



Financial Statements
April 30, 2020 and 2019

**United States Ski Team
Foundation, Inc.**

United States Ski Team Foundation, Inc.

Table of Contents

April 30, 2020 and 2019

Independent Auditor's Report.....	1
Financial Statements	
Statements of Financial Position.....	3
Statements of Activities.....	4
Statements of Cash Flows.....	5
Notes to Financial Statements.....	6



Independent Auditor's Report

The Board of Directors
United States Ski Team Foundation, Inc.
Park City, Utah

Report on the Financial Statements

We have audited the accompanying financial statements of United States Ski Team Foundation, Inc. (the Foundation), which comprise the statements of financial position as of April 30, 2020 and 2019, and the related statements of activities 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 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 the Foundation as of April 30, 2020 and 2019, 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 of America.

Adjustment

As discussed in Note 9 to the financial statements, a correction of amounts previously reported for revenue and contributions and fulfillment expense, was made by management of the Foundation during the current year. Accordingly, an adjustment for amounts previously reported for revenue and contributions and fulfillment expense have been made in the 2019 financial statements now presented. The adjustment had no effect on net assets or the change in net assets for the Foundation. Our opinion is not modified with respect to this matter.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Ogden, Utah
July 29, 2020

United States Ski Team Foundation, Inc.
 Statements of Financial Position
 April 30, 2020 and 2019

	2020	2019
Assets		
Current Assets		
Cash and cash equivalents (Notes 1 and 6)	\$ 1,181,302	\$ 681,055
Accounts receivable, net (Notes 1 and 4)	586,872	40,423
Contributions receivable, net (Notes 1 and 3)	1,534,667	1,493,000
Prepaid expenses	273,492	85,987
Total current assets	3,576,333	2,300,465
Contributions Receivable (Notes 1 and 3)	1,048,000	1,894,000
Property and Equipment (Note 1)	1,219	1,178
Other Assets	27,195	-
Total assets	\$ 4,652,747	\$ 4,195,643
Liabilities and Net Assets		
Current Liabilities		
Accounts payable (Note 4)	\$ 6,015	\$ 135,736
Accrued liabilities	31,133	104,962
Current portion of deferred revenue (Note 1)	1,679,362	583,873
Total current liabilities	1,716,510	824,571
Deferred Revenue, Less Current Portion (Note 1)	1,491,449	1,911,664
Total liabilities	3,207,959	2,736,235
Net Assets (Note 1)		
Without donor restrictions	1,429,572	1,429,572
With donor restrictions - scholarships	15,216	29,836
Total net assets	1,444,788	1,459,408
Total liabilities and net assets	\$ 4,652,747	\$ 4,195,643

United States Ski Team Foundation, Inc.

Statements of Activities

Years Ended April 30, 2020 and 2019

	2020	Adjusted 2019
Changes in Net Assets Without Donor Restrictions		
Revenue and contributions (Note 5)		
Champions Club program		
Revenue and contributions	\$ 580,000	\$ 2,914,653
Fulfillment expense	-	(512,128)
Net	<u>580,000</u>	<u>2,402,525</u>
Annual major gift program		
Revenue and contributions	5,016,980	3,280,583
Fulfillment expense	(857,074)	(1,027,391)
Net	<u>4,159,906</u>	<u>2,253,192</u>
Gold pass program		
Revenue and contributions	4,718,267	4,300,874
Fulfillment expense	(614,483)	(555,919)
Net	<u>4,103,784</u>	<u>3,744,955</u>
Fundraising events		
Revenue and contributions	2,348,623	2,176,042
Cost of events and fulfillment expense	(585,654)	(563,423)
Net	<u>1,762,969</u>	<u>1,612,619</u>
Direct solicitation and other programs, net		
Revenue and contributions	144,028	165,698
Fulfillment expense	(50,543)	(46,180)
Net	<u>93,485</u>	<u>119,518</u>
Other revenue (expense), net	5,143	15,984
Net revenue before administrative expenses	<u>10,705,287</u>	<u>10,148,793</u>
Fundraising expenses	(1,335,697)	(1,109,686)
General and administrative expenses	(192,000)	(192,000)
Net revenue available for USSA athletic programs	<u>9,177,590</u>	<u>8,847,107</u>
Grants to USSA athletic programs (Note 4)	(9,177,590)	(8,847,107)
Change in net assets without donor restrictions	<u>-</u>	<u>-</u>
Changes in Net Assets With Donor Restrictions		
Scholarship donations	297,494	155,823
Scholarship grants made	(312,114)	(246,482)
Decrease in net assets with donor restrictions	<u>(14,620)</u>	<u>(90,659)</u>
Change in Net Assets	(14,620)	(90,659)
Net Assets, Beginning of Year	<u>1,459,408</u>	<u>1,550,067</u>
Net Assets, End of Year	<u>\$ 1,444,788</u>	<u>\$ 1,459,408</u>

United States Ski Team Foundation, Inc.

Statements of Cash Flows
Years Ended April 30, 2020 and 2019

	2020	2019
Operating Activities		
Contributions received	\$ 14,560,789	\$ 12,454,131
Interest received	2,294	4,190
Fulfillment expense paid	(3,861,487)	(4,485,709)
Administration	(190,924)	(190,383)
Grants and scholarships awarded	(10,012,114)	(8,886,433)
Net Cash from (used for) Operating Activities	<u>498,558</u>	<u>(1,104,204)</u>
Investing Activities		
Purchase of property and equipment	(1,117)	-
Proceeds from maturities of investments	1,649,553	2,584,279
Purchases of investments	(1,646,747)	(2,573,377)
Net Cash from Investing Activities	<u>1,689</u>	<u>10,902</u>
Net Change in Cash and Cash Equivalents	500,247	(1,093,302)
Cash and Cash Equivalents, Beginning of Year	<u>681,055</u>	<u>1,774,357</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,181,302</u>	<u>\$ 681,055</u>
Reconciliation of Change in Net Assets to Net Cash from (used for) Operating Activities		
Change in net assets	\$ (14,620)	\$ (90,659)
Adjustments to reconcile change in net assets to net cash from (used for) operating activities		
Net realized and unrealized gain on investments	(2,806)	(10,902)
Bad debt expense	-	130,000
Depreciation expense	1,076	1,617
Changes in operating assets and liabilities		
Accounts and contributions receivable	257,884	(1,752,932)
Prepaid expenses	(187,505)	(46,277)
Accounts payable	(129,721)	60,417
Accrued liabilities	(73,829)	(52,688)
Deferred revenue	675,274	657,220
Other assets	(27,195)	-
Net Cash from (used for) Operating Activities	<u>\$ 498,558</u>	<u>\$ (1,104,204)</u>

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

The United States Ski Team Foundation, Inc., also known as the U.S. Ski and Snowboard Foundation, (the Foundation) is a nonprofit corporation organized to promote educational and charitable activities related to the sports of skiing and snowboarding. The Foundation conducts annual fundraising programs in several major areas. These programs include the Champions Club program, annual major gifts program, the gold pass program, fundraising events, and direct solicitation programs. The funds raised from these annual programs are granted to United States Ski Team, Inc. (USST), a wholly owned subsidiary of the United States Ski Association, also known as U.S. Ski and Snowboard (USSA). The funds are used by USST to support the training, development, coaching, and competition cost of athletes of the United States Ski and Snowboard Teams.

Cash and Cash Equivalents

The Foundation considers all cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

Receivables and Credit Policies

Accounts receivable consist primarily of noninterest-bearing amounts due to support the training, development, coaching, and competition costs of athletes of the United States Ski and Snowboard Teams. Management determines the allowance for uncollectible accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectible. At April 30, 2020 and 2019, gross accounts receivable were \$64,462 and \$40,423, respectively. At April 30, 2020 and 2019, the allowance was \$0. The accounts receivable balance at May 1, 2018 was \$262,491. Contract liabilities are reported as deferred revenue in the accompanying statements of financial position.

Contributions Receivable

Contributions receivable consists of \$2,582,667 and \$3,387,000 for the hospitality programs as of April 30, 2020 and 2019, respectively. Contributions receivable are recorded at net realizable value. Management determines the allowance for uncollectible contributions receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Contributions receivable are written off when deemed uncollectible. At April 30, 2020 and 2019, the allowance was \$0.

Property and Equipment

Property and equipment additions over \$500 are recorded at cost or, if donated, at fair value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets which is three years for all assets. When assets are sold or otherwise disposed of, the cost and related depreciation are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The Foundation reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended April 30, 2020 and 2019.

The balances by class of assets are as follows:

	2020	2019
Furniture and equipment	\$ 78,067	\$ 76,950
Computers	107,748	107,748
Less accumulated depreciation	(184,596)	(183,520)
	<u>\$ 1,219</u>	<u>\$ 1,178</u>

Net Assets

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

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) 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. The Foundation reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Revenue and Revenue Recognition

The Foundation recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. Donated assets are recorded at their market value at the date of donation. Contributions with donor-imposed restrictions are reported as net assets with donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions when the donor restrictions are satisfied.

Contributions of services are recognized only if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. In some instances, contributions from supporting committees are received net of fundraising expenses incurred and are recognized on a net basis. Restricted support received the same year that restrictions are fulfilled is reported as net assets without donor restrictions. No significant contributions of such goods or services were received during the years ended April 30, 2020 and 2019.

For the years ended April 30, 2020 and 2019, all revenue was recognized at a point in time and no revenue was recognized over time.

Deferred Revenue

Deferred revenue consists of prepayments for programs to be held in a future year and contributions for which qualifying expenses have not yet been incurred. Deferred revenue at April 30, 2020 and 2019 is \$3,170,811 and \$2,495,537, respectively, which includes \$2,020,000 and \$1,530,000, respectively, of contribution revenue deferred for the hospitality programs that have not yet been earned. The following table provides information about significant changes in deferred revenue for the years ended April 30, 2020 and 2019:

	2020	2019
Deferred revenue, May 1	\$ 2,495,537	\$ 1,838,317
Revenue recognized that was included in deferred revenue at the beginning of period	(583,873)	(1,118,317)
Increase in deferred revenue due to consideration received during the period	<u>1,259,147</u>	<u>1,775,537</u>
Deferred revenue, April 30	<u>\$ 3,170,811</u>	<u>\$ 2,495,537</u>

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied.

The expenses that are allocated include professional services, legal fees, advertising and promotion, information technology, occupancy, insurance and other. Expenses are allocated based on historical experience and reviewed as circumstances require. Note 8 presents the natural classification detail of expenses by function.

Income Taxes

The Foundation is organized as a Colorado nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3), qualify for the charitable contribution deduction under Section 170(b)(1)(A)(vi), and has been determined not to be a private foundation under Section 509(a)(1). The Foundation is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Foundation is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. The Foundation has determined it is subject to unrelated business income tax but is not required to file an Exempt Organization Business Income Tax Return (Form 990-T), because the unrelated business income was less than the requirement for filing for the years ending April 30, 2020 and 2019.

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

Estimates

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

Recently Adopted Accounting Pronouncements

FASB Accounting Standards Codification Topic 606, *Revenue from Contracts with Customers*, as amended, supersedes or replaces nearly all GAAP revenue recognition guidance. These standards establish a new contract and control-based revenue recognition model, change the basis for deciding when revenue is recognized over time or at a point in time, and expand disclosures about revenue. The Foundation has implemented Topic 606 and has adjusted the presentation in these financial statements accordingly. The amendment has been applied retrospectively to all periods presented, with no effect on net assets.

The Foundation has implemented ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, to clarify and improve the scope and the accounting guidance for contributions received and contributions made. This standard assists the entity in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. The Foundation has implemented the provisions of ASU 2018-08 applicable to contributions received in the accompanying financial statements under a modified prospective basis. Accordingly, there is no effect on net assets in connection with the implementation of ASU 2018-08.

The Foundation adopted the provisions of Accounting Standards Update (ASU) 2016-01, *Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*. This update affects current U.S. GAAP primarily as it relates to the accounting for equity investments, financial liabilities under the fair value option, and the presentation and disclosure requirements for financial instruments. ASU 2016-01 eliminates the classification categories of equity investments and their differing treatments (trading, available-for-sale, or held to maturity securities) and eliminates the concept of cost method investments. Under the ASU, all equity investments, other than those measured using the equity method or those requiring consolidating of the investee, are required to be reflected at fair value on the statement of financial position with changes in fair value recognized in the change in net assets.

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 statement of financial position date, comprise the following:

	2020	2019
Cash and cash equivalents	\$ 1,166,086	\$ 651,219
Accounts receivable	586,872	40,423
Contributions receivable	1,534,667	1,493,000
	<u>\$ 3,287,625</u>	<u>\$ 2,184,642</u>

The difference between cash and cash equivalents in this footnote and the balance reported in the statements of financial position of \$15,216 and \$29,836 at April 30, 2020 and 2019, respectively, is due to cash being donor-restricted for purpose and not being available.

Note 3 - Contributions Receivable

Contributions receivable estimated to be collected as follows at April 30, 2020 and 2019:

	2020	2019
Within one year	\$ 1,534,667	\$ 1,493,000
In one to five years	1,048,000	1,894,000
	<u>\$ 2,582,667</u>	<u>\$ 3,387,000</u>

Note 4 - Related Party Transactions

Related parties considered herein include USSA Investment Fund (USSAIF), Center of Excellence Properties Fund (COEPF), USSA and its subsidiaries USST, and the officers or trustees of these entities.

United States Ski Team Foundation, Inc.

Notes to Financial Statements

April 30, 2020 and 2019

The Foundation conducts annual fundraising programs to support the core athletic programs of the United States Ski and Snowboard Teams. The funds raised from these programs (net of expenses) are granted annually to USST. Accordingly, grants of \$9,177,590 and \$8,847,107 were awarded to USST during the years ended April 30, 2020 and 2019, respectively.

USSA incurs certain direct administrative and payroll expenses on behalf of the Foundation for which the Foundation reimburses USSA. In addition, the Foundation reimbursed USSA \$192,000 during the years ended April 30, 2020 and 2019 for management and overhead expense. Accounts payable and receivable at April 30, 2020 and 2019 includes amounts due (to) from the following related parties, respectively:

	2020	2019
Due to USSA	\$ (42)	\$ (257)
Due from (to) USST	522,410	(72,176)
	\$ 522,368	\$ (72,433)

USSAIF granted \$126,095 and \$134,093 of scholarship money to the Foundation during the years ended April 30, 2020 and 2019, respectively.

The Foundation is named as a guarantor of the \$7,000,000 line-of-credit to USSA. The outstanding balance on the line was \$1,190,232 and \$97,546 at April 30, 2020 and 2019, respectively. As of July 29, 2020, the balance on the line of credit was \$0. The Foundation is a guarantor on the outstanding balance on the tax-exempt bonds of Center of Excellence Properties LLC. The outstanding balance on the bonds at April 30, 2020 and 2019, was \$16,117,863 and \$16,719,115, respectively. The bonds were used to support the construction of the Center of Excellence training center and headquarters.

Note 5 - Fundraising Programs

The Foundation conducts a variety of fundraising programs and activities in three major areas. Fundraising events include fundraising dinners, receptions, and other similar events conducted across the country. The major gift programs include several donation levels ranging from \$1,000 to \$100,000 or more annually. Each donation level receives a proportionate level of benefits and recognition. The major gift programs include the Olympic hospitality programs where a significant incremental donation is made in addition to the donor's annual giving.

This additional gift supports the training needs of the teams during each quadrennial as the teams prepare for the Olympics. The major gift programs also include the gold pass gift program, which provides each donor with a transferable season ski pass accepted at more than 250 ski resorts across the country provided through the support of the National Ski Areas Association and participating ski resorts. The direct solicitation programs consist of direct mail, telemarketing, and other programs to solicit donations on a broad basis. Certain costs and expenses are incurred to conduct each of the programs and activities, such as the cost of a dinner event or reception.

United States Ski Team Foundation, Inc.

Notes to Financial Statements

April 30, 2020 and 2019

The following summarizes the gross revenue and the costs and expenses to conduct these fundraising programs and activities for the years ended April 30, 2020 and 2019:

	<u>Gross Revenue</u>	<u>Costs and Expenses</u>	<u>Net Revenue</u>
2020			
Champions Club program	\$ 580,000	\$ -	\$ 580,000
Major gift program	5,016,980	(857,074)	4,159,906
Gold pass program	4,718,267	(614,483)	4,103,784
Fundraising events	2,348,623	(585,654)	1,762,969
Direct solicitation and other programs	144,028	(50,543)	93,485
	<u>\$ 12,807,898</u>	<u>\$ (2,107,754)</u>	<u>\$ 10,700,144</u>
	<u>Gross Revenue</u>	<u>Costs and Expenses</u>	<u>Net Revenue</u>
2019			
Champions Club program	\$ 2,914,653	\$ (512,128)	\$ 2,402,525
Major gift program	3,280,583	(1,027,391)	2,253,192
Gold pass program	4,300,874	(555,919)	3,744,955
Fundraising events	2,176,042	(563,423)	1,612,619
Direct solicitation and other programs	165,698	(46,180)	119,518
	<u>\$ 12,837,850</u>	<u>\$ (2,705,041)</u>	<u>\$ 10,132,809</u>

Note 6 - Concentration of Credit Risk

The Foundation primarily maintains its cash and cash equivalent balances at Wells Fargo Bank (Wells Fargo), a financial institution and Charles Schwab & Co. (Schwab), a discount brokerage firm. The following balances summarize total cash and cash equivalents of the Foundation as of April 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Wells Fargo	\$ 953,780	\$ 612,930
Schwab	227,522	68,125
	<u>\$ 1,181,302</u>	<u>\$ 681,055</u>

The Foundation's cash and cash equivalents held with Schwab are fully insured (as to security positions owned, but not as to fluctuations in market value). Cash and cash equivalent accounts with financial institutions are insured by Federal Deposit Insurance Corporation up to \$250,000 per institution at April 30, 2020 and 2019. Uninsured cash and cash equivalent balances aggregate \$703,780 and \$392,589 at April 30, 2020 and 2019, respectively.

Note 7 - Retirement Plan

The Foundation's employees are eligible to participate in the U.S. Ski and Snowboard 401(k) Plan (the Plan) covering substantially all employees under section 401(k) of the Internal Revenue Code. The Plan provides that employees who have attained age 21 and completed one month of service can voluntarily contribute up to the maximum contribution allowed by the IRS. The Foundation can, at its discretion, make a contribution to the plan. Effective September 1, 2017, the Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan and the Foundation makes matching contributions to the Plan. Automatically enrolled participants have their deferral rate set at 1% of eligible compensation and their contributions invested in a designated age-based fund until changed by the participant. For the years ended April 30, 2020 and 2019, there was approximately \$16,000 and \$6,000 of employer contributions to the Plan, respectively.

Note 8 - Functionalized Expenses

The following schedule presents the natural classification of expense by function for the year ended April 30, 2020:

	Program Services									
	Champions Club Program Fulfillment	Annual Major Gift Fulfillment	Gold Pass	Direct Solicitation and Other Programs	Fundraising Events Fulfillment	Grants to USSA Athletic Programs	Total	General and Administration	Fundraising	Total
Salaries, wages and benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 937,497	\$ 937,497
Payroll taxes	-	-	-	-	-	-	-	-	187,500	187,500
Professional services	-	-	-	6,614	-	-	6,614	34,200	29,843	70,657
Legal fees	-	-	-	-	-	-	-	20,000	-	20,000
Communication and promotion	-	-	20,136	-	-	-	20,136	34,000	-	54,136
Office expenses	-	-	36,448	6,999	21,210	-	64,657	-	148,335	212,992
Information technology	-	-	-	-	-	-	-	25,000	-	25,000
Occupancy	-	-	-	-	-	-	-	35,000	-	35,000
Travel	-	50,796	820	-	69,517	-	121,133	-	31,446	152,579
Conferences and meetings	-	177,335	-	-	-	-	177,335	-	-	177,335
Insurance	-	-	-	-	-	-	-	25,000	-	25,000
Fulfillment	-	253,376	-	-	-	-	253,376	-	-	253,376
Cost of sales	-	-	-	-	453,959	-	453,959	-	-	453,959
Cost of direct benefits to donors	-	-	557,079	36,930	40,968	-	634,977	-	-	634,977
Depreciation	-	-	-	-	-	-	-	-	1,076	1,076
Other	-	-	-	-	-	-	-	18,800	-	18,800
Grants and other assistance	-	375,567	-	-	-	9,177,590	9,553,157	-	-	9,553,157
	\$ -	\$ 857,074	\$ 614,483	\$ 50,543	\$ 585,654	\$ 9,177,590	\$ 11,285,344	\$ 192,000	\$ 1,335,697	\$ 12,813,041

United States Ski Team Foundation, Inc.

Notes to Financial Statements

April 30, 2020 and 2019

The following schedule presents the natural classification of expense by function for the year ended April 30, 2019:

	Program Services									
	Champions Club Program Fulfillment	Annual Major Gift Fulfillment	Gold Pass	Direct Solicitation and Other Programs	Fundraising Events Fulfillment	Grants to USSA Athletic Programs	Total	General and Administration	Fundraising	Total
Salaries, wages and benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 824,627	\$ 824,627
Payroll taxes	-	-	-	-	-	-	-	-	150,724	150,724
Professional services	-	-	-	26,670	-	-	26,670	34,200	4,500	65,370
Legal fees	-	-	-	-	-	-	-	20,000	-	20,000
Communication and promotion	-	-	3,657	-	-	-	3,657	34,000	-	37,657
Office expenses	1,390	16	41,001	4,521	29,969	-	76,897	-	67,070	143,967
Information technology	-	-	-	-	-	-	-	25,000	-	25,000
Occupancy	-	-	-	-	-	-	-	35,000	-	35,000
Travel	242,382	49,230	455	-	74,776	-	366,843	-	61,148	427,991
Conferences and meetings	-	157,074	-	-	-	-	157,074	-	-	157,074
Insurance	-	-	-	-	-	-	-	25,000	-	25,000
Fulfillment	7,062	162,856	-	-	-	-	169,918	-	-	169,918
Cost of sales	-	-	-	-	414,290	-	414,290	-	-	414,290
Cost of direct benefits to donors	131,294	61,316	510,806	14,989	44,388	-	762,793	-	-	762,793
Depreciation	-	-	-	-	-	-	-	-	1,617	1,617
Bad debt expense	130,000	-	-	-	-	-	130,000	-	-	130,000
Other	-	-	-	-	-	-	-	18,800	-	18,800
Grants and other assistance	-	596,899	-	-	-	8,847,107	9,444,006	-	-	9,444,006
	<u>\$ 512,128</u>	<u>\$ 1,027,391</u>	<u>\$ 555,919</u>	<u>\$ 46,180</u>	<u>\$ 563,423</u>	<u>\$ 8,847,107</u>	<u>\$ 11,552,148</u>	<u>\$ 192,000</u>	<u>\$ 1,109,686</u>	<u>\$ 12,853,834</u>

Note 9 - Adjustment

During the year ended April 30, 2020, the Foundation identified a required adjustment within the 2019 financial statements related to revenue and contributions and the corresponding fulfillment expense associated with the Champions Club and annual major gift programs. The effect of the adjustment on the 2019 statement of activities was a reduction of revenue of \$610,000 and a corresponding reduction in fulfillment expense of \$610,000. The Foundation adjusted its previously issued financial statements to appropriately reflect the amounts for the year ended April 30, 2019. Together with this correction, management also concluded to reclassify the Champions Club revenue and contributions, and associated fulfillment expense, from the annual major gift program grouping to the Champions Club program grouping on the statement of activities. The adjustment and reclassifications had no effect on net assets or the change in net assets for the Foundation.

United States Ski Team Foundation, Inc.

Notes to Financial Statements

April 30, 2020 and 2019

The following is a summary of the effects of the adjustment and reclassification in the Foundation's April 30, 2019, statement of activities:

	As Previously Reported	Adjustment	As Adjusted
Champions Club program			
Revenue and contributions	\$ 929,528	\$ 1,985,125	\$ 2,914,653
Fulfillment expense	(537,396)	25,268	(512,128)
Net	<u>392,132</u>	<u>2,010,393</u>	<u>2,402,525</u>
Annual major gift program			
Revenue and contributions	5,875,708	(2,595,125)	3,280,583
Fulfillment expense	(1,612,123)	584,732	(1,027,391)
Net	<u>4,263,585</u>	<u>(2,010,393)</u>	<u>2,253,192</u>

Note 10 - Subsequent Events

General Operations

Subsequent to year-end, the continuation of the outbreak of the novel Coronavirus pandemic, or COVID-19, has significantly increased risk and uncertainties in the global economy including the activities in which the Foundation operates. The Foundation is closely monitoring their operations, liquidity, and capital resources and is actively working to minimize the current and future impact of this unprecedented situation. As of the date of issuance of these financial statements, the full impact to the Foundation's financial position is not known.

Subsequent events have been evaluated through July 29, 2020, which is the date the financial statements were available to be issued.