: Net assets with donor restrictions	(2,104,426)	(86,401)
Totals	\$ 2,218,558	\$ 2,214,103

SOWI does not have a formal liquidity policy but generally maintains financial assets in liquid form such as cash and cash equivalents and investments for approximately six months of operating expenses. SOWI has a board designated investment that can be liquidated for use in general operations.

Note 4: Investments

SOWI maintains an investment account at an investment firm. The investments are diversified to limit the amount of credit risk exposure and are carried at fair value.

As of December 31, investments consist of the following:

	2019	2018
Corporate bonds	\$ 267,028	\$ 297,529
Exchange traded funds	665,233	538,588
Common stocks	442,685	333,606
US Treasuries	160,596	225,719
Government obligations	0	39,213
Totals	\$ 1,535,542	\$1,434,655

As of December 31, investment activity is summarized as follows:

	2019	2018
Investment income (loss):		
Interest and dividends	\$ 39,360	\$ 36,125
Realized and unrealized gain (loss)	231,797	(95,323)
Subtotals	271,157	(59,198)
Fees	(9,689)	(9,798)
Investment income (loss)	\$ 261,468	(\$ 68,996)

Special Olympics Wisconsin, Inc.

Notes to Financial Statements

Note 5: Property and Equipment, Net

As of December 31, property and equipment is summarized as follows:

	2019	2018
Furniture and equipment	\$ 204,871	\$ 204,871
Accumulated depreciation	(193,791)	(190,816)
Property and equipment, net	\$ 11,080	\$ 14,055

Note 6: Net Assets with Donor Restriction

Net assets consist of the following:

	2019	2018
Scholarship fund – perpetual in nature	\$ 22,195	\$ 22,195
Contributions restricted for purpose	2,039,761	25,000
Contributions restricted for time	42,470	39,206
Totals	\$ 2,104,426	\$ 86,401

Net assets with donor restrictions represent contributions received that are restricted by time or purpose or donations to the SOWI scholarship fund that may not be spent by SOWI. The scholarship fund is maintained in a separate bank account for which SOWI earns interest. The interest earned on these resources to be maintained in perpetuity can be spent to support agency operations.

Net assets released from restrictions at December 31, 2019 and 2018 consisted of \$47,836 and \$113,231, respectively. These consisted of donor restricted contributions, where restrictions were met.

Note 7: Retirement Plan

SOWI has a defined contribution retirement plan authorized under Section 403(b) of the Internal Revenue Code. The plan is open to all employees who have been employed by SOWI for six months. The retirement benefits are fully vested upon contribution to the plan. The plan calls for discretionary contributions by SOWI. SOWI's contributions for the years ended December 31, 2019 and 2018, were \$28,552 and \$42,758, respectively.

Note 8: Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. A three-tier hierarchy prioritizes the inputs used in measuring fair value. These tiers include Level 1, defined as observable inputs such as quoted market prices in active markets; Level 2, defined as inputs other than quoted market prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore, requiring an entity to develop its own assumptions. The asset's or liability's fair value measurement within the hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Special Olympics Wisconsin, Inc.

Notes to Financial Statements

Note 8: Fair Value Measurements (Continued)

Some assets and liabilities are measured at fair value on a recurring basis. Other assets and liabilities, such as impaired investments, are measured at fair value on a nonrecurring basis. At December 31, 2019 and 2018 SOWI does not have any liabilities that are measured at fair value on a recurring basis, and there are no assets or liabilities measured on a nonrecurring basis.

Following is a description of the valuation methodology used for each asset measured at fair value on a recurring basis:

- U.S. Treasuries, exchange traded funds, and common stocks are valued at quoted market prices.
- Corporate bonds and government obligations are valued using quotes from pricing vendors based on recent trading activity and other observable market data.

Information regarding the fair value of assets measured at fair value on a recurring basis as of December 31, 2019, is as follows:

	Total Assets Measured at Fair Value	Recurring Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Corporate bonds	\$ 267,028	\$ 0	\$ 267,028	\$ 0
Exchange traded funds	665,233	665,233	0	0
Common stocks	442,685	442,685	0	0
U.S. Treasury notes	160,596	160,596	0	0
Government obligations	0	0	0	0
Totals	\$ 1,535,542	\$ 1,268,514	\$ 267,028	\$ 0

Information regarding the fair value of assets measured at fair value on a recurring basis as of December 31, 2018, is as follows:

	Total Assets Measured at Fair Value	Recurring Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Corporate bonds	\$ 297,529	\$ 0	\$ 297,529	\$ 0
Exchange traded funds	538,588	538,588	0	0
Common stocks	333,606	333,606	0	0
U.S. Treasury notes	225,719	225,719	0	0
Government obligations	39,213	0	39,213	0
Totals	\$ 1,434,655	\$ 1,097,913	\$ 336,742	\$ 0

Special Olympics Wisconsin, Inc.

Notes to Financial Statements

Note 9: Lease Commitments

SOWI leases various facilities and equipment. Rent expense for the years ended December 31, 2019 and 2018, was \$346,620 and \$335,602, respectively. Future minimum lease payments on the leases having noncancelable terms beyond December 31, 2019, are as follows:

2020	\$	272,835
2021		224,418
2022		218,664
2023		154,221
2024		24,630
Total		\$ 894,768

Note 10: Fund-Raising

SOWI holds various fund-raising events. The revenue and costs directly associated with fund-raising events for the years ended December 31 are as follows:

	2019	2018
Gross revenue	\$ 4,278,515	\$ 4,212,359
Less - Cost of sales	114,187	103,956
Totals	\$ 4,164,328	\$ 4,108,403

Note 11: Subsequent Events

Subsequent events have been evaluated through May 26, 2020, which is the date the financial statements were available to be issued.

Beginning in March 2020, the United States economy began suffering adverse effects from the COVID-19 Crisis (CV19 Crisis) including financial markets, supply chains, businesses, and communities. Specific to SOWI, COVID-19 may impact various parts of its 2020 operations and financial results. Management applied for and received a loan from the Payroll Protection Program (PPP) through the Small Business Administration. Management believes SOWI is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events occurred subsequent to year-end and are still developing.