

Consolidated Financial Statements and
Report of Independent Certified Public
Accountants and Single Audit Reports

Alzheimer's Association

June 30, 2023 and 2022

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
Alzheimer's Association

Report on the financial statements**Opinion**

We have audited the consolidated financial statements of Alzheimer's Association and affiliates (a nonprofit organization) (the "Entity"), which comprise the consolidated statements of financial position as of June 30, 2023 and 2022, and the related consolidated 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 accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Entity as of June 30, 2023 and 2022, 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.

Basis for opinion

We conducted our audits of the consolidated financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 Entity 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 consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Entity's ability to continue as a going concern for one year after the date 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 consolidated 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 US GAAS and *Government 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 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 consolidated financial statements.

In performing an audit in accordance with US GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 Entity'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Entity'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.

Supplementary information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position and activities as of and for the years ended June 30, 2023 and 2022, the schedule of expenditures of federal awards for the year ended June 30, 2023, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the schedule of expenditure of Wisconsin state awards for the year ended June 30, 2023, as required by the State of Wisconsin Department of Health Services Audit Guide, and the schedule of expenditures of Florida state financial assistance for the year ended June 30, 2023, as required by Chapter 10.650, Rules of the Auditor General, and the Florida Single Audit Act (Section 215.97, Florida Statutes), are presented for

purposes of additional analysis and are not a required part of the consolidated financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures. These additional procedures included comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with US GAAS. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other reporting required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2023 on our consideration of the Entity's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Entity's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Entity's internal control over financial reporting and compliance.

Grant Thornton LLP

Chicago, Illinois
October 23, 2023

Alzheimer's Association

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

**June 30,
(In thousands)**

| | 2023 | 2022 |
|--|-------------------|-------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 33,805 | \$ 34,572 |
| Pledges receivable, net | 70,014 | 65,767 |
| Other receivables | 9,127 | 7,215 |
| Inventories of education materials, at cost | 1,140 | 994 |
| Investments | 293,712 | 318,371 |
| Prepaid expenses | 6,890 | 7,894 |
| Assets held in trust | 46 | 290 |
| Fixed assets, net | 22,544 | 23,048 |
| Right-of-use operating assets | 40,680 | - |
| Beneficial interest in split-interest agreements | 6,432 | 7,035 |
| Beneficial interest in perpetual trusts | 28,567 | 27,908 |
| Other assets | 770 | 791 |
| | \$ 513,727 | \$ 493,885 |
| Total assets | \$ 513,727 | \$ 493,885 |
| LIABILITIES AND NET ASSETS | | |
| Liabilities | | |
| Accounts payable | \$ 9,222 | \$ 12,838 |
| Grants payable, net | 119,715 | 113,364 |
| Deferred compensation payable | 822 | 1,046 |
| Accrued expenses and other liabilities | 29,270 | 27,226 |
| Self-insurance reserve | 1,469 | 1,713 |
| Gift annuity obligations | 5,897 | 5,473 |
| Contract liability | 5,329 | 3,138 |
| Operating lease obligations | 48,247 | - |
| Deferred rent | - | 8,355 |
| | 219,971 | 173,153 |
| Total liabilities | 219,971 | 173,153 |
| Net assets | | |
| Without donor restrictions | 145,884 | 183,558 |
| With donor restrictions | 147,872 | 137,174 |
| | 293,756 | 320,732 |
| Total net assets | 293,756 | 320,732 |
| Total liabilities and net assets | \$ 513,727 | \$ 493,885 |

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

Alzheimer's Association

CONSOLIDATED STATEMENT OF ACTIVITIES

Year ended June 30, 2023

(In thousands)

| | Without Donor Restrictions | With Donor Restrictions | Total |
|--|-------------------------------|----------------------------|-------------|
| Revenues, gains and other support | | | |
| Contributions | | | |
| Cash and other financial assets | \$ 324,411 | \$ 79,575 | \$ 403,986 |
| Non-financial assets | 11,082 | - | 11,082 |
| Conference registration and other | 9,516 | - | 9,516 |
| Dividends and interest, net of investment-related expenses | 7,512 | 1,300 | 8,812 |
| Net assets released from restrictions | 69,180 | (69,180) | - |
| | <hr/> | <hr/> | <hr/> |
| Total revenues, gains and other support | 421,701 | 11,695 | 433,396 |
| Expenses | | | |
| Program services | | | |
| Care, support and risk reduction | 118,483 | - | 118,483 |
| Research | 100,125 | - | 100,125 |
| Concern and awareness | 111,973 | - | 111,973 |
| Diversity, equity, and inclusion | 9,469 | - | 9,469 |
| Public policy | 28,413 | - | 28,413 |
| Mission engagement | 2,411 | - | 2,411 |
| | <hr/> | <hr/> | <hr/> |
| Total program services | 370,874 | - | 370,874 |
| Supporting services | | | |
| Fundraising | 84,051 | - | 84,051 |
| Management and general | 18,744 | - | 18,744 |
| | <hr/> | <hr/> | <hr/> |
| Total supporting services | 102,795 | - | 102,795 |
| Total expenses | 473,669 | - | 473,669 |
| | <hr/> | <hr/> | <hr/> |
| (Deficiency) excess from operations | (51,968) | 11,695 | (40,273) |
| Other changes in net assets | | | |
| Net realized and unrealized gains (losses) in value of investments | 15,323 | (804) | 14,519 |
| Change in value of split-interest agreements | (255) | (762) | (1,017) |
| Change in value of perpetual trusts | 67 | 569 | 636 |
| Bad debt expense | (841) | - | (841) |
| | <hr/> | <hr/> | <hr/> |
| Total other changes in net assets | 14,294 | (997) | 13,297 |
| | <hr/> | <hr/> | <hr/> |
| CHANGE IN NET ASSETS | (37,674) | 10,698 | (26,976) |
| Net assets at beginning of year | 183,558 | 137,174 | 320,732 |
| | <hr/> | <hr/> | <hr/> |
| Net assets at end of year | \$ 145,884 | \$ 147,872 | \$ 293,756 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

The accompanying notes are an integral part of this consolidated financial statement.

Alzheimer's Association

CONSOLIDATED STATEMENT OF ACTIVITIES

Year ended June 30, 2022

(In thousands)

| | Without Donor Restrictions | With Donor Restrictions | Total |
|--|-------------------------------|----------------------------|------------|
| Revenues, gains and other support | | | |
| Contributions | | | |
| Cash and other financial assets | \$ 379,347 | \$ 70,271 | \$ 449,618 |
| Non-financial assets | 8,506 | 51 | 8,557 |
| Conference registration and other | 7,760 | - | 7,760 |
| Dividends and interest, net of investment-related expenses | 10,742 | 1,674 | 12,416 |
| Net assets released from restrictions | 70,928 | (70,928) | - |
| | <hr/> | <hr/> | <hr/> |
| Total revenues, gains and other support | 477,283 | 1,068 | 478,351 |
| Expenses | | | |
| Program services | | | |
| Care, support and risk reduction | 108,934 | - | 108,934 |
| Research | 91,959 | - | 91,959 |
| Concern and awareness | 115,768 | - | 115,768 |
| Diversity, equity, and inclusion | 7,094 | - | 7,094 |
| Public policy | 26,554 | - | 26,554 |
| Mission engagement | 2,735 | - | 2,735 |
| | <hr/> | <hr/> | <hr/> |
| Total program services | 353,044 | - | 353,044 |
| Supporting services | | | |
| Fundraising | 75,791 | - | 75,791 |
| Management and general | 18,548 | - | 18,548 |
| | <hr/> | <hr/> | <hr/> |
| Total supporting services | 94,339 | - | 94,339 |
| | <hr/> | <hr/> | <hr/> |
| Total expenses | 447,383 | - | 447,383 |
| | <hr/> | <hr/> | <hr/> |
| Excess from operations | 29,900 | 1,068 | 30,968 |
| Other changes in net assets | | | |
| Net realized and unrealized losses in value of investments | (56,986) | (3,278) | (60,264) |
| Change in value of split-interest agreements | (426) | (375) | (801) |
| Change in value of perpetual trusts | - | (3,641) | (3,641) |
| Bad debt expense | (1,581) | - | (1,581) |
| | <hr/> | <hr/> | <hr/> |
| Total other changes in net assets | (58,993) | (7,294) | (66,287) |
| | <hr/> | <hr/> | <hr/> |
| CHANGE IN NET ASSETS | (29,093) | (6,226) | (35,319) |
| Net assets at beginning of year | 212,651 | 143,400 | 356,051 |
| | <hr/> | <hr/> | <hr/> |
| Net assets at end of year | \$ 183,558 | \$ 137,174 | \$ 320,732 |
| | <hr/> | <hr/> | <hr/> |

The accompanying notes are an integral part of this consolidated financial statement.

Alzheimer's Association

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year ended June 30, 2023

(In thousands)

| | Program Services | | | | | | Supporting Services | | | Total | |
|------------------------------------|----------------------------------|-------------------|-----------------------|----------------------------------|------------------|--------------------|------------------------|------------------|------------------------|-------------------|---------------------------|
| | Care, support and risk reduction | Research | Concern and awareness | Diversity, equity, and inclusion | Public policy | Mission engagement | Total program services | Fundraising | Management and general | | Total supporting services |
| Salaries and related benefits | \$ 82,618 | \$ 9,430 | \$ 52,475 | \$ 6,064 | \$ 13,357 | \$ 1,052 | \$ 164,996 | \$ 50,025 | \$ 6,956 | \$ 56,981 | \$ 221,977 |
| Grants and funded research | 1,570 | 71,299 | - | - | 9,908 | - | 82,777 | - | - | - | 82,777 |
| Professional fees and consultants | 9,196 | 3,326 | 11,829 | 538 | 1,400 | 913 | 27,202 | 9,558 | 1,945 | 11,503 | 38,705 |
| Telephone, postage and supplies | 2,423 | 523 | 6,922 | 190 | 277 | 3 | 10,338 | 3,907 | 2,229 | 6,136 | 16,474 |
| Occupancy | 7,322 | 1,375 | 5,833 | 988 | 1,421 | 6 | 16,945 | 3,511 | 3,625 | 7,136 | 24,081 |
| Conferences and meetings | 4,443 | 6,831 | 7,401 | 529 | 1,086 | 32 | 20,322 | 7,218 | 687 | 7,905 | 28,227 |
| Printing and promotions | 2,928 | 2,875 | 25,328 | 791 | 129 | 371 | 32,422 | 6,947 | 1,986 | 8,933 | 41,355 |
| Miscellaneous | 6,829 | 4,337 | 1,463 | 205 | 599 | 4 | 13,437 | 2,333 | 735 | 3,068 | 16,505 |
| Total expenses before depreciation | 117,329 | 99,996 | 111,251 | 9,305 | 28,177 | 2,381 | 368,439 | 83,499 | 18,163 | 101,662 | 470,101 |
| Depreciation | 1,154 | 129 | 722 | 164 | 236 | 30 | 2,435 | 552 | 581 | 1,133 | 3,568 |
| Total expenses | <u>\$ 118,483</u> | <u>\$ 100,125</u> | <u>\$ 111,973</u> | <u>\$ 9,469</u> | <u>\$ 28,413</u> | <u>\$ 2,411</u> | <u>\$ 370,874</u> | <u>\$ 84,051</u> | <u>\$ 18,744</u> | <u>\$ 102,795</u> | <u>\$ 473,669</u> |

The accompanying notes are an integral part of this consolidated financial statement.

Alzheimer's Association

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year ended June 30, 2022
(In thousands)

| | Program Services | | | | | | Supporting Services | | | Total | |
|------------------------------------|----------------------------------|------------------|-----------------------|----------------------------------|------------------|--------------------|------------------------|------------------|------------------------|------------------|---------------------------|
| | Care, support and risk reduction | Research | Concern and awareness | Diversity, equity, and inclusion | Public policy | Mission engagement | Total program services | Fundraising | Management and general | | Total supporting services |
| Salaries and related benefits | \$ 76,521 | \$ 7,709 | \$ 45,416 | \$ 4,445 | \$ 12,204 | \$ 741 | \$ 147,036 | \$ 44,277 | \$ 4,528 | \$ 48,805 | \$ 195,841 |
| Grants and funded research | 3,195 | 70,119 | - | - | 10,019 | - | 83,333 | - | - | - | 83,333 |
| Professional fees and consultants | 9,049 | 4,056 | 12,395 | 659 | 1,448 | 1,485 | 29,092 | 9,567 | 2,436 | 12,003 | 41,095 |
| Telephone, postage and supplies | 2,807 | 437 | 7,764 | 243 | 351 | 3 | 11,605 | 4,258 | 2,449 | 6,707 | 18,312 |
| Occupancy | 6,518 | 1,154 | 4,137 | 822 | 1,123 | 2 | 13,756 | 2,926 | 3,317 | 6,243 | 19,999 |
| Conferences and meetings | 1,677 | 2,381 | 5,306 | 154 | 617 | 7 | 10,142 | 5,719 | 167 | 5,886 | 16,028 |
| Printing and promotions | 2,995 | 1,836 | 38,411 | 388 | 61 | 468 | 44,159 | 7,036 | 1,873 | 8,909 | 53,068 |
| Miscellaneous | 5,085 | 4,161 | 1,677 | 238 | 534 | 2 | 11,697 | 1,520 | 3,221 | 4,741 | 16,438 |
| Total expenses before depreciation | 107,847 | 91,853 | 115,106 | 6,949 | 26,357 | 2,708 | 350,820 | 75,303 | 17,991 | 93,294 | 444,114 |
| Depreciation | 1,087 | 106 | 662 | 145 | 197 | 27 | 2,224 | 488 | 557 | 1,045 | 3,269 |
| Total expenses | <u>\$ 108,934</u> | <u>\$ 91,959</u> | <u>\$ 115,768</u> | <u>\$ 7,094</u> | <u>\$ 26,554</u> | <u>\$ 2,735</u> | <u>\$ 353,044</u> | <u>\$ 75,791</u> | <u>\$ 18,548</u> | <u>\$ 94,339</u> | <u>\$ 447,383</u> |

The accompanying notes are an integral part of this consolidated financial statement.

Alzheimer's Association

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended June 30,
(In thousands)

| | 2023 | 2022 |
|--|------------------|------------------|
| Cash flows from operating activities: | | |
| Change in net assets | \$ (26,976) | \$ (35,319) |
| Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities: | | |
| Depreciation | 3,568 | 3,269 |
| Net realized and unrealized (gains) losses in value of investments | (14,519) | 60,264 |
| (Increase) decrease in pledges and other receivables | (6,159) | 5,594 |
| Decrease (increase) in inventories and prepaid expenses | 858 | (1,080) |
| Decrease in right-of-use operating assets | 3,264 | - |
| Increase in payables and accrued expenses | 4,311 | 29,934 |
| Increase (decrease) in contract liability | 2,191 | (344) |
| (Decrease) increase in operating lease obligations and deferred rent | (4,052) | 541 |
| Decrease in beneficial interest in split-interest agreements | 603 | 423 |
| Change in value of perpetual trusts | (659) | 3,575 |
| Increase in gift annuity obligations | 424 | 473 |
| Contributions restricted for long-term investment | 252 | 3 |
| Decrease in other assets | 21 | 31 |
| | (36,873) | 67,364 |
| Net cash (used in) provided by operating activities | | |
| Cash flows from investing activities: | | |
| Purchase of fixed assets | (3,064) | (5,210) |
| Proceeds from sale of investments | 96,564 | 316,578 |
| Purchases of investments | (56,018) | (370,017) |
| | 37,482 | (58,649) |
| Net cash provided by (used in) investing activities | | |
| Cash flows from financing activities: | | |
| Proceeds from contributions restricted for long-term investment | (252) | (3) |
| Investment subject to annuity agreement | 604 | 587 |
| Payment of annuity obligations | (1,728) | (1,314) |
| | (1,376) | (730) |
| Net cash used in financing activities | | |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | (767) | 7,985 |
| Cash and cash equivalents at beginning of year | 34,572 | 26,587 |
| Cash and cash equivalents at end of year | \$ 33,805 | \$ 34,572 |
| Noncash transactions | | |
| Lease liabilities arising from obtaining right-of-use operating assets | \$ (52,299) | \$ - |

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

Alzheimer's Association

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2023 and 2022

NOTE A - ORGANIZATION AND BASIS OF CONSOLIDATION

The accompanying consolidated financial statements include the accounts of the Alzheimer's Association, Alzheimer's Impact Movement (AIM), Alzheimer's Impact Movement Political Action Committee (AIMPAC), Alzheimer's Association International and the Coalition of New York State Alzheimer's Association Chapters, Inc. (Coalition) (together, the Association). All significant intercompany balances and transactions have been eliminated in consolidation.

The Alzheimer's Association, incorporated as the Alzheimer's Disease and Related Disorders Association, Inc., is a not-for-profit, tax-exempt organization dedicated to achieving its mission: the Alzheimer's Association leads the way to end Alzheimer's and all other dementia - by accelerating global research, driving risk reduction and early detection, and maximizing quality care and support. The Association's mission is carried out through care, support and risk reduction; research; concern and awareness; diversity, equity, and inclusion; public policy; and mission engagement. The Association's primary sources of revenue and support are contributions from the public, corporations and foundations.

AIM is a non-partisan, non-profit advocacy organization working in strategic partnership with the Alzheimer's Association to make Alzheimer's disease a national priority. AIM's mission is to advance and develop policies to overcome Alzheimer's disease through increased investment in research, enhanced care and improved support.

AIMPAC is a voluntary, non-partisan political action committee to support and elect federal congressional candidates who are committed to ending Alzheimer's disease in our lifetimes. AIMPAC, the political arm of AIM, is integral in educating members of Congress about critical Alzheimer's issues in support of the policy priorities of the Alzheimer's Association, to fight for a better life for the millions of Americans who live with Alzheimer's, and to ensure the voice of the Alzheimer's community is heard in the halls of Congress.

Alzheimer's Association International is a not-for-profit Canadian entity, dedicated to promoting health by providing enhanced care and support services for individuals affected by Alzheimer's disease and related disorders, and to advancing education by facilitating and supporting research on the treatment of Alzheimer's disease and related disorders in Canada. The Alzheimer's Association International's primary sources of revenue and support are contributions from the public.

The purpose of the Coalition of New York State Alzheimer's Association Chapters, Inc. is to advocate on behalf of all New Yorkers affected by Alzheimer's disease and dementia, draft and submit grant proposals in the name of the Coalition, receive and distribute funds made available to the collective interests of the subcontractors, and represent all subcontractors in matters involving the collective interests of the membership.

The Association oversees the operations and activities for 75 chapters to facilitate strategic alignment, deliver on the overarching Association-wide strategic objectives and priority activities, and to ensure coverage for all geographic territories.

Alzheimer's Association

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2023 and 2022

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Contributions and Revenues

All contributions are considered available for the general programs of the Association unless specifically restricted by the donor. The Association reports monetary gifts as support with donor restrictions if they are received with donor stipulations that limit the use of donated assets, are subject to time or legal restriction, or those assets for which donors require principal of the gift to be maintained in perpetuity. A donor restriction expires when a stipulated time or legal restriction ends or when a purpose restriction is accomplished. Upon expiration, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

Conditional promises to give and intentions to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met.

In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers* (ASC 606), the Association recognizes conference registration and other revenue when control of the promised goods or services is transferred to outside parties in an amount that reflects the consideration the Association expects to be entitled to in exchange for those goods or services.

The Association recognizes revenue in accordance with ASC 958-605. In accordance with this guidance, the Association evaluates whether a transfer of assets is (1) an exchange transaction in which a resource provider is receiving commensurate value in return for the resources transferred or (2) a contribution. If the transfer of assets is determined to be an exchange transaction, the Association applies guidance under ASC 606. If the transfer of assets is determined to be a contribution, the Association evaluates whether the contribution is conditional based upon whether agreement includes both (1) one or more barriers that must be overcome before the Association is entitled to the assets transferred and promised and (2) a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets.

As of June 30, 2023 and 2022, \$7,462,000 and \$12,937,000, respectively, of cost reimbursement grants have not been received or recognized as revenue because qualifying expenditures have not yet been incurred.

Pledges Receivable

For discounting purposes, pledges receivable are classified as either collectible in one year or less or collectible in multiple years. Those receivables deemed collectible in one year or less are stated at their full face value. Those classified as multi-year pledges are stated at their net present value using a risk-adjusted discount rate assigned in the year the respective pledge originates and is not subsequently revised.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Although estimates are considered to be fairly stated at the time the estimates are made, actual results could differ from those estimates.

Alzheimer's Association

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2023 and 2022

Allowances for Uncollectible Amounts

The Association evaluates the collectability of its pledges receivable based on the length of time the receivable is outstanding, historical experience, and an assessment of business and economic conditions. The receivables are charged to the allowance for uncollectible amounts when they are deemed uncollectible.

Fair Value of Financial Instruments

U.S. GAAP defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the inputs used to measure fair value and specifies disclosure requirements for fair value measurements. Furthermore, the Association maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances. The fair value hierarchy is broken down into three levels based on the transparency of inputs as follows:

- Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the report date. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.
- Level 2 - Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the report date. The nature of these securities includes investments for which quoted prices are available but that are traded less frequently and investments that are fair valued using other securities, the parameters of which can be directly observed.
- Level 3 - Assets that have little to no pricing observability as of the report date. These assets are measured using management's best estimate of fair value, where the inputs into the determination of fair value are not observable and require significant management judgment or estimation.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement; however, the determination of what constitutes observable requires significant judgment by the Association. The Association considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the fair value hierarchy is based on the pricing transparency of the instrument and does not necessarily correspond to the Association's perceived risk of that instrument.

Valuation of Investments and Financial Instruments

Investments with values that are based on quoted market prices in active markets classified within Level 1 include active listed equities, fixed income funds, and real estate investment trusts, as well as assets held in trust - mutual funds.

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Investments that trade in markets that are not considered to be active, but that are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs, are classified within Level 2. Level 2 investments include U.S. government agency securities.

Investments and financial instruments classified within Level 3 have significant unobservable inputs, as they trade infrequently or not at all. The valuation of the beneficial interest in the split-interest agreements and perpetual trusts fall under Level 3, as there are no significant observable inputs. The trust valuations are based on assumptions about the present value of distributions to be received from the trusts.

The inputs used by the Association in estimating the Level 3 beneficial interest in the split-interest agreements and perpetual trusts include mark-to-market adjustments, annuitant life expectancy and future asset growth. Assumptions used by the Association due to the lack of observable inputs may significantly impact the resulting fair value of the investments, beneficial interest in the split-interest agreements and perpetual trusts and, therefore, the Association's changes in net assets.

In the absence of readily ascertainable market values, investments that do not have quoted market prices available were based on each funds' respective net asset value (NAV) and were supplied by management of the funds.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and certificates of deposit with short-term maturities of three months or less.

Assets Held in Trust

Investments held in trust are carried at fair value. The investments represent contributions to 457(b) plans for key employees. See Note G for additional information about the terms of these plans.

Fixed Assets

Building, furniture, equipment and leasehold improvements are stated at cost or, if donated, at fair value at the date of donation. The Association capitalizes individual purchases greater than \$2,500. Depreciation on furniture and equipment is provided on a straight-line basis over the estimated useful lives (three to seven years) of the assets. Depreciation on the building or building improvements are provided on a straight-line basis over the estimated useful life (up to 39 years). Amortization of leasehold improvements is provided on a straight-line basis for the remaining life of the lease.

Leases

The Association has operating lease agreements for office space, storage space and office equipment expiring in various years through 2032. Certain operating leases provide for renewal options for periods from 1 to 10 years. Additionally, certain operating leases provide the option to terminate a lease early upon approval of both the lessor and lessee. In some cases, the Association is required to make additional payments under facility operating leases for taxes, insurance and other operating expenses incurred during the operating lease period. The Association determines if a contract contains a lease when the contract conveys the right to control the use of identified property, plant or equipment for a period of time in exchange for consideration. Upon such identification and commencement of a lease, the Association establishes a right-of-use (ROU) operating asset and an operating lease obligation in the consolidated statements of financial position.

A lease component is defined as an asset within the lease contract that a lessee can benefit from the use of and is not highly dependent or interrelated with other assets in the arrangement. A lease contract may contain multiple lease components. A non-lease component is defined as a component of the lease that

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

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transfers a good or service for the underlying asset, such as maintenance services. The Association has not elected to use the practical expedient to include both the lease component and the non-lease component as a single component when accounting for each lease and calculating the resulting lease liability and ROU asset. Any remaining contract consideration, such as property taxes and insurance, that does not meet the definition of a lease component or non-lease component would be allocated to the single lease component based on the election.

The lease liability represents future lease payments for lease and non-lease components discounted for present value. Lease payments that may be included in the lease liability include fixed payments, variable lease payments that are based on an index or rate and payments for penalties for terminating the lease if the lessee is reasonably certain to use a termination option, among others. Certain leases contain rent escalation clauses that are specifically stated in the lease and these are included in the calculation of the lease liability. Variable lease payments for lease and non-lease components which are not based on an index or rate are excluded from the calculation of the lease liability and are recognized in the consolidated statements of activities during the period incurred.

The ROU asset consists of the amount of the initial measurement of the lease liability and adjusted for any lease incentives, including rent abatements and tenant improvement allowances, and any initial direct costs incurred by the lessee. The ROU asset is amortized over the remaining lease term on a straight-line basis.

The lease term is determined by taking into account the initial period as stated in the lease contract and adjusted for any renewal options that the Association is reasonably certain to exercise as well as any period of time that the lessee has control of the space before the stated initial term of the lease.

The Association has elected to use a risk-free rate to determine the net present value of gross lease obligations when calculating the lease liability and related ROU asset. The risk-free rate is determined at lease commencement or lease modification and represents the 10-year treasury rate.

Grants Payable

The Association awards research grants generally covering a period of one to four years. Grant expense is recorded as an unconditional promise to give upon approval of the grant and notification to the grantee.

Committed grant expenditures are considered incurred at the time of approval provided the grant has no specified conditions to be met in a future period. For conditional grants, the grant expenditure and liability are recognized and recorded in the accounting period when the Association determines that the specified conditions are met.

Contract Liability

Revenue received for events and conferences to be held in a subsequent period are recognized as a contract liability. These revenues are recorded in the period in which the event or conference is held.

Advertising Expense

Advertising expense is recorded in the period in which the advertising first takes place. Advertising expenses were approximately \$16,956,000 and \$27,912,000 for the years ended June 30, 2023 and 2022, respectively.

Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the consolidated statements of activities. Accordingly, certain categories of expenses are attributable to more

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2023 and 2022

than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Such allocations are determined by management on an equitable basis.

The expenses that are allocated and their method of allocation include the following:

| <u>Expense</u> | <u>Method of Allocation</u> |
|-----------------------------------|-----------------------------|
| Salaries and related benefits | Time and effort |
| Grants and funded research | Time and effort |
| Professional fees and consultants | Time and effort |
| Telephone, postage and supplies | Time and effort |
| Occupancy | Time and effort |
| Conferences and meetings | Time and effort |
| Printing and promotions | Time and effort |
| Miscellaneous | Time and effort |
| Depreciation | Time and effort |

Income Taxes

The Association and AIM have received favorable determination letters from the Internal Revenue Service stating that they are exempt from federal income taxes under the provisions of Section 501(a) of the Internal Revenue Code of 1986 (IRC), as organizations described in Sections 501(c)(3) and 501(c)(4), respectively, except for income taxes pertaining to unrelated business income. AIMPAC is a political action committee organization exempt from federal taxes under Section 527 of the IRC. The Alzheimer's Association International is a not-for-profit Canadian entity. The Coalition is a not-for-profit organization exempt from federal income tax under Section 501(c)(3) of the IRC and has not been classified as a private foundation; therefore, no provision for income taxes has been made in the consolidated financial statements.

FASB issued guidance that requires tax effects from uncertain tax positions to be recognized in the consolidated financial statements only if the position is more likely than not to be sustained if the position were to be challenged by a taxing authority. Management has determined there are no material uncertain tax positions that require recognition in the consolidated financial statements and, as such, no provision for income taxes is reflected. Additionally, there are no interest or penalties recognized in the consolidated statements of activities or statements of financial position.

New Accounting Pronouncement

In February 2016, the FASB issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*, which requires organizations that lease assets (lessees) to recognize the assets and related liabilities for the rights and obligations created by the leases on the statements of financial position for leases with terms exceeding 12 months. ASU 2016-02 defines a lease as a contract or part of a contract that conveys the right to control the use of identified assets for a period of time in exchange for consideration. The lessee in a lease will be required to initially measure the ROU asset and the lease liability at the present value of the remaining lease payments, as well as capitalize initial direct costs as part of the ROU asset. The Association adopted ASU 2016-02 for the year ending June 30, 2023 using the current period adjustment method resulting in a ROU asset and lease liability of \$43,988,000 upon adoption.

NOTE C - AVAILABILITY AND LIQUIDITY

The Association regularly monitors the availability of resources required to meet its operating needs and other commitments, while also striving to maximize the investment of its available funds. The following

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2023 and 2022

represents the Association's financial assets available to meet general expenditures within one year at June 30, (dollars in thousands):

| | <u>2023</u> | <u>2022</u> |
|---|-------------------|-------------------|
| Financial assets at year end: | | |
| Cash and cash equivalents | \$ 33,805 | \$ 34,572 |
| Pledges receivable, net | 70,014 | 65,767 |
| Other receivables | 9,127 | 7,215 |
| Investments | <u>293,712</u> | <u>318,371</u> |
| Total financial assets | 406,658 | 425,925 |
| Less: amounts not available to be used within one year | | |
| Charitable gift annuities | (14,500) | (12,671) |
| Illiquid investments | (2,190) | - |
| Net assets with donor restrictions | (147,872) | (137,174) |
| Add: net assets with donor restrictions to be met in less than a year | <u>70,179</u> | <u>69,719</u> |
| Total financial assets not available to be used within one year | <u>(94,383)</u> | <u>(80,126)</u> |
| Financial assets available to meet general expenditures within one year | <u>\$ 312,275</u> | <u>\$ 345,799</u> |

The Association's goal is generally to maintain financial assets without donor restrictions to meet a minimum of 90 days of operating expenses and maintain liquidity sufficient to meet obligations as they arise over time.

NOTE D - PLEDGES RECEIVABLE

Pledges receivable, net of estimated uncollectible amounts and discounted to present value, are due to be collected as follows at June 30, (dollars in thousands):

| | <u>2023</u> | <u>2022</u> |
|------------------------------------|------------------|------------------|
| Less than one year | \$ 51,448 | \$ 43,488 |
| One to five years | 21,779 | 25,397 |
| Over five years | <u>25</u> | <u>25</u> |
| Total pledges receivable | 73,252 | 68,910 |
| Less: | | |
| Unamortized discount | (530) | (499) |
| Allowance for uncollectible amount | <u>(2,708)</u> | <u>(2,644)</u> |
| Pledges receivable, net | <u>\$ 70,014</u> | <u>\$ 65,767</u> |

As of June 30, 2023 and 2022, discount rates on pledges receivable ranged from 0.653% to 2.894% and 0.653% to 2.847%, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2023 and 2022

NOTE E - INVESTMENTS

The fair value of investments is as follows at June 30, (dollars in thousands):

| | <u>2023</u> | <u>2022</u> |
|-----------------------------------|-------------------|-------------------|
| Short-term reserves and cash | \$ 3,756 | \$ 3,656 |
| Fixed income funds | 123,327 | 158,312 |
| Equity funds | 142,846 | 135,946 |
| Real estate investment trusts | 8,764 | 9,148 |
| U.S. government agency securities | 1,202 | 380 |
| Limited partnership | 5,825 | 5,226 |
| Commingled trust fund | 5,802 | 5,703 |
| Private equity | 2,190 | - |
| Total | <u>\$ 293,712</u> | <u>\$ 318,371</u> |

Investment fees incurred totaled approximately \$1,057,000 and \$270,000 for the years ended June 30, 2023 and 2022, respectively, which were netted with dividends and interest income.

NOTE F - FAIR VALUE OF FINANCIAL INSTRUMENTS

Investments in limited partnerships, commingled trust funds, and private equity are generally valued at NAV which is an estimated fair value based on their proportionate share of the funds' fair value as recorded in the funds' audited financial statements. These funds allocate gains, losses and expenses to the partners based on the ownership percentage as described in the partnership agreements.

Investment in commingled fund has no unfunded commitments or redemption restrictions as of June 30, 2023 and 2022. Investment in limited partnership, has no unfunded commitments as of June 30, 2023 and 2022. Redemptions from the limited partnership are allowed at the last day of each month, upon at least a 15 day's prior written notice. Investment in private equity fund has an unfunded commitment of \$8,244,000 and \$0 as of June 30, 2023 and 2022, respectively. Redemptions from private equity fund are not allowed at this time.

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June 30, 2023 and 2022

The following table summarizes assets by fair value hierarchy levels as of June 30, (dollars in thousands):

| | 2023 | | | Total |
|--|-------------------|-----------------|------------------|-------------------|
| | Level 1 | Level 2 | Level 3 | |
| Short-term reserves and cash | \$ 3,756 | \$ - | \$ - | \$ 3,756 |
| Fixed income funds | 123,327 | - | - | 123,327 |
| Equity funds | 142,846 | - | - | 142,846 |
| Real estate investment trusts | 8,764 | - | - | 8,764 |
| Assets held in trust - mutual funds | 46 | - | - | 46 |
| U.S. government agency securities | - | 1,202 | - | 1,202 |
| Beneficial interest in split-interest agreements | - | - | 6,432 | 6,432 |
| Beneficial interest in perpetual trusts | - | - | 28,567 | 28,567 |
| Total | \$ 278,739 | \$ 1,202 | \$ 34,999 | \$ 314,940 |
| Investments reported at NAV | | | | |
| Limited partnership | | | | 5,825 |
| Commingled trust fund | | | | 5,802 |
| Private equity | | | | 2,190 |
| Total | | | | \$ 328,757 |
| | | | | |
| | 2022 | | | Total |
| | Level 1 | Level 2 | Level 3 | |
| Short-term reserves and cash | \$ 3,656 | \$ - | \$ - | \$ 3,656 |
| Fixed income funds | 158,312 | - | - | 158,312 |
| Equity funds | 135,946 | - | - | 135,946 |
| Real estate investment trusts | 9,148 | - | - | 9,148 |
| Assets held in trust - mutual funds | 290 | - | - | 290 |
| U.S. government agency securities | - | 380 | - | 380 |
| Beneficial interest in split-interest agreements | - | - | 7,035 | 7,035 |
| Beneficial interest in perpetual trusts | - | - | 27,908 | 27,908 |
| Total | \$ 307,352 | \$ 380 | \$ 34,943 | 342,675 |
| Investments reported at NAV | | | | |
| Limited partnership | | | | 5,226 |
| Commingled trust fund | | | | 5,703 |
| Total | | | | \$ 353,604 |

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2023 and 2022

The following table summarizes the changes in fair values associated with Level 3 assets (dollars in thousands):

| | Beneficial Interest in Split-Interest Agreements | Beneficial Interest in Perpetual Trusts | Total |
|---------------------------|---|--|-----------|
| Balance, June 30, 2021 | \$ 7,458 | \$ 31,483 | \$ 38,941 |
| Additions | - | 66 | 66 |
| Unrealized losses | (248) | (3,641) | (3,889) |
| Payments | (175) | - | (175) |
| Balance, June 30, 2022 | 7,035 | 27,908 | 34,943 |
| Additions | - | 89 | 89 |
| Unrealized (losses) gains | (490) | 570 | 80 |
| Payments | (113) | - | (113) |
| Balance, June 30, 2023 | \$ 6,432 | \$ 28,567 | \$ 34,999 |

NOTE G - DEFERRED COMPENSATION

The Association maintains a 457(f) deferred compensation plan for key employees, which provides that 7% of the participant's applicable base salary be accrued for the benefit of the participant on an annual basis for as long as they are employed by the Association. The amounts of \$247,000 and \$184,000 due under the plan was accrued and included in deferred compensation payable at June 30, 2023 and 2022, respectively.

The Association also maintains 457(b) deferred compensation plans for key employees, which provide that a certain percentage of the key employee's salary be accrued for the benefit of the participant. These plans are provided for currently. The plans incurred market gains of \$16,000 and market losses of \$49,000 for the years ended June 30, 2023 and 2022, respectively. The related investments are included in assets held in trust on the accompanying consolidated statements of financial position.

Deferred compensation payables at June 30 are as follows (dollars in thousands):

| | 2023 | 2022 |
|-------------------------------|--------|----------|
| 457(f) plans | \$ 776 | \$ 756 |
| 457(b) plans | 46 | 290 |
| Deferred compensation payable | \$ 822 | \$ 1,046 |

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2023 and 2022

NOTE H - FIXED ASSETS

Fixed assets and the related accumulated depreciation were as follows as of June 30, (dollars in thousands):

| | 2023 | 2022 |
|----------------------------------|-----------|-----------|
| Land and building | \$ 1,981 | \$ 2,290 |
| Leasehold improvements | 11,629 | 11,783 |
| Equipment and software | 33,574 | 19,302 |
| Furniture and fixtures | 4,623 | 4,571 |
| Total fixed assets | 51,807 | 37,946 |
| Less: accumulated depreciation | (29,522) | (26,485) |
| Assets not yet placed in service | 259 | 11,587 |
| Fixed assets, net | \$ 22,544 | \$ 23,048 |

NOTE I - PERPETUAL TRUSTS AND SPLIT-INTEREST AGREEMENTS

The Association is a beneficiary of perpetual trusts administered by independent organizations. Under the terms of the trusts, the Association has irrevocable rights to receive portions of the income earned on the trust assets in perpetuity. The Association's beneficial interest in the perpetual trusts, at fair value, totaled approximately \$28,567,000 and \$27,908,000 at June 30, 2023 and 2022, respectively.

The Association received a life estate in which a donor contributed real estate to the Association in exchange for the donor retaining the right to use the real estate until their death. The life estate is valued at a fair value of \$1,515,000 at June 30, 2023 and 2022, respectively.

The Association is the beneficiary of charitable lead and remainder trust agreements held by independent trustees and the Association. Under the terms of the agreements, the Association has an unconditional right to receive all or a portion of specified cash flows from the agreements. The agreements are valued at fair value based on expected future cash flows and discounted present value at a risk-adjusted rate. As of June 30, 2023 and 2022, the Association applied a discount rate of 2.894% and 1.48%, respectively. The Association's beneficial interest is approximately \$4,917,000 and \$5,520,000 at June 30, 2023 and 2022, respectively.

The Association also has charitable gift annuity arrangements in which donors have contributed assets to the Association in exchange for a promise to pay a fixed amount for a specified period of time back to the donor. Gift annuity obligations represent the present value of future cash flows expected to be paid by the Association to the donors under these arrangements. Gift annuity liabilities of approximately \$5,897,000 and \$5,473,000 at June 30, 2023 and 2022, respectively, are reported in the consolidated statements of financial position. The required reserves of approximately \$14,500,000 and \$12,671,000 at June 30, 2023 and 2022, respectively, have been segregated in separate accounts and are recorded in investments in the consolidated statements of financial position, the use of which is limited to meeting the gift annuity obligations.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2023 and 2022

NOTE J - SELF-INSURANCE RESERVE

The Association maintains a self-insured program for medical coverage as part of its employee benefits plan. Blue Cross Blue Shield provides claims administration as well as both individual and aggregate stop-loss coverage. Funding for this program is obtained through both employee and employer contributions for medical coverage and through earnings on designated assets held to pay claims. As of June 30, 2023 and 2022, the actuarially determined liability associated with this program was approximately \$1,469,000 and \$1,713,000, respectively, and is determined as an estimated liability for self-insured claims in the accompanying consolidated statements of financial position.

NOTE K - GRANTS PAYABLE

Grants payable are discounted to present value. They were due to be disbursed as follows at June 30, (dollars in thousands):

| | <u>2023</u> | <u>2022</u> |
|----------------------------|-------------------|-------------------|
| Less than one year | \$ 86,622 | \$ 78,611 |
| One to five years | <u>34,210</u> | <u>35,401</u> |
| Total grants payable | 120,832 | 114,012 |
| Less: unamortized discount | <u>(1,117)</u> | <u>(648)</u> |
| Grants payable, net | <u>\$ 119,715</u> | <u>\$ 113,364</u> |

As of June 30, 2023 and 2022, discount rates on grants payable ranged from 0.653% to 2.894% and 0.653% to 2.847%, respectively.

NOTE L - CONTRIBUTIONS OF NONFINANCIAL ASSETS

The Association received contributions of nonfinancial assets comprised of gifts-in-kind, contributed services and digital assets. Gifts-in-kind and contributed services are reflected as expenses and contributions without donor restrictions at their estimated fair value at the date of the gift or the service. Digital assets are reflected as contributions, for which \$0 and \$51,000 were research restricted for the years ending June 30, 2023 and 2022, respectively, and are sold immediately upon receipt making the sale price the current fair market value.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2023 and 2022

The Association received these contributions of nonfinancial assets as follows for the years ended June 30, (dollars in thousands):

| | <u>2023</u> | <u>2022</u> | <u>Usage in program/activities</u> |
|---|----------------------|---------------------|--|
| Gifts-in-kind: | | | |
| Fundraising items | \$ 1,913 | \$ 1,107 | Auction items, advertising and other |
| Other | 37 | 35 | All activities |
| Contributed services: | | | |
| Research grant proposal review | 2,905 | 3,672 | Research grants |
| Alzheimer's Association International Conference abstract review | 918 | - | Conference |
| Program services | 5,303 | 3,396 | Program delivery and volunteer outreach/training |
| Digital assets: | | | |
| Cryptocurrency | <u>6</u> | <u>347</u> | All activities |
| Total contributions of nonfinancial assets | <u>\$ 11,082</u> | <u>\$ 8,557</u> | |

NOTE M - ALLOCATION OF JOINT COSTS

For the years ended June 30, 2023 and 2022, the Association incurred expenses of approximately \$20,747,000 and \$20,714,000, respectively, related to the distribution of informational materials that included fundraising appeals. The Association allocated these costs as follows for the years ended June 30, (dollars in thousands):

| | <u>2023</u> | <u>2022</u> |
|------------------------|----------------------|----------------------|
| Concern and awareness | \$ 11,453 | \$ 11,403 |
| Fundraising | 5,979 | 6,006 |
| Management and general | <u>3,315</u> | <u>3,305</u> |
| Total | <u>\$ 20,747</u> | <u>\$ 20,714</u> |

NOTE N - RETIREMENT PLAN

The Association has a defined contribution retirement plan covering all eligible employees. The Association contributes a 3% safe harbor contribution to eligible employees upon date of hire and may make a 3% discretionary non-elective contribution to the defined contribution plan. The Association also matches 100% of an employee's elected deferral up to 5% of the employee's eligible compensation, or as limited by law.

The Association's policy is to fund retirement plan costs as they are accrued. Contribution expense related to the defined contribution plan totaled approximately \$14,990,000 and \$13,369,000 for the years ended June 30, 2023 and 2022, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2023 and 2022

NOTE O - OPERATING LEASES

The Association currently has a 13-year operating lease agreement for office space in Chicago, Illinois, that expires on March 31, 2030. The lease agreement includes a renewal option which, due to uncertainty, has not been included in the lease term. This lease agreement includes inducements totaling approximately \$4,958,000 for leasehold improvements. The lease inducements are reflected in the ROU asset as of June 30, 2023 and deferred rent as of June 30, 2022 in the accompanying consolidated statements of financial position and are being amortized on a straight-line basis over the term of the lease agreement. The lease agreement included approximately \$1,589,000 in rent abatement through March 2019.

The Association currently has an 11-year operating lease agreement for office space in Washington, D.C., that expires on June 30, 2032. The lease agreement includes a renewal option which, due to uncertainty, has not been included in the lease term. The lease agreement contains provisions for future rent increases that are included in the future minimum lease payments below and are amortized using the straight-line method over the lease terms.

The Association has also entered into 178 leases for its chapters. The leases have a remaining term that range in length from two to 95 months. The lease agreements contain renewal options which, due to uncertainty, have not been included in the lease terms. The lease agreements contain provisions for future rent increases that are included in the future minimum lease payments below and are amortized using the straight-line method over the lease terms.

Components of lease expense for the year ended June 30, 2023 is summarized as follows (dollars in thousands):

| | |
|---------------------------|------------------|
| | <u>2023</u> |
| Fixed lease expenses | \$ 10,880 |
| Variable lease expenses | 2,339 |
| Short-term lease expenses | <u>1,159</u> |
| Total lease expenses | <u>\$ 14,378</u> |

Lease expense represents the amount recorded within the consolidated statement of activities. Variable and short-term lease amounts represent expenses recognized as incurred which are not included in the lease liability. Fixed lease expenses are recorded on a straight-line basis over the lease term and therefore are not necessarily representative of cash payments during the same period.

Supplemental consolidated statement of financial position information related to leases at June 30, 2023 was as follows:

| | |
|--|-------|
| Weighted average remaining lease term (in years) | 5.6 |
| Weighted average discount rate | 2.96% |

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2023 and 2022

Future rental commitments as of June 30, 2023, for all non-cancelable operating leases are as follows (dollars in thousands):

| <u>Years Ending June 30,</u> | | |
|--|--|------------------|
| 2024 | | \$ 12,228 |
| 2025 | | 10,413 |
| 2026 | | 9,573 |
| 2027 | | 8,187 |
| 2028 | | 6,593 |
| Thereafter | | <u>11,869</u> |
| Total minimum lease payments | | 58,863 |
| Less: imputed interest | | <u>(10,616)</u> |
| Present value of future minimum lease payments | | <u>\$ 48,247</u> |

Future rental commitments as of June 30, 2022, for all non-cancelable operating leases are as follows (dollars in thousands):

| <u>Years Ending June 30,</u> | | |
|------------------------------|--|------------------|
| 2023 | | \$ 13,423 |
| 2024 | | 11,727 |
| 2025 | | 10,157 |
| 2026 | | 8,644 |
| 2027 | | 7,164 |
| Thereafter | | <u>14,789</u> |
| Total | | <u>\$ 65,904</u> |

NOTE P - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes at June 30, (dollars in thousands):

| | <u>2023</u> | <u>2022</u> |
|--|-------------------|-------------------|
| Research Programs | \$ 58,236 | \$ 43,917 |
| Time restricted | 26,006 | 25,848 |
| Investments (in perpetuity) | 18,924 | 23,525 |
| | <u>44,706</u> | <u>43,884</u> |
| Total net assets with donor restrictions | <u>\$ 147,872</u> | <u>\$ 137,174</u> |

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2023 and 2022

NOTE Q - NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by the donors as follows for the years ended June 30, (dollars in thousands):

| | 2023 | 2022 |
|---|---------------|---------------|
| Purpose restrictions accomplished | | |
| Research | \$ 44,526 | \$ 40,133 |
| Programs | 20,277 | 22,988 |
| Time restricted | 4,377 | 7,807 |
| | <u>69,180</u> | <u>70,928</u> |
| Total net assets released from restrictions | \$ 69,180 | \$ 70,928 |

NOTE R - ENDOWMENT NET ASSETS

A portion of the net assets with donor restrictions are restricted as investments in perpetuity. The Association's endowment only consists of donor-restricted endowment funds. Net assets associated with the Association's endowment funds are classified and reported based on the existence of donor-imposed restrictions. Donors restrict the earnings of certain of the Association's endowment funds to fund the Association's research program. In accordance with donor stipulations, the income generated from these assets is restricted for research (approximately 56%) or not purpose restricted (approximately 44%).

The Association accounts for endowment net assets by preserving the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. As a result, the Association classifies as net assets with donor restrictions (1) the original value of gifts donated to the permanent endowment, (2) the original value of subsequent gifts to the permanent endowment and (3) accumulations 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 endowment fund. The Association considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund;
- The purposes of the Association and the donor-restricted endowment fund;
- General economic conditions;
- The possible effects of inflation and deflation;
- The expected total return from income and the appreciation of investments;
- Other resources of the Association; and
- The investment policies of the Association.

The Association has adopted an investment policy that attempts to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. As of June 30, 2023 and 2022, endowment assets only include those assets of donor-restricted funds that the Association must hold in perpetuity, as the Association does not have any board-designated endowment funds. Under this policy, as approved by the board of directors, the endowment assets are invested in a manner that is intended to provide adequate liquidity, maximizing returns on all funds invested and achieving full employment of all available funds as earning assets. The Association has an active

Alzheimer's Association

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2023 and 2022

finance committee and investment sub-committee that meets regularly to ensure that the objectives of the investment policy are met, and that the strategies used to meet the objectives are in accordance with the investment policy. The Association's policy is to appropriate spending amounts deemed prudent for donor-restricted funds.

Changes in endowment net assets for the years ended June 30, 2023 and 2022 are as follows (dollars in thousands):

| | | |
|-------------------------------------|----|---------------|
| Endowment net assets, June 30, 2021 | \$ | 16,034 |
| New gifts | | 3 |
| Dividends and interest | | 1,088 |
| Net return | | (3,200) |
| Appropriation | | <u>2,112</u> |
| Endowment net assets, June 30, 2022 | | 16,037 |
| New gifts | | 96 |
| Dividends and interest | | 667 |
| Net return | | (805) |
| Appropriation | | <u>138</u> |
| Endowment net assets, June 30, 2023 | \$ | <u>16,133</u> |

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or state law requires the Association to retain as a fund of perpetual duration. Deficiencies of this nature are reported in net assets with donor restrictions. There were no deficiencies as of June 30, 2023 or 2022.

NOTE S - CONCENTRATION OF CREDIT RISK

Certain financial instruments subject the Association to credit risk. Those financial instruments consist primarily of cash, accounts receivable, beneficial interest in split-interest agreements and investments. The Association maintains its cash balance in financial institutions, which at times may exceed federally insured limits. The Association has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash. Concentration of credit risk with respect to receivables is limited due to the large number of accounts and low average balances due. Concentration of credit risk with respect to the beneficial interest in split-interest agreements is limited through the diversification of the trust assets. The Association's investment policy also stipulates appropriate diversification of investment balances. As of June 30, 2023 and 2022, the Association had no significant concentration of credit risk in investments.

NOTE T - SUBSEQUENT EVENTS

The Association evaluated its June 30, 2023 consolidated financial statements for subsequent events through October 23, 2023, the date the consolidated financial statements were available to be issued. The Association is not aware of any subsequent events that would require recognition or disclosure in the consolidated financial statements.

SUPPLEMENTARY INFORMATION

Alzheimer's Association

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

June 30, 2023
(In thousands)

| | Alzheimer's Association | AIM | AIMPAC | Alzheimer's Association International | Coalition of New York State Alzheimer's Association Chapters | Eliminations | Consolidated |
|--|----------------------------|---------------|--------------|---|--|-------------------|-------------------|
| ASSETS | | | | | | | |
| Cash and cash equivalents | \$ 33,005 | \$ 539 | \$ 93 | \$ 34 | \$ 134 | \$ - | \$ 33,805 |
| Pledges receivable, net | 69,914 | 100 | - | - | - | - | 70,014 |
| Other receivables | 9,282 | - | 1 | - | 2,009 | (2,165) | 9,127 |
| Inventories of education materials, at cost | 1,140 | - | - | - | - | - | 1,140 |
| Investments | 293,712 | - | - | - | - | - | 293,712 |
| Prepaid expenses | 6,879 | 11 | - | - | - | - | 6,890 |
| Assets held in trust | 46 | - | - | - | - | - | 46 |
| Fixed assets, net | 22,544 | - | - | - | - | - | 22,544 |
| Right-of-use operating assets | 40,680 | - | - | - | - | - | 40,680 |
| Beneficial interest in split-interest agreements | 6,432 | - | - | - | - | - | 6,432 |
| Beneficial interest in perpetual trusts | 28,567 | - | - | - | - | - | 28,567 |
| Other assets | 770 | - | - | - | - | - | 770 |
| Total assets | <u>\$ 512,971</u> | <u>\$ 650</u> | <u>\$ 94</u> | <u>\$ 34</u> | <u>\$ 2,143</u> | <u>\$ (2,165)</u> | <u>\$ 513,727</u> |
| LIABILITIES AND NET ASSETS | | | | | | | |
| Liabilities | | | | | | | |
| Accounts payable | \$ 9,254 | \$ 114 | \$ 5 | \$ - | \$ 2,014 | \$ (2,165) | \$ 9,222 |
| Grants payable, net | 119,715 | - | - | - | - | - | 119,715 |
| Deferred compensation payable | 822 | - | - | - | - | - | 822 |
| Accrued expenses and other liabilities | 29,270 | - | - | - | - | - | 29,270 |
| Self-insurance reserve | 1,469 | - | - | - | - | - | 1,469 |
| Gift annuity obligations | 5,897 | - | - | - | - | - | 5,897 |
| Contract liability | 5,329 | - | - | - | - | - | 5,329 |
| Operating lease obligations | 48,247 | - | - | - | - | - | 48,247 |
| Total liabilities | 220,003 | 114 | 5 | - | 2,014 | (2,165) | 219,971 |
| Net assets | | | | | | | |
| Without donor restrictions | 145,096 | 536 | 89 | 34 | 129 | - | 145,884 |
| With donor restrictions | 147,872 | - | - | - | - | - | 147,872 |
| Total net assets | <u>292,968</u> | <u>536</u> | <u>89</u> | <u>34</u> | <u>129</u> | <u>-</u> | <u>293,756</u> |
| Total liabilities and net assets | <u>\$ 512,971</u> | <u>\$ 650</u> | <u>\$ 94</u> | <u>\$ 34</u> | <u>\$ 2,143</u> | <u>\$ (2,165)</u> | <u>\$ 513,727</u> |

Alzheimer's Association

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

June 30, 2022
(In thousands)

| | Alzheimer's Association | AIM | AIMPAC | Alzheimer's Association International | Coalition of New York State Alzheimer's Association Chapters | Eliminations | Consolidated |
|--|----------------------------|---------------|---------------|---|--|-------------------|-------------------|
| ASSETS | | | | | | | |
| Cash and cash equivalents | \$ 33,252 | \$ 575 | \$ 163 | \$ 25 | \$ 557 | \$ - | \$ 34,572 |
| Pledges receivable, net | 65,618 | 149 | - | - | - | - | 65,767 |
| Other receivables | 7,843 | 22 | 1 | - | 673 | (1,324) | 7,215 |
| Inventories of education materials, at cost | 994 | - | - | - | - | - | 994 |
| Investments | 318,371 | - | - | - | - | - | 318,371 |
| Prepaid expenses | 7,885 | 9 | - | - | - | - | 7,894 |
| Assets held in trust | 290 | - | - | - | - | - | 290 |
| Fixed assets, net | 23,048 | - | - | - | - | - | 23,048 |
| Beneficial interest in split-interest agreements | 7,035 | - | - | - | - | - | 7,035 |
| Beneficial interest in perpetual trusts | 27,908 | - | - | - | - | - | 27,908 |
| Other assets | 791 | - | - | - | - | - | 791 |
| Total assets | <u>\$ 493,035</u> | <u>\$ 755</u> | <u>\$ 164</u> | <u>\$ 25</u> | <u>\$ 1,230</u> | <u>\$ (1,324)</u> | <u>\$ 493,885</u> |
| LIABILITIES AND NET ASSETS | | | | | | | |
| Liabilities | | | | | | | |
| Accounts payable | \$ 12,852 | \$ 189 | \$ 20 | \$ - | \$ 1,101 | \$ (1,324) | \$ 12,838 |
| Grants payable, net | 113,364 | - | - | - | - | - | 113,364 |
| Deferred compensation payable | 1,046 | - | - | - | - | - | 1,046 |
| Accrued expenses and other liabilities | 27,226 | - | - | - | - | - | 27,226 |
| Self-insurance reserve | 1,713 | - | - | - | - | - | 1,713 |
| Gift annuity obligations | 5,473 | - | - | - | - | - | 5,473 |
| Contract liability | 3,138 | - | - | - | - | - | 3,138 |
| Deferred rent | 8,355 | - | - | - | - | - | 8,355 |
| Total liabilities | 173,167 | 189 | 20 | - | 1,101 | (1,324) | 173,153 |
| Net assets | | | | | | | |
| Without donor restrictions | 182,694 | 566 | 144 | 25 | 129 | - | 183,558 |
| With donor restrictions | 137,174 | - | - | - | - | - | 137,174 |
| Total net assets | <u>319,868</u> | <u>566</u> | <u>144</u> | <u>25</u> | <u>129</u> | <u>-</u> | <u>320,732</u> |
| Total liabilities and net assets | <u>\$ 493,035</u> | <u>\$ 755</u> | <u>\$ 164</u> | <u>\$ 25</u> | <u>\$ 1,230</u> | <u>\$ (1,324)</u> | <u>\$ 493,885</u> |

Alzheimer's Association
CONSOLIDATING STATEMENTS OF ACTIVITIES

Year ended June 30, 2023
(In thousands)

| | Home Office | Alabama | Alaska | Aloha | Arkansas | California Central Coast | California Southland | Capital of Texas | Central & North Florida | Central & Western Kansas | Central & Western Virginia | Central New York |
|--|-------------|----------|----------|----------|----------|-----------------------------|-------------------------|---------------------|----------------------------|--------------------------------|----------------------------------|---------------------|
| Revenues, gains and other support | | | | | | | | | | | | |
| Contributions | | | | | | | | | | | | |
| Cash and other financial assets | \$ 219,716 | \$ 1,431 | \$ 86 | \$ 963 | \$ 478 | \$ 1,425 | \$ 3,951 | \$ 1,135 | \$ 2,396 | \$ 637 | \$ 803 | \$ 3,053 |
| Non-financial assets | 9,136 | 7 | - | - | 2 | 8 | 222 | - | 284 | 6 | - | - |
| Conference registration and other | 4,519 | - | 1 | 1 | - | (5) | 20 | - | 38 | 433 | 6 | 78 |
| Dividends and interest, net of investment-related expenses | 6,808 | - | - | 90 | - | 206 | - | - | 11 | - | - | 4 |
| Total revenues, gains and other support | 240,179 | 1,438 | 87 | 1,054 | 480 | 1,634 | 4,193 | 1,135 | 2,729 | 1,076 | 809 | 3,135 |
| Expenses | | | | | | | | | | | | |
| Program services | | | | | | | | | | | | |
| Care, support and risk reduction | 56,162 | 370 | 103 | 417 | 274 | 623 | 1,644 | 326 | 933 | 373 | 300 | 937 |
| Research | 100,125 | - | - | - | - | - | - | - | - | - | - | - |
| Concern and awareness | 53,331 | 350 | 98 | 395 | 259 | 589 | 1,556 | 309 | 883 | 353 | 284 | 887 |
| Diversity, equity, and inclusion | 4,500 | 30 | 8 | 33 | 22 | 50 | 132 | 26 | 75 | 30 | 24 | 75 |
| Public policy | 13,197 | 87 | 24 | 98 | 65 | 147 | 387 | 77 | 220 | 88 | 71 | 221 |
| Mission engagement | 2,411 | - | - | - | - | - | - | - | - | - | - | - |
| Total program services | 229,726 | 837 | 233 | 943 | 620 | 1,409 | 3,719 | 738 | 2,111 | 844 | 679 | 2,120 |
| Supporting services | | | | | | | | | | | | |
| Fundraising | 40,380 | 259 | 73 | 293 | 192 | 437 | 1,153 | 229 | 654 | 262 | 211 | 657 |
| Management and general | 8,391 | 62 | 17 | 70 | 46 | 104 | 274 | 54 | 156 | 62 | 50 | 156 |
| Total supporting services | 48,771 | 321 | 90 | 363 | 238 | 541 | 1,427 | 283 | 810 | 324 | 261 | 813 |
| Total expenses | 278,497 | 1,158 | 323 | 1,306 | 858 | 1,950 | 5,146 | 1,021 | 2,921 | 1,168 | 940 | 2,933 |
| Excess (deficiency) from operations | (38,318) | 280 | (236) | (252) | (378) | (316) | (953) | 114 | (192) | (92) | (131) | 202 |
| Other changes in net assets | | | | | | | | | | | | |
| Net realized and unrealized gains (losses) in value of investments | 13,508 | - | - | (5) | - | 12 | - | - | 7 | - | - | - |
| Change in value of split-interest agreements | (779) | - | - | - | - | - | - | - | - | - | 31 | - |
| Change in value of perpetual trusts | 482 | - | - | - | - | 258 | - | - | 1 | - | 2 | - |
| Bad debt expense | (513) | (15) | - | (1) | - | - | (17) | - | (6) | - | - | - |
| Total other changes in net assets | 12,698 | (15) | - | (6) | - | 270 | (17) | - | 2 | - | 33 | - |
| Change in net assets | \$ (25,620) | \$ 265 | \$ (236) | \$ (258) | \$ (378) | \$ (46) | \$ (970) | \$ 114 | \$ (190) | \$ (92) | \$ (98) | \$ 202 |

Alzheimer's Association

CONSOLIDATING STATEMENTS OF ACTIVITIES - CONTINUED

Year ended June 30, 2023
(In thousands)

| | Central Ohio | Cleveland Area | Colorado | Connecticut | Dallas & NE Texas | Delaware Valley | Desert Southwest | Eastern North Carolina | Florida Gulf Coast | Georgia | Greater Cincinnati | Greater East Ohio Area |
|--|--------------|----------------|----------|-------------|----------------------|--------------------|---------------------|---------------------------|-----------------------|----------|-----------------------|---------------------------|
| Revenues, gains and other support | | | | | | | | | | | | |
| Contributions | | | | | | | | | | | | |
| Cash and other financial assets | \$ 1,651 | \$ 2,644 | \$ 4,890 | \$ 3,931 | \$ 2,333 | \$ 3,537 | \$ 3,023 | \$ 2,158 | \$ 2,938 | \$ 4,357 | \$ 1,963 | \$ 1,543 |
| Non-financial assets | - | 30 | - | 60 | 3 | - | 17 | - | 36 | 133 | 7 | - |
| Conference registration and other | 28 | 64 | 104 | 124 | 35 | 39 | 31 | - | 34 | 237 | 27 | 1 |
| Dividends and interest, net of investment-related expenses | 5 | 54 | 59 | 13 | - | 80 | 70 | - | 72 | - | 53 | 15 |
| Total revenues, gains and other support | 1,684 | 2,792 | 5,053 | 4,128 | 2,371 | 3,656 | 3,141 | 2,158 | 3,080 | 4,727 | 2,050 | 1,559 |
| Expenses | | | | | | | | | | | | |
| Program services | | | | | | | | | | | | |
| Care, support and risk reduction | 561 | 676 | 1,476 | 1,021 | 707 | 1,133 | 1,267 | 318 | 1,030 | 1,298 | 618 | 308 |
| Research | - | - | - | - | - | - | - | - | - | - | - | - |
| Concern and awareness | 531 | 639 | 1,397 | 966 | 670 | 1,073 | 1,199 | 301 | 975 | 1,229 | 585 | 292 |
| Diversity, equity, and inclusion | 45 | 54 | 118 | 82 | 57 | 91 | 101 | 26 | 83 | 104 | 49 | 25 |
| Public policy | 132 | 159 | 347 | 240 | 167 | 267 | 298 | 75 | 242 | 306 | 145 | 73 |
| Mission engagement | - | - | - | - | - | - | - | - | - | - | - | - |
| Total program services | 1,269 | 1,528 | 3,338 | 2,309 | 1,601 | 2,564 | 2,865 | 720 | 2,330 | 2,937 | 1,397 | 698 |
| Supporting services | | | | | | | | | | | | |
| Fundraising | 393 | 474 | 1,035 | 716 | 496 | 795 | 888 | 223 | 722 | 910 | 433 | 216 |
| Management and general | 94 | 113 | 246 | 170 | 118 | 189 | 211 | 53 | 172 | 217 | 103 | 51 |
| Total supporting services | 487 | 587 | 1,281 | 886 | 614 | 984 | 1,099 | 276 | 894 | 1,127 | 536 | 267 |
| Total expenses | 1,756 | 2,115 | 4,619 | 3,195 | 2,215 | 3,548 | 3,964 | 996 | 3,224 | 4,064 | 1,933 | 965 |
| Excess (deficiency) from operations | (72) | 677 | 434 | 933 | 156 | 108 | (823) | 1,162 | (144) | 663 | 117 | 594 |
| Other changes in net assets | | | | | | | | | | | | |
| Net realized and unrealized gains (losses) in value of investments | 19 | 49 | 53 | 12 | - | 24 | 63 | - | 62 | - | 48 | 13 |
| Change in value of split-interest agreements | - | - | - | - | - | (176) | - | - | - | 6 | - | - |
| Change in value of perpetual trusts | - | - | - | - | - | - | - | - | - | - | - | - |
| Bad debt expense | (6) | - | (3) | (41) | (1) | - | (1) | (2) | (9) | 6 | 1 | (1) |
| Total other changes in net assets | 13 | 49 | 50 | (29) | (1) | (152) | 62 | (2) | 53 | 12 | 49 | 12 |
| Change in net assets | \$ (59) | \$ 726 | \$ 484 | \$ 904 | \$ 155 | \$ (44) | \$ (761) | \$ 1,160 | \$ (91) | \$ 675 | \$ 166 | \$ 606 |

Alzheimer's Association

CONSOLIDATING STATEMENTS OF ACTIVITIES - CONTINUED

Year ended June 30, 2023
(In thousands)

| | Greater Idaho | Greater Indiana | Greater Kentucky & Southern Indiana | Greater Maryland | Greater Michigan | Greater Missouri | Greater New Jersey | Greater Pennsylvania | Greater Richmond | Heart of America | Houston & SE Texas | Hudson Valley |
|--|---------------|-----------------|-------------------------------------|------------------|------------------|------------------|--------------------|----------------------|------------------|------------------|--------------------|---------------|
| Revenues, gains and other support | | | | | | | | | | | | |
| Contributions | | | | | | | | | | | | |
| Cash and other financial assets | \$ 471 | \$ 3,737 | \$ 1,847 | \$ 2,604 | \$ 3,972 | \$ 3,694 | \$ 2,429 | \$ 2,672 | \$ 1,266 | \$ 1,141 | \$ 3,092 | \$ 4,011 |
| Non-financial assets | - | 15 | - | 51 | 119 | 21 | - | - | - | 6 | 50 | - |
| Conference registration and other | - | 28 | 52 | 200 | 154 | 130 | - | 19 | 4 | 7 | 56 | 1 |
| Dividends and interest, net of investment-related expenses | - | 79 | - | 56 | 55 | 165 | - | 110 | 2 | - | 90 | 5 |
| Total revenues, gains and other support | 471 | 3,859 | 1,899 | 2,911 | 4,300 | 4,010 | 2,429 | 2,801 | 1,272 | 1,154 | 3,288 | 4,017 |
| Expenses | | | | | | | | | | | | |
| Program services | | | | | | | | | | | | |
| Care, support and risk reduction | 275 | 977 | 683 | 980 | 1,422 | 1,514 | 499 | 928 | 393 | 573 | 1,159 | 1,257 |
| Research | - | - | - | - | - | - | - | - | - | - | - | - |
| Concern and awareness | 260 | 924 | 646 | 928 | 1,346 | 1,433 | 472 | 878 | 372 | 542 | 1,097 | 1,190 |
| Diversity, equity, and inclusion | 22 | 78 | 55 | 79 | 114 | 121 | 40 | 74 | 32 | 46 | 93 | 101 |
| Public policy | 65 | 230 | 161 | 231 | 335 | 356 | 117 | 218 | 93 | 135 | 273 | 296 |
| Mission engagement | - | - | - | - | - | - | - | - | - | - | - | - |
| Total program services | 622 | 2,209 | 1,545 | 2,218 | 3,217 | 3,424 | 1,128 | 2,098 | 890 | 1,296 | 2,622 | 2,844 |
| Supporting services | | | | | | | | | | | | |
| Fundraising | 193 | 685 | 479 | 687 | 997 | 1,061 | 350 | 650 | 276 | 402 | 812 | 881 |
| Management and general | 46 | 163 | 114 | 163 | 237 | 253 | 83 | 155 | 66 | 96 | 193 | 210 |
| Total supporting services | 239 | 848 | 593 | 850 | 1,234 | 1,314 | 433 | 805 | 342 | 498 | 1,005 | 1,091 |
| Total expenses | 861 | 3,057 | 2,138 | 3,068 | 4,451 | 4,738 | 1,561 | 2,903 | 1,232 | 1,794 | 3,627 | 3,935 |
| Excess (deficiency) from operations | (390) | 802 | (239) | (157) | (151) | (728) | 868 | (102) | 40 | (640) | (339) | 82 |
| Other changes in net assets | | | | | | | | | | | | |
| Net realized and unrealized gains (losses) in value of investments | - | 58 | - | 39 | 49 | 34 | - | 18 | 2 | - | 36 | 3 |
| Change in value of split-interest agreements | - | - | - | - | - | - | - | - | - | - | - | - |
| Change in value of perpetual trusts | - | 8 | - | - | - | (34) | - | (77) | - | - | - | - |
| Bad debt expense | (3) | 1 | (1) | - | (1) | (65) | - | (2) | (11) | (4) | (26) | 1 |
| Total other changes in net assets | (3) | 67 | (1) | 39 | 48 | (65) | - | (61) | (9) | (4) | 10 | 4 |
| Change in net assets | \$ (393) | \$ 869 | \$ (240) | \$ (118) | \$ (103) | \$ (793) | \$ 868 | \$ (163) | \$ 31 | \$ (644) | \$ (329) | \$ 86 |

Alzheimer's Association

CONSOLIDATING STATEMENTS OF ACTIVITIES - CONTINUED

Year ended June 30, 2023
(In thousands)

| | Illinois | Iowa | Long Island | Louisiana | Maine | Massachusetts/ New Hampshire | Miami Valley | Michigan Great Lakes | Minnesota - North Dakota | Mississippi | Montana | National Capital Area |
|--|----------|----------|-------------|-----------|----------|---------------------------------|--------------|-------------------------|-----------------------------|-------------|----------|--------------------------|
| Revenues, gains and other support | | | | | | | | | | | | |
| Contributions | | | | | | | | | | | | |
| Cash and other financial assets | \$ 8,636 | \$ 2,943 | \$ 1,765 | \$ 598 | \$ 579 | \$ 9,188 | \$ 1,163 | \$ 1,343 | \$ 5,661 | \$ 907 | \$ 547 | \$ 3,502 |
| Non-financial assets | 6 | 46 | - | 5 | - | 12 | - | 47 | 147 | 2 | 29 | 27 |
| Conference registration and other | 1,087 | 119 | - | - | 5 | 402 | - | 20 | 81 | 1 | 13 | 122 |
| Dividends and interest, net of investment-related expenses | 102 | - | - | - | - | 51 | 15 | - | 17 | - | - | 15 |
| Total revenues, gains and other support | 9,831 | 3,108 | 1,765 | 603 | 584 | 9,653 | 1,178 | 1,410 | 5,906 | 910 | 589 | 3,666 |
| Expenses | | | | | | | | | | | | |
| Program services | | | | | | | | | | | | |
| Care, support and risk reduction | 2,462 | 850 | 600 | 222 | 271 | 2,920 | 314 | 493 | 2,004 | 305 | 226 | 1,274 |
| Research | - | - | - | - | - | - | - | - | - | - | - | - |
| Concern and awareness | 2,330 | 804 | 568 | 210 | 256 | 2,763 | 298 | 466 | 1,896 | 288 | 214 | 1,206 |
| Diversity, equity, and inclusion | 197 | 68 | 48 | 18 | 22 | 234 | 25 | 39 | 161 | 24 | 18 | 102 |
| Public policy | 579 | 200 | 141 | 52 | 64 | 687 | 74 | 116 | 472 | 72 | 53 | 300 |
| Mission engagement | - | - | - | - | - | - | - | - | - | - | - | - |
| Total program services | 5,568 | 1,922 | 1,357 | 502 | 613 | 6,604 | 711 | 1,114 | 4,533 | 689 | 511 | 2,882 |
| Supporting services | | | | | | | | | | | | |
| Fundraising | 1,726 | 596 | 420 | 156 | 190 | 2,047 | 220 | 346 | 1,405 | 214 | 159 | 893 |
| Management and general | 411 | 142 | 100 | 37 | 45 | 487 | 52 | 82 | 334 | 51 | 38 | 212 |
| Total supporting services | 2,137 | 738 | 520 | 193 | 235 | 2,534 | 272 | 428 | 1,739 | 265 | 197 | 1,105 |
| Total expenses | 7,705 | 2,660 | 1,877 | 695 | 848 | 9,138 | 983 | 1,542 | 6,272 | 954 | 708 | 3,987 |
| Excess (deficiency) from operations | 2,126 | 448 | (112) | (92) | (264) | 515 | 195 | (132) | (366) | (44) | (119) | (321) |
| Other changes in net assets | | | | | | | | | | | | |
| Net realized and unrealized gains (losses) in value of investments | 94 | - | - | - | - | 46 | 14 | - | 5 | - | - | 22 |
| Change in value of split-interest agreements | - | - | - | - | - | - | - | - | - | - | - | - |
| Change in value of perpetual trusts | - | 15 | - | - | - | - | - | - | - | - | - | - |
| Bad debt expense | (5) | (9) | - | (1) | (1) | (12) | (2) | (5) | (2) | - | (2) | (1) |
| Total other changes in net assets | 89 | 6 | - | (1) | (1) | 34 | 12 | (5) | 3 | - | (2) | 21 |
| Change in net assets | \$ 2,215 | \$ 454 | \$ (112) | \$ (93) | \$ (265) | \$ 549 | \$ 207 | \$ (137) | \$ (363) | \$ (44) | \$ (121) | \$ (300) |

Alzheimer's Association

CONSOLIDATING STATEMENTS OF ACTIVITIES - CONTINUED

Year ended June 30, 2023
(In thousands)

| | Nebraska | New Mexico | New York City | North Central Texas | Northeastern New York | Northern California & Northern Nevada | Northwest Ohio | Oklahoma | Orange County | Oregon & SW Washington | Rhode Island | Rochester & Finger Lakes Region |
|--|-----------------|-----------------|-----------------|---------------------|-----------------------|---------------------------------------|-----------------|--------------|-----------------|------------------------|----------------|---------------------------------|
| Revenues, gains and other support | | | | | | | | | | | | |
| Contributions | | | | | | | | | | | | |
| Cash and other financial assets | \$ 860 | \$ 1,631 | \$ 4,166 | \$ 1,960 | \$ 1,822 | \$ 12,547 | \$ 853 | \$ 2,429 | \$ 1,564 | \$ 1,590 | \$ 866 | \$ 2,112 |
| Non-financial assets | 6 | 27 | 115 | 82 | - | 13 | 5 | 4 | 28 | - | 8 | 7 |
| Conference registration and other | 13 | 38 | 24 | 44 | 102 | 322 | 1 | 60 | 15 | 52 | 47 | 67 |
| Dividends and interest, net of investment-related expenses | - | 2 | - | 46 | - | 104 | - | 43 | - | - | - | 37 |
| Total revenues, gains and other support | 879 | 1,698 | 4,305 | 2,132 | 1,924 | 12,986 | 859 | 2,536 | 1,607 | 1,642 | 921 | 2,223 |
| Expenses | | | | | | | | | | | | |
| Program services | | | | | | | | | | | | |
| Care, support and risk reduction | 398 | 627 | 1,532 | 843 | 643 | 4,086 | 373 | 801 | 693 | 751 | 313 | 856 |
| Research | - | - | - | - | - | - | - | - | - | - | - | - |
| Concern and awareness | 377 | 593 | 1,450 | 798 | 609 | 3,867 | 353 | 758 | 656 | 711 | 297 | 810 |
| Diversity, equity, and inclusion | 32 | 50 | 123 | 68 | 52 | 327 | 30 | 64 | 56 | 60 | 25 | 69 |
| Public policy | 94 | 148 | 361 | 198 | 151 | 962 | 88 | 189 | 163 | 177 | 74 | 202 |
| Mission engagement | - | - | - | - | - | - | - | - | - | - | - | - |
| Total program services | 901 | 1,418 | 3,466 | 1,907 | 1,455 | 9,242 | 844 | 1,812 | 1,568 | 1,699 | 709 | 1,937 |
| Supporting services | | | | | | | | | | | | |
| Fundraising | 279 | 439 | 1,074 | 591 | 451 | 2,864 | 261 | 562 | 486 | 527 | 220 | 600 |
| Management and general | 66 | 105 | 256 | 141 | 107 | 682 | 62 | 134 | 116 | 125 | 52 | 143 |
| Total supporting services | 345 | 544 | 1,330 | 732 | 558 | 3,546 | 323 | 696 | 602 | 652 | 272 | 743 |
| Total expenses | 1,246 | 1,962 | 4,796 | 2,639 | 2,013 | 12,788 | 1,167 | 2,508 | 2,170 | 2,351 | 981 | 2,680 |
| Excess (deficiency) from operations | (367) | (264) | (491) | (507) | (89) | 198 | (308) | 28 | (563) | (709) | (60) | (457) |
| Other changes in net assets | | | | | | | | | | | | |
| Net realized and unrealized gains (losses) in value of investments | - | (2) | - | 38 | - | 61 | - | (27) | - | - | - | (20) |
| Change in value of split-interest agreements | - | - | - | - | - | - | - | - | - | - | - | - |
| Change in value of perpetual trusts | - | - | - | - | - | - | - | - | - | - | - | - |
| Bad debt expense | (4) | (2) | (12) | (1) | 1 | (11) | (1) | 1 | - | - | (1) | 7 |
| Total other changes in net assets | (4) | (4) | (12) | 37 | 1 | 50 | (1) | (26) | - | - | (1) | (13) |
| Change in net assets | \$ (371) | \$ (268) | \$ (503) | \$ (470) | \$ (88) | \$ 248 | \$ (309) | \$ 2 | \$ (563) | \$ (709) | \$ (61) | \$ (470) |

Alzheimer's Association

CONSOLIDATING STATEMENTS OF ACTIVITIES - CONTINUED

Year ended June 30, 2023
(In thousands)

| | San Antonio & South Texas | San Diego & Imperial | South Carolina | South Dakota | Southeast Florida | Southeastern Virginia | Tennessee | Utah | Vermont | Washington State | West Texas | West Virginia |
|--|------------------------------|-------------------------|----------------|-----------------|----------------------|--------------------------|--------------|-----------------|-----------------|---------------------|-----------------|-----------------|
| Revenues, gains and other support | | | | | | | | | | | | |
| Contributions | | | | | | | | | | | | |
| Cash and other financial assets | \$ 1,255 | \$ 1,121 | \$ 2,776 | \$ 295 | \$ 3,806 | \$ 1,009 | \$ 2,468 | \$ 816 | \$ 506 | \$ 5,011 | \$ 844 | \$ 553 |
| Non-financial assets | 13 | 17 | 15 | - | 64 | - | - | 51 | 20 | 11 | - | - |
| Conference registration and other | 19 | (14) | 14 | - | - | 52 | 97 | - | 9 | 30 | 1 | - |
| Dividends and interest, net of investment-related expenses | - | - | 20 | - | 159 | 28 | 18 | - | - | - | - | - |
| Total revenues, gains and other support | 1,287 | 1,124 | 2,825 | 295 | 4,029 | 1,089 | 2,583 | 867 | 535 | 5,052 | 845 | 553 |
| Expenses | | | | | | | | | | | | |
| Program services | | | | | | | | | | | | |
| Care, support and risk reduction | 646 | 663 | 696 | 185 | 869 | 324 | 802 | 408 | 271 | 1,559 | 393 | 260 |
| Research | - | - | - | - | - | - | - | - | - | - | - | - |
| Concern and awareness | 612 | 628 | 658 | 175 | 823 | 306 | 759 | 386 | 257 | 1,476 | 372 | 246 |
| Diversity, equity, and inclusion | 52 | 53 | 56 | 15 | 70 | 26 | 64 | 33 | 22 | 125 | 32 | 21 |
| Public policy | 152 | 156 | 164 | 44 | 205 | 76 | 189 | 96 | 64 | 367 | 93 | 61 |
| Mission engagement | - | - | - | - | - | - | - | - | - | - | - | - |
| Total program services | 1,462 | 1,500 | 1,574 | 419 | 1,967 | 732 | 1,814 | 923 | 614 | 3,527 | 890 | 588 |
| Supporting services | | | | | | | | | | | | |
| Fundraising | 453 | 465 | 488 | 130 | 610 | 227 | 562 | 286 | 190 | 1,093 | 276 | 182 |
| Management and general | 108 | 111 | 116 | 31 | 145 | 54 | 134 | 68 | 45 | 260 | 66 | 43 |
| Total supporting services | 561 | 576 | 604 | 161 | 755 | 281 | 696 | 354 | 235 | 1,353 | 342 | 225 |
| Total expenses | 2,023 | 2,076 | 2,178 | 580 | 2,722 | 1,013 | 2,510 | 1,277 | 849 | 4,880 | 1,232 | 813 |
| Excess (deficiency) from operations | (736) | (952) | 647 | (285) | 1,307 | 76 | 73 | (410) | (314) | 172 | (387) | (260) |
| Other changes in net assets | | | | | | | | | | | | |
| Net realized and unrealized gains (losses) in value of investments | - | - | 18 | - | 103 | - | 16 | - | - | - | - | - |
| Change in value of split-interest agreements | - | - | - | - | - | (99) | - | - | - | - | - | - |
| Change in value of perpetual trusts | - | - | - | - | (19) | - | - | - | - | - | - | - |
| Bad debt expense | (7) | (1) | (3) | - | (4) | (3) | (2) | (2) | - | (29) | (3) | (4) |
| Total other changes in net assets | (7) | (1) | 15 | - | 80 | (102) | 14 | (2) | - | (29) | (3) | (4) |
| Change in net assets | \$ (743) | \$ (953) | \$ 662 | \$ (285) | \$ 1,387 | \$ (26) | \$ 87 | \$ (412) | \$ (314) | \$ 143 | \$ (390) | \$ (264) |

Alzheimer's Association

CONSOLIDATING STATEMENTS OF ACTIVITIES - CONTINUED

Year ended June 30, 2023
(In thousands)

| | Western Carolina | Western New York | Wisconsin | Wyoming | Total Alzheimer's Association | AIM | AIMPAC | Alzheimer's Association International | Coalition of New York State Alzheimer's Association Chapters | Eliminations | Consolidated |
|--|---------------------|---------------------|-----------|---------|-------------------------------------|---------|---------|---|---|--------------|--------------|
| Revenues, gains and other support | | | | | | | | | | | |
| Contributions | | | | | | | | | | | |
| Cash and other financial assets | \$ 3,038 | \$ 3,336 | \$ 4,457 | \$ 334 | \$ 402,835 | \$ 562 | \$ 220 | \$ 9 | \$ 4,996 | \$ (4,636) | \$ 403,986 |
| Non-financial assets | 45 | - | 17 | - | 11,082 | - | - | - | - | - | 11,082 |
| Conference registration and other | 40 | 15 | 152 | - | 9,516 | 9,857 | - | - | - | (9,857) | 9,516 |
| Dividends and interest, net of investment-related expenses | 24 | 21 | 7 | - | 8,811 | - | - | - | 1 | - | 8,812 |
| Total revenues, gains and other support | 3,147 | 3,372 | 4,633 | 334 | 432,244 | 10,419 | 220 | 9 | 4,997 | (14,493) | 433,396 |
| Expenses | | | | | | | | | | | |
| Program services | | | | | | | | | | | |
| Care, support and risk reduction | 700 | 1,056 | 1,761 | 137 | 118,122 | - | - | - | 4,997 | (4,636) | 118,483 |
| Research | - | - | - | - | 100,125 | - | - | - | - | - | 100,125 |
| Concern and awareness | 662 | 999 | 1,667 | 130 | 111,973 | - | - | - | - | - | 111,973 |
| Diversity, equity, and inclusion | 56 | 85 | 141 | 11 | 9,469 | - | - | - | - | - | 9,469 |
| Public policy | 165 | 249 | 415 | 32 | 27,788 | 10,207 | 275 | - | - | (9,857) | 28,413 |
| Mission engagement | - | - | - | - | 2,411 | - | - | - | - | - | 2,411 |
| Total program services | 1,583 | 2,389 | 3,984 | 310 | 369,888 | 10,207 | 275 | - | 4,997 | (14,493) | 370,874 |
| Supporting services | | | | | | | | | | | |
| Fundraising | 491 | 740 | 1,235 | 96 | 83,824 | 227 | - | - | - | - | 84,051 |
| Management and general | 117 | 176 | 294 | 23 | 18,729 | 15 | - | - | - | - | 18,744 |
| Total supporting services | 608 | 916 | 1,529 | 119 | 102,553 | 242 | - | - | - | - | 102,795 |
| Total expenses | 2,191 | 3,305 | 5,513 | 429 | 472,441 | 10,449 | 275 | - | 4,997 | (14,493) | 473,669 |
| Excess (deficiency) from operations | 956 | 67 | (880) | (95) | (40,197) | (30) | (55) | 9 | - | - | (40,273) |
| Other changes in net assets | | | | | | | | | | | |
| Net realized and unrealized gains (losses) in value of investments | 22 | 19 | 6 | - | 14,519 | - | - | - | - | - | 14,519 |
| Change in value of split-interest agreements | - | - | - | - | (1,017) | - | - | - | - | - | (1,017) |
| Change in value of perpetual trusts | - | - | - | - | 636 | - | - | - | - | - | 636 |
| Bad debt expense | (2) | 3 | 1 | (2) | (841) | - | - | - | - | - | (841) |
| Total other changes in net assets | 20 | 22 | 7 | (2) | 13,297 | - | - | - | - | - | 13,297 |
| Change in net assets | \$ 976 | \$ 89 | \$ (873) | \$ (97) | \$ (26,900) | \$ (30) | \$ (55) | \$ 9 | \$ - | \$ - | \$ (26,976) |

Alzheimer's Association
CONSOLIDATING STATEMENTS OF ACTIVITIES

Year ended June 30, 2022
(In thousands)

| | Home Office | Alabama | Alaska | Aloha | Arkansas | California Central Coast | California Southland | Capital of Texas | Central & North Florida | Central & Western Kansas | Central & Western Virginia | Central New York |
|--|-------------|---------|----------|----------|----------|-----------------------------|-------------------------|---------------------|----------------------------|--------------------------------|----------------------------------|---------------------|
| Revenues, gains and other support | | | | | | | | | | | | |
| Contributions | | | | | | | | | | | | |
| Cash and other financial assets | \$ 234,062 | \$ 881 | \$ 79 | \$ 776 | \$ 520 | \$ 1,231 | \$ 4,497 | \$ 868 | \$ 3,332 | \$ 689 | \$ 779 | \$ 2,847 |
| Non-financial assets | 7,289 | - | - | - | - | - | 29 | - | - | 93 | - | - |
| Conference registration and other | 3,443 | - | - | 1 | - | (31) | (5) | - | (1) | 131 | 13 | 68 |
| Dividends and interest, net of investment-related expenses | 10,847 | - | - | 96 | - | 199 | - | - | 11 | 5 | - | 3 |
| Total revenues, gains and other support | 255,641 | 881 | 79 | 873 | 520 | 1,399 | 4,521 | 868 | 3,342 | 918 | 792 | 2,918 |
| Expenses | | | | | | | | | | | | |
| Program services | | | | | | | | | | | | |
| Care, support and risk reduction | 52,059 | 265 | 63 | 347 | 273 | 547 | 1,430 | 285 | 698 | 362 | 272 | 914 |
| Research | 91,959 | - | - | - | - | - | - | - | - | - | - | - |
| Concern and awareness | 55,551 | 283 | 67 | 370 | 291 | 583 | 1,526 | 304 | 745 | 387 | 290 | 975 |
| Diversity, equity, and inclusion | 3,403 | 17 | 4 | 23 | 18 | 36 | 93 | 19 | 46 | 24 | 18 | 60 |
| Public policy | 12,420 | 63 | 15 | 83 | 65 | 130 | 341 | 68 | 167 | 86 | 65 | 218 |
| Mission engagement | 2,735 | - | - | - | - | - | - | - | - | - | - | - |
| Total program services | 218,127 | 628 | 149 | 823 | 647 | 1,296 | 3,390 | 676 | 1,656 | 859 | 645 | 2,167 |
| Supporting services | | | | | | | | | | | | |
| Fundraising | 39,146 | 172 | 41 | 224 | 176 | 353 | 924 | 184 | 451 | 234 | 176 | 591 |
| Management and general | 8,907 | 45 | 11 | 59 | 47 | 93 | 244 | 49 | 119 | 62 | 46 | 156 |
| Total supporting services | 48,053 | 217 | 52 | 283 | 223 | 446 | 1,168 | 233 | 570 | 296 | 222 | 747 |
| Total expenses | 266,180 | 845 | 201 | 1,106 | 870 | 1,742 | 4,558 | 909 | 2,226 | 1,155 | 867 | 2,914 |
| Excess (deficiency) from operations | (10,539) | 36 | (122) | (233) | (350) | (343) | (37) | (41) | 1,116 | (237) | (75) | 4 |
| Other changes in net assets | | | | | | | | | | | | |
| Net realized and unrealized gains (losses) in value of investments | (58,815) | - | - | - | - | (677) | - | - | (3) | - | (18) | - |
| Change in value of split-interest agreements | (614) | - | - | - | - | - | - | - | - | - | (35) | - |
| Change in value of perpetual trusts | 1,923 | - | - | - | - | (101) | - | - | (30) | 17 | - | - |
| Bad debt expense | (934) | - | - | (1) | - | (27) | - | - | (36) | - | - | - |
| Total other changes in net assets | (58,440) | - | - | (1) | - | (805) | - | - | (69) | 17 | (53) | - |
| Change in net assets | \$ (68,979) | \$ 36 | \$ (122) | \$ (234) | \$ (350) | \$ (1,148) | \$ (37) | \$ (41) | \$ 1,047 | \$ (220) | \$ (128) | \$ 4 |

Alzheimer's Association

CONSOLIDATING STATEMENTS OF ACTIVITIES - CONTINUED

Year ended June 30, 2022
(In thousands)

| | Central Ohio | Cleveland Area | Colorado | Connecticut | Dallas & NE Texas | Delaware Valley | Desert Southwest | Eastern North Carolina | Florida Gulf Coast | Georgia | Greater Cincinnati | Greater East Ohio Area |
|--|--------------|----------------|------------|-------------|-------------------|-----------------|------------------|------------------------|--------------------|----------|--------------------|------------------------|
| Revenues, gains and other support | | | | | | | | | | | | |
| Contributions | | | | | | | | | | | | |
| Cash and other financial assets | \$ 1,683 | \$ 2,193 | \$ 3,342 | \$ 2,647 | \$ 2,401 | \$ 3,914 | \$ 3,602 | \$ 1,518 | \$ 3,962 | \$ 3,836 | \$ 2,593 | \$ 936 |
| Non-financial assets | - | - | - | 32 | 10 | 4 | - | - | 7 | 6 | 62 | - |
| Conference registration and other | 25 | 72 | 99 | 72 | 12 | 79 | 47 | - | 55 | 208 | 21 | - |
| Dividends and interest, net of investment-related expenses | (14) | 29 | 42 | 7 | - | 62 | 36 | - | 54 | - | 28 | 8 |
| Total revenues, gains and other support | 1,694 | 2,294 | 3,483 | 2,758 | 2,423 | 4,059 | 3,685 | 1,518 | 4,078 | 4,050 | 2,704 | 944 |
| Expenses | | | | | | | | | | | | |
| Program services | | | | | | | | | | | | |
| Care, support and risk reduction | 499 | 770 | 1,362 | 872 | 613 | 1,078 | 1,099 | 300 | 850 | 1,285 | 657 | 260 |
| Research | - | - | - | - | - | - | - | - | - | - | - | - |
| Concern and awareness | 533 | 822 | 1,453 | 930 | 655 | 1,150 | 1,173 | 320 | 907 | 1,371 | 701 | 277 |
| Diversity, equity, and inclusion | 33 | 50 | 89 | 57 | 40 | 70 | 72 | 20 | 56 | 84 | 43 | 17 |
| Public policy | 119 | 184 | 325 | 208 | 146 | 257 | 262 | 71 | 203 | 306 | 157 | 62 |
| Mission engagement | - | - | - | - | - | - | - | - | - | - | - | - |
| Total program services | 1,184 | 1,826 | 3,229 | 2,067 | 1,454 | 2,555 | 2,606 | 711 | 2,016 | 3,046 | 1,558 | 616 |
| Supporting services | | | | | | | | | | | | |
| Fundraising | 323 | 498 | 880 | 563 | 396 | 696 | 710 | 194 | 549 | 830 | 424 | 168 |
| Management and general | 85 | 132 | 233 | 149 | 105 | 184 | 188 | 51 | 145 | 220 | 112 | 44 |
| Total supporting services | 408 | 630 | 1,113 | 712 | 501 | 880 | 898 | 245 | 694 | 1,050 | 536 | 212 |
| Total expenses | 1,592 | 2,456 | 4,342 | 2,779 | 1,955 | 3,435 | 3,504 | 956 | 2,710 | 4,096 | 2,094 | 828 |
| Excess (deficiency) from operations | 102 | (162) | (859) | (21) | 468 | 624 | 181 | 562 | 1,368 | (46) | 610 | 116 |
| Other changes in net assets | | | | | | | | | | | | |
| Net realized and unrealized gains (losses) in value of investments | - | - | - | - | - | - | - | - | - | - | - | - |
| Change in value of split-interest agreements | - | - | - | - | - | (239) | - | - | - | 29 | - | - |
| Change in value of perpetual trusts | (90) | (218) | (317) | (54) | - | (118) | (282) | - | (277) | - | (213) | (59) |
| Bad debt expense | - | (355) | (1) | (9) | 1 | (1) | (3) | - | (1) | 16 | (2) | (3) |
| Total other changes in net assets | (90) | (573) | (318) | (63) | 1 | (358) | (285) | - | (278) | 45 | (215) | (62) |
| Change in net assets | \$ 12 | \$ (735) | \$ (1,177) | \$ (84) | \$ 469 | \$ 266 | \$ (104) | \$ 562 | \$ 1,090 | \$ (1) | \$ 395 | \$ 54 |

Alzheimer's Association

CONSOLIDATING STATEMENTS OF ACTIVITIES - CONTINUED

Year ended June 30, 2022
(In thousands)

| | Greater Idaho | Greater Indiana | Greater Kentucky & Southern Indiana | Greater Maryland | Greater Michigan | Greater Missouri | Greater New Jersey | Greater Pennsylvania | Greater Richmond | Heart of America | Houston & SE Texas | Hudson Valley |
|--|-----------------|-----------------|-------------------------------------|------------------|------------------|------------------|--------------------|----------------------|------------------|------------------|--------------------|---------------|
| Revenues, gains and other support | | | | | | | | | | | | |
| Contributions | | | | | | | | | | | | |
| Cash and other financial assets | \$ 466 | \$ 2,811 | \$ 1,448 | \$ 2,560 | \$ 5,158 | \$ 4,584 | \$ 3,266 | \$ 3,020 | \$ 1,128 | \$ 1,437 | \$ 3,186 | \$ 3,795 |
| Non-financial assets | 3 | 28 | - | 2 | 360 | 58 | - | - | - | 2 | 3 | - |
| Conference registration and other | 1 | 32 | 86 | 108 | 49 | 112 | - | 10 | 24 | - | 42 | 15 |
| Dividends and interest, net of investment-related expenses | - | 51 | 14 | 34 | 29 | 130 | - | 138 | 3 | - | 116 | 2 |
| Total revenues, gains and other support | 470 | 2,922 | 1,548 | 2,704 | 5,596 | 4,884 | 3,266 | 3,168 | 1,155 | 1,439 | 3,347 | 3,812 |
| Expenses | | | | | | | | | | | | |
| Program services | | | | | | | | | | | | |
| Care, support and risk reduction | 257 | 845 | 547 | 837 | 1,332 | 1,361 | 464 | 853 | 381 | 481 | 978 | 1,180 |
| Research | - | - | - | - | - | - | - | - | - | - | - | - |
| Concern and awareness | 274 | 901 | 583 | 893 | 1,421 | 1,452 | 495 | 910 | 407 | 513 | 1,043 | 1,259 |
| Diversity, equity, and inclusion | 17 | 55 | 36 | 55 | 87 | 89 | 30 | 56 | 25 | 31 | 64 | 77 |
| Public policy | 61 | 201 | 130 | 200 | 318 | 325 | 111 | 203 | 91 | 115 | 233 | 281 |
| Mission engagement | - | - | - | - | - | - | - | - | - | - | - | - |
| Total program services | 609 | 2,002 | 1,296 | 1,985 | 3,158 | 3,227 | 1,100 | 2,022 | 904 | 1,140 | 2,318 | 2,797 |
| Supporting services | | | | | | | | | | | | |
| Fundraising | 166 | 546 | 353 | 541 | 861 | 880 | 300 | 551 | 246 | 311 | 632 | 763 |
| Management and general | 44 | 144 | 93 | 143 | 228 | 233 | 79 | 146 | 65 | 82 | 167 | 202 |
| Total supporting services | 210 | 690 | 446 | 684 | 1,089 | 1,113 | 379 | 697 | 311 | 393 | 799 | 965 |
| Total expenses | 819 | 2,692 | 1,742 | 2,669 | 4,247 | 4,340 | 1,479 | 2,719 | 1,215 | 1,533 | 3,117 | 3,762 |
| Excess (deficiency) from operations | (349) | 230 | (194) | 35 | 1,349 | 544 | 1,787 | 449 | (60) | (94) | 230 | 50 |
| Other changes in net assets | | | | | | | | | | | | |
| Net realized and unrealized gains (losses) in value of investments | - | (59) | - | - | - | (204) | - | (310) | - | - | - | - |
| Change in value of split-interest agreements | - | - | - | - | - | - | - | - | - | - | - | - |
| Change in value of perpetual trusts | - | (270) | - | (247) | (221) | (197) | - | (79) | (15) | - | (461) | (11) |
| Bad debt expense | (77) | (5) | (2) | - | (19) | (12) | (2) | (3) | (7) | (3) | (3) | (4) |
| Total other changes in net assets | (77) | (334) | (2) | (247) | (240) | (413) | (2) | (392) | (22) | (3) | (464) | (15) |
| Change in net assets | <u>\$ (426)</u> | <u>\$ (104)</u> | <u>\$ (196)</u> | <u>\$ (212)</u> | <u>\$ 1,109</u> | <u>\$ 131</u> | <u>\$ 1,785</u> | <u>\$ 57</u> | <u>\$ (82)</u> | <u>\$ (97)</u> | <u>\$ (234)</u> | <u>\$ 35</u> |

Alzheimer's Association

CONSOLIDATING STATEMENTS OF ACTIVITIES - CONTINUED

Year ended June 30, 2022
(In thousands)

| | Illinois | Iowa | Long Island | Louisiana | Maine | Massachusetts/ New Hampshire | Miami Valley | Michigan Great Lakes | Minnesota - North Dakota | Mississippi | Montana | National Capital Area |
|--|----------|----------|-------------|-----------|--------|---------------------------------|--------------|-------------------------|-----------------------------|-------------|---------|--------------------------|
| Revenues, gains and other support | | | | | | | | | | | | |
| Contributions | | | | | | | | | | | | |
| Cash and other financial assets | \$ 8,724 | \$ 2,365 | \$ 1,783 | \$ 499 | \$ 980 | \$ 8,747 | \$ 1,097 | \$ 1,333 | \$ 6,111 | \$ 431 | \$ 563 | \$ 3,757 |
| Non-financial assets | 8 | 33 | - | - | - | 132 | - | 120 | - | - | 12 | - |
| Conference registration and other | 1,310 | 134 | - | - | 7 | 355 | (70) | 15 | 131 | 1 | 35 | 78 |
| Dividends and interest, net of investment-related expenses | 62 | - | - | - | - | 27 | 9 | - | 8 | - | - | 5 |
| Total revenues, gains and other support | 10,104 | 2,532 | 1,783 | 499 | 987 | 9,261 | 1,036 | 1,468 | 6,250 | 432 | 610 | 3,840 |
| Expenses | | | | | | | | | | | | |
| Program services | | | | | | | | | | | | |
| Care, support and risk reduction | 2,443 | 709 | 561 | 260 | 242 | 2,476 | 365 | 535 | 1,853 | 194 | 212 | 1,165 |
| Research | - | - | - | - | - | - | - | - | - | - | - | - |
| Concern and awareness | 2,606 | 756 | 598 | 277 | 258 | 2,642 | 390 | 571 | 1,977 | 207 | 226 | 1,243 |
| Diversity, equity, and inclusion | 160 | 46 | 37 | 17 | 16 | 162 | 24 | 35 | 121 | 13 | 14 | 76 |
| Public policy | 582 | 169 | 134 | 62 | 58 | 590 | 87 | 128 | 442 | 46 | 51 | 278 |
| Mission engagement | - | - | - | - | - | - | - | - | - | - | - | - |
| Total program services | 5,791 | 1,680 | 1,330 | 616 | 574 | 5,870 | 866 | 1,269 | 4,393 | 460 | 503 | 2,762 |
| Supporting services | | | | | | | | | | | | |
| Fundraising | 1,578 | 458 | 362 | 168 | 157 | 1,600 | 236 | 346 | 1,197 | 125 | 137 | 753 |
| Management and general | 417 | 121 | 96 | 44 | 41 | 423 | 62 | 91 | 317 | 33 | 36 | 199 |
| Total supporting services | 1,995 | 579 | 458 | 212 | 198 | 2,023 | 298 | 437 | 1,514 | 158 | 173 | 952 |
| Total expenses | 7,786 | 2,259 | 1,788 | 828 | 772 | 7,893 | 1,164 | 1,706 | 5,907 | 618 | 676 | 3,714 |
| Excess (deficiency) from operations | 2,318 | 273 | (5) | (329) | 215 | 1,368 | (128) | (238) | 343 | (186) | (66) | 126 |
| Other changes in net assets | | | | | | | | | | | | |
| Net realized and unrealized gains (losses) in value of investments | - | (63) | - | - | - | - | - | - | - | - | - | - |
| Change in value of split-interest agreements | - | - | - | - | - | - | - | - | - | - | - | - |
| Change in value of perpetual trusts | (422) | - | - | - | - | (207) | (78) | - | (34) | - | - | (40) |
| Bad debt expense | 7 | (1) | - | (1) | - | (12) | (18) | (5) | (14) | (1) | 1 | (5) |
| Total other changes in net assets | (415) | (64) | - | (1) | - | (219) | (96) | (5) | (48) | (1) | 1 | (45) |
| Change in net assets | \$ 1,903 | \$ 209 | \$ (5) | \$ (330) | \$ 215 | \$ 1,149 | \$ (224) | \$ (243) | \$ 295 | \$ (187) | \$ (65) | \$ 81 |

Alzheimer's Association

CONSOLIDATING STATEMENTS OF ACTIVITIES - CONTINUED

Year ended June 30, 2022
(In thousands)

| | Nebraska | New Mexico | New York City | North Central Texas | Northeastern New York | Northern California & Northern Nevada | Northwest Ohio | Oklahoma | Orange County | Oregon & SW Washington | Rhode Island | Rochester & Finger Lakes Region |
|--|---------------|-----------------|-----------------|------------------------|--------------------------|--|-------------------|-----------------|------------------|---------------------------|-----------------|---------------------------------------|
| Revenues, gains and other support | | | | | | | | | | | | |
| Contributions | | | | | | | | | | | | |
| Cash and other financial assets | \$ 1,351 | \$ 1,435 | \$ 4,171 | \$ 2,052 | \$ 1,746 | \$ 13,515 | \$ 944 | \$ 2,200 | \$ 31,113 | \$ 1,622 | \$ 894 | \$ 2,440 |
| Non-financial assets | - | 28 | - | 41 | - | 11 | - | - | 2 | - | 1 | - |
| Conference registration and other | 11 | 43 | 42 | 39 | 62 | 337 | - | 62 | (3) | 15 | 12 | 100 |
| Dividends and interest, net of investment-related expenses | - | 5 | - | 29 | - | 63 | - | 52 | - | - | 3 | 10 |
| Total revenues, gains and other support | 1,362 | 1,511 | 4,213 | 2,161 | 1,808 | 13,926 | 944 | 2,314 | 31,112 | 1,637 | 910 | 2,550 |
| Expenses | | | | | | | | | | | | |
| Program services | | | | | | | | | | | | |
| Care, support and risk reduction | 358 | 572 | 1,438 | 787 | 585 | 3,725 | 336 | 730 | 536 | 610 | 314 | 714 |
| Research | - | - | - | - | - | - | - | - | - | - | - | - |
| Concern and awareness | 382 | 610 | 1,535 | 840 | 624 | 3,975 | 359 | 779 | 572 | 651 | 335 | 762 |
| Diversity, equity, and inclusion | 23 | 37 | 94 | 51 | 38 | 243 | 22 | 48 | 35 | 40 | 21 | 47 |
| Public policy | 85 | 136 | 343 | 188 | 139 | 888 | 80 | 174 | 128 | 146 | 75 | 170 |
| Mission engagement | - | - | - | - | - | - | - | - | - | - | - | - |
| Total program services | 848 | 1,355 | 3,410 | 1,866 | 1,386 | 8,831 | 797 | 1,731 | 1,271 | 1,447 | 745 | 1,693 |
| Supporting services | | | | | | | | | | | | |
| Fundraising | 231 | 369 | 929 | 508 | 378 | 2,407 | 217 | 472 | 346 | 394 | 203 | 461 |
| Management and general | 61 | 98 | 246 | 134 | 100 | 637 | 57 | 125 | 92 | 104 | 54 | 122 |
| Total supporting services | 292 | 467 | 1,175 | 642 | 478 | 3,044 | 274 | 597 | 438 | 498 | 257 | 583 |
| Total expenses | 1,140 | 1,822 | 4,585 | 2,508 | 1,864 | 11,875 | 1,071 | 2,328 | 1,709 | 1,945 | 1,002 | 2,276 |
| Excess (deficiency) from operations | 222 | (311) | (372) | (347) | (56) | 2,051 | (127) | (14) | 29,403 | (308) | (92) | 274 |
| Other changes in net assets | | | | | | | | | | | | |
| Net realized and unrealized gains (losses) in value of investments | - | - | - | - | - | - | - | - | - | - | - | - |
| Change in value of split-interest agreements | - | - | - | - | - | - | - | - | - | - | - | - |
| Change in value of perpetual trusts | - | (27) | - | (177) | - | (414) | - | (175) | - | - | (25) | 124 |
| Bad debt expense | (2) | (1) | (2) | - | (1) | 7 | (2) | (4) | (1) | - | - | (23) |
| Total other changes in net assets | (2) | (28) | (2) | (177) | (1) | (407) | (2) | (179) | (1) | - | (25) | 101 |
| Change in net assets | \$ 220 | \$ (339) | \$ (374) | \$ (524) | \$ (57) | \$ 1,644 | \$ (129) | \$ (193) | \$ 29,402 | \$ (308) | \$ (117) | \$ 375 |

Alzheimer's Association

CONSOLIDATING STATEMENTS OF ACTIVITIES - CONTINUED

Year ended June 30, 2022
(In thousands)

| | San Antonio & South Texas | San Diego & Imperial | South Carolina | South Dakota | Southeast Florida | Southeastern Virginia | Tennessee | Utah | Vermont | Washington State | West Texas | West Virginia |
|--|------------------------------|-------------------------|----------------|--------------|----------------------|--------------------------|-----------|----------|----------|---------------------|------------|---------------|
| Revenues, gains and other support | | | | | | | | | | | | |
| Contributions | | | | | | | | | | | | |
| Cash and other financial assets | \$ 1,533 | \$ 1,828 | \$ 3,610 | \$ 246 | \$ 3,333 | \$ 993 | \$ 3,027 | \$ 776 | \$ 527 | \$ 3,615 | \$ 737 | \$ 737 |
| Non-financial assets | 39 | 10 | 15 | - | 51 | - | - | - | 15 | - | 4 | - |
| Conference registration and other | 14 | (4) | 12 | - | 3 | 29 | 71 | 1 | 15 | 6 | - | - |
| Dividends and interest, net of investment-related expenses | - | - | 10 | - | 132 | 25 | 11 | - | - | - | - | - |
| Total revenues, gains and other support | 1,586 | 1,834 | 3,647 | 246 | 3,519 | 1,047 | 3,109 | 777 | 557 | 3,621 | 741 | 737 |
| Expenses | | | | | | | | | | | | |
| Program services | | | | | | | | | | | | |
| Care, support and risk reduction | 565 | 625 | 1,088 | 146 | 760 | 281 | 723 | 391 | 229 | 1,421 | 329 | 252 |
| Research | - | - | - | - | - | - | - | - | - | - | - | - |
| Concern and awareness | 603 | 667 | 1,160 | 156 | 811 | 300 | 772 | 417 | 244 | 1,516 | 351 | 269 |
| Diversity, equity, and inclusion | 37 | 41 | 71 | 10 | 50 | 18 | 47 | 26 | 15 | 93 | 21 | 16 |
| Public policy | 135 | 149 | 259 | 35 | 181 | 67 | 172 | 93 | 55 | 339 | 78 | 60 |
| Mission engagement | - | - | - | - | - | - | - | - | - | - | - | - |
| Total program services | 1,340 | 1,482 | 2,578 | 347 | 1,802 | 666 | 1,714 | 927 | 543 | 3,369 | 779 | 597 |
| Supporting services | | | | | | | | | | | | |
| Fundraising | 365 | 404 | 703 | 94 | 491 | 181 | 467 | 253 | 148 | 918 | 212 | 163 |
| Management and general | 96 | 107 | 186 | 25 | 130 | 48 | 124 | 67 | 39 | 243 | 56 | 43 |
| Total supporting services | 461 | 511 | 889 | 119 | 621 | 229 | 591 | 320 | 187 | 1,161 | 268 | 206 |
| Total expenses | 1,801 | 1,993 | 3,467 | 466 | 2,423 | 895 | 2,305 | 1,247 | 730 | 4,530 | 1,047 | 803 |
| Excess (deficiency) from operations | (215) | (159) | 180 | (220) | 1,096 | 152 | 804 | (470) | (173) | (909) | (306) | (66) |
| Other changes in net assets | | | | | | | | | | | | |
| Net realized and unrealized gains (losses) in value of investments | - | - | - | - | (115) | - | - | - | - | - | - | - |
| Change in value of split-interest agreements | - | - | - | - | (9) | 67 | - | - | - | - | - | - |
| Change in value of perpetual trusts | - | - | (80) | - | (459) | - | (51) | - | - | - | - | - |
| Bad debt expense | (1) | - | (6) | - | (5) | - | (1) | 2 | - | 10 | (1) | 1 |
| Total other changes in net assets | (1) | - | (86) | - | (588) | 67 | (52) | 2 | - | 10 | (1) | 1 |
| Change in net assets | \$ (216) | \$ (159) | \$ 94 | \$ (220) | \$ 508 | \$ 219 | \$ 752 | \$ (468) | \$ (173) | \$ (899) | \$ (307) | \$ (65) |

Alzheimer's Association

CONSOLIDATING STATEMENTS OF ACTIVITIES - CONTINUED

Year ended June 30, 2022
(In thousands)

| | Western Carolina | Western New York | Wisconsin | Wyoming | Total Alzheimer's Association | AIM | AIMPAC | Alzheimer's Association International | Coalition of New York State Alzheimer's Association Chapters | Eliminations | Consolidated |
|--|---------------------|---------------------|-----------------|-----------------|-------------------------------------|----------------|----------------|---|---|--------------|--------------------|
| Revenues, gains and other support | | | | | | | | | | | |
| Contributions | | | | | | | | | | | |
| Cash and other financial assets | \$ 3,447 | \$ 3,611 | \$ 4,263 | \$ 212 | \$ 448,415 | \$ 552 | \$ 209 | \$ 12 | \$ 4,999 | \$ (4,569) | \$ 449,618 |
| Non-financial assets | 30 | - | 17 | - | 8,557 | - | - | - | - | - | 8,557 |
| Conference registration and other | 32 | (4) | 81 | - | 7,760 | 10,008 | - | - | - | (10,008) | 7,760 |
| Dividends and interest, net of investment-related expenses | 13 | 11 | 11 | - | 12,416 | - | - | - | - | - | 12,416 |
| Total revenues, gains and other support | 3,522 | 3,618 | 4,372 | 212 | 477,148 | 10,560 | 209 | 12 | 4,999 | (14,577) | 478,351 |
| Expenses | | | | | | | | | | | |
| Program services | | | | | | | | | | | |
| Care, support and risk reduction | 626 | 1,071 | 1,473 | 122 | 108,498 | - | - | - | 5,005 | (4,569) | 108,934 |
| Research | - | - | - | - | 91,959 | - | - | - | - | - | 91,959 |
| Concern and awareness | 668 | 1,143 | 1,571 | 130 | 115,768 | - | - | - | - | - | 115,768 |
| Diversity, equity, and inclusion | 41 | 70 | 96 | 8 | 7,094 | - | - | - | - | - | 7,094 |
| Public policy | 149 | 255 | 351 | 29 | 25,876 | 10,466 | 220 | - | - | (10,008) | 26,554 |
| Mission engagement | - | - | - | - | 2,735 | - | - | - | - | - | 2,735 |
| Total program services | 1,484 | 2,539 | 3,491 | 289 | 351,930 | 10,466 | 220 | - | 5,005 | (14,577) | 353,044 |
| Supporting services | | | | | | | | | | | |
| Fundraising | 404 | 692 | 952 | 79 | 75,611 | 180 | - | - | - | - | 75,791 |
| Management and general | 107 | 183 | 252 | 21 | 18,549 | - | - | 1 | (2) | - | 18,548 |
| Total supporting services | 511 | 875 | 1,204 | 100 | 94,160 | 180 | - | 1 | (2) | - | 94,339 |
| Total expenses | 1,995 | 3,414 | 4,695 | 389 | 446,090 | 10,646 | 220 | 1 | 5,003 | (14,577) | 447,383 |
| Excess (deficiency) from operations | 1,527 | 204 | (323) | (177) | 31,058 | (86) | (11) | 11 | (4) | - | 30,968 |
| Other changes in net assets | | | | | | | | | | | |
| Net realized and unrealized gains (losses) in value of investments | - | - | - | - | (60,264) | - | - | - | - | - | (60,264) |
| Change in value of split-interest agreements | - | - | - | - | (801) | - | - | - | - | - | (801) |
| Change in value of perpetual trusts | (97) | (85) | (74) | - | (3,641) | - | - | - | - | - | (3,641) |
| Bad debt expense | 4 | (11) | (3) | 1 | (1,581) | - | - | - | - | - | (1,581) |
| Total other changes in net assets | (93) | (96) | (77) | 1 | (66,287) | - | - | - | - | - | (66,287) |
| Change in net assets | \$ 1,434 | \$ 108 | \$ (400) | \$ (176) | \$ (35,229) | \$ (86) | \$ (11) | \$ 11 | \$ (4) | \$ - | \$ (35,319) |

SINGLE AUDIT REPORTS

Alzheimer's Association

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended June 30, 2023

| Federal Agency/Pass Through Agency/Federal Program Title | Assistance Listing Number | Contract Number | Federal Expenditures | Expenditures to Subrecipients |
|--|---------------------------|-----------------------------------|----------------------|-------------------------------|
| United States Department of Justice (DOJ) | | | | |
| Office for Victims of Crime | | | | |
| Pass through: Northridge Hospital Foundation | 16.582 | | \$ 2,500 | \$ - |
| | | Subtotal 16.582 | 2,500 | - |
| | | Total DOJ | 2,500 | - |
| U.S. Department of Treasury (DOT) | | | | |
| Pass through: City of San Antonio | | | | |
| American Rescue Plan Act / Coronavirus State and Local Fiscal Recovery Fund | 21.027 | | 33,435 | - |
| | | Subtotal 21.027 | 33,435 | - |
| | | Total DOT | 33,435 | - |
| U.S. Department of Health and Human Services (DHHS) | | | | |
| Administration for Children and Families (ACF) | | | | |
| Aging Cluster | | | | |
| Pass through: North Central Texas Council of Governments | | | | |
| Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers | 93.044 | | 33,174 | - |
| Pass through: Rhode Island Office of Healthy Aging | | | | |
| Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers | 93.044 | CGINR-21-01 | 6,064 | - |
| Pass through: Rhode Island Office of Healthy Aging | | | | |
| Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers | 93.044 | CGINR-23-01 | 39,141 | - |
| | | Subtotal 93.044 and Aging Cluster | 78,379 | - |
| Pass through: Montana Department Public Health | | | | |
| Alzheimer's Disease Demonstration Grants to States | 93.051 | 21-221-13001-0 | 2,705 | - |
| | | Subtotal 93.051 | 2,705 | - |
| Pass through: City & County of Honolulu | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | MA-DCS-2100015 | 5,150 | - |
| Pass through: County of Kauai | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | 213200 | 4,680 | - |
| Pass through: Council of Aging of Southwestern Ohio | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | | 113,579 | - |
| Pass through: CICOA Aging & In-home Solutions, Inc. | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | E20224686-00 | 22,000 | - |
| Pass through: Area Agency on Aging of West Michigan | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | | 13,884 | - |
| Pass through: Upper Peninsula Community Action | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | | 1,241 | - |
| Pass through: Duthess County Office for the Aging | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | | 5,725 | - |
| Pass through: Sourcewise State of California | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | | 5,279 | - |
| Pass through: Denver Regional Council of Governments | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | | 153,648 | - |
| Pass through: Senior Connection Center | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | | 69,671 | - |
| Pass through: City of Seattle | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | | 56,723 | - |
| Pass through: Senior Connection Center | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | | 14,635 | - |
| Pass through: Dallas Area Agency on Aging | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | | 13,480 | - |
| Pass through: Dallas Area Agency on Aging | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | | 6,100 | - |
| Pass through: United Way of Tarrant County | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | | 4,545 | - |
| Pass through: United Way of Tarrant County | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | | 13,888 | - |
| Pass through: Hawaii County | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | | 1,265 | - |
| Pass through: Senior Resources of West Michigan | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | | 2,500 | - |
| Pass through: Monroe County Office for Aging | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | | 55,613 | - |
| Pass through: Senior Connection Center | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | 13-3039601 | 27,059 | - |
| Pass through: North Central Texas Council of Governments AAA | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | | 22,113 | - |

The accompanying notes are an integral part of this schedule.

Alzheimer's Association

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended June 30, 2023

| Federal Agency/Pass Through Agency/Federal Program Title | Assistance Listing Number | Contract Number | Federal Expenditures | Expenditures to Subrecipients |
|--|---------------------------|--|----------------------|-------------------------------|
| Pass through: North Central Texas Council of Governments AAA National Family Caregiver Support, Title III, Part E | 93.052 | | \$ 42,315 | \$ - |
| Pass through: North Central Texas Council of Governments National Family Caregiver Support, Title III, Part E | 93.052 | | 9,347 | - |
| Pass through: North Central Texas Council of Governments AAA National Family Caregiver Support, Title III, Part E | 93.052 | | 54,868 | - |
| Pass through: Milwaukee County Department on Aging National Family Caregiver Support, Title III, Part E | 93.052 | | 400,676 | - |
| Pass through: Monterey County National Family Caregiver Support, Title III, Part E | 93.052 | AP-2122-32 | 94,149 | - |
| Pass through: Sonoma County National Family Caregiver Support, Title III, Part E | 93.052 | | 61,053 | - |
| Pass through: State of Nevada National Family Caregiver Support, Title III, Part E | 93.052 | 2201NVOAFC-02 | 122,936 | - |
| Pass through: Contra Costa County National Family Caregiver Support, Title III, Part E | 93.052 | | 87,730 | - |
| Pass through: Sourcewise State of California National Family Caregiver Support, Title III, Part E | 93.052 | | 47,721 | - |
| Pass through: Sourcewise State of California National Family Caregiver Support, Title III, Part E | 93.052 | | 42,400 | - |
| Pass through: Summit County Combined General Health District National Family Caregiver Support, Title III, Part E | 93.052 | | 53,582 | - |
| Pass through: San Mateo County National Family Caregiver Support, Title III, Part E | 93.052 | | 89,628 | - |
| Pass through: Alameda County AAA National Family Caregiver Support, Title III, Part E | 93.052 | | 71,278 | - |
| Pass through: AAA of Western Michigan National Family Caregiver Support, Title III, Part E | 93.052 | | 58,646 | - |
| Pass through: Sonoma County National Family Caregiver Support, Title III, Part E | 93.052 | A. 2101CAFCC6-00 B. 2101CAPH6-00. | 7,820 | - |
| Pass through: Hawaii County National Family Caregiver Support, Title III, Part E | 93.052 | | 8,115 | - |
| Pass through: Rhode Island Office of Healthy Aging National Family Caregiver Support, Title III, Part E | 93.052 | | 70,475 | - |
| Pass through: City & County of Honolulu National Family Caregiver Support, Title III, Part E | 93.052 | | 27,550 | - |
| Pass through: Monterey County National Family Caregiver Support, Title III, Part E | 93.052 | | 17,794 | - |
| Pass through: City of Seattle National Family Caregiver Support, Title III, Part E | 93.052 | | 106,492 | - |
| Pass through: County of Monroe National Family Caregiver Support, Title III, Part E | 93.052 | | 26,482 | - |
| Pass through: Milwaukee County Department on Aging National Family Caregiver Support, Title III, Part E | 93.052 | 251-423-50 | 305,823 | - |
| | | Subtotal 93.052 | 2,419,658 | - |
| Alzheimer's Disease Program Initiative (ADPI) | 93.470 | 90ADCC001 | 1,218,040 | - |
| Pass through: State of Rhode Island Office of Healthy Aging Alzheimer's Disease Program Initiative (ADPI) | 93.470 | 90ADPI0005-01-00 | 3,615 | - |
| | | Subtotal 93.470 | 1,221,655 | - |
| National Institutes of Health | | | | |
| Research and Development Cluster | | | | |
| Pass through: Michigan State University Aging Research | 93.866 | | 38,000 | - |
| Aging Research Pass through: Hebrew Rehabilitation Center | 93.866 | R24AG065185 | 248,541 | - |
| Aging Research Summer Research Institute | 93.866 | U54AG063546 | 18,000 | - |
| Pass through: Johns Hopkins University Aging Research | 93.866 | R25AG069678 | 181,153 | - |
| Pass through: University of Wisconsin - Madison Aging Research | 93.866 | R01AG058586 | 119,925 | - |
| Aging Research | 93.866 | | 2,505 | - |
| Aging Research | 93.866 | R13AG072859 | 61,068 | - |
| Aging Research Pass through: Benton Technologies | 93.866 | R13AG071167 | 48,122 | - |
| Aging Research Pass through: University of Rochester | 93.866 | RAG069659A | 22,684 | - |
| Aging Research Pass through: Indiana University | 93.866 | R01AG052495 | 4,554 | - |
| Aging Research Pass through: Kinto | 93.866 | 1R24AG071471 | 40,088 | - |
| Aging Research Pass through: University of North Carolina - Chapel Hill | 93.866 | 1R44AG074778-01 | 202,623 | - |
| Aging Research | 93.866 | R01AG079124 | 15,134 | - |
| | | Subtotal 93.866 and Research and Development Cluster | 1,002,397 | - |

The accompanying notes are an integral part of this schedule.

Alzheimer's Association

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended June 30, 2023

| Federal Agency/Pass Through Agency/Federal Program Title | Assistance Listing Number | Contract Number | Federal Expenditures | Expenditures to Subrecipients |
|---|---------------------------|--------------------|----------------------|-------------------------------|
| Centers for Disease Control and Prevention (CDC) | | | | |
| Pass through: University of Indiana | | | | |
| The Healthy Brain Initiative: Technical Assistance to Implement Public Health Actions related to Cognitive Health, Cognitive Impairment, and Caregiving at the State and Local Levels | 93.334 | U1QHP28729 | \$ 9,514 | \$ - |
| The Healthy Brain Initiative: Technical Assistance to Implement Public Health Actions related to Cognitive Health, Cognitive Impairment, and Caregiving at the State and Local Levels | 93.334 | CDC-RFA-DP20-2003 | 2,687,397 | 691,371 |
| BOLD Centers of Excellence (Risk Reduction) | 93.334 | CDC-RFA-DP20-2005 | 874,176 | 155,001 |
| Pass through: University of Minnesota | | | | |
| The Healthy Brain Initiative: Technical Assistance to Implement Public Health Actions related to Cognitive Health, Cognitive Impairment, and Caregiving at the State and Local Levels | 93.334 | NU58DP006910-02-00 | 60,517 | - |
| Pass through: State of Rhode Island | | | | |
| Building Our Largest Dementia (BOLD) Infrastructure for Alzheimer's Act | 93.334 | CDC-RFA-DP20-2004 | 44,335 | - |
| Pass through: Wisconsin Department of Health | | | | |
| Building Our Largest Dementia (BOLD) Infrastructure for Alzheimer's Act | 93.334 | NU58DP006927 | 117,504 | - |
| Pass through: Mississippi State Department of Public Health | | | | |
| BOLD Public Health Programs (Core Capacity) | 93.334 | SG-2101-R4 | 58,866 | - |
| Pass through: Virginia Department of Health | | | | |
| Building Our Largest Dementia (BOLD) Infrastructure for Alzheimer's Act | 93.334 | CDC-RFA-DP20-2004 | 7,459 | - |
| Pass through: Boston Public Health Commission | | | | |
| The Healthy Brain Initiative: Technical Assistance to Implement Public Health Actions related to Cognitive Health, Cognitive Impairment, and Caregiving at the State and Local Levels | 93.334 | NU58DP006958 | 19,637 | - |
| Pass through: Mississippi State Department of Health | | | | |
| The Healthy Brain Initiative: Technical Assistance to Implement Public Health Actions related to Cognitive Health, Cognitive Impairment, and Caregiving at the State and Local Levels | 93.334 | NU58DP006909 | 7,356 | - |
| Subtotal 93.334 | | | 3,886,761 | 846,372 |
| Pass through: University of Tennessee Chattanooga | | | | |
| Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises | 93.391 | NH75OT000100 | 84,211 | - |
| Subtotal 93.391 | | | 84,211 | - |
| Centers for Medicaid & Medicare Services (CMS) | | | | |
| Pass through: The Ohio State University | | | | |
| State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare | 93.777 | SPC-1000011801 | 7,550 | - |
| Subtotal 93.777 | | | 7,550 | - |
| Health Resources and Services Administration (HRSA) | | | | |
| Pass through: University of Hawaii | | | | |
| Geriatric Workforce Enhancement Program GWEP Geriatric Education Centers GECs | 93.969 | U1QHP28729-06-03 | 15,000 | - |
| Pass through: Virginia Commonwealth University | | | | |
| Geriatric Workforce Enhancement Program GWEP Geriatric Education Centers GECs | 93.969 | 2U1QHP28744-04-00 | 6,000 | - |
| Pass through: State of Nebraska | | | | |
| Geriatric Workforce Enhancement Program GWEP Geriatric Education Centers GECs | 93.969 | 5U1QHP33079-02-00 | 18,221 | - |
| Pass through: The Regents of the University of California, San Francisco | | | | |
| Geriatric Workforce Enhancement Program GWEP Geriatric Education Centers GECs | 93.969 | 5U1QHP28727 | 5,000 | - |
| Pass through: University of Oklahoma | | | | |
| Geriatric Workforce Enhancement Program GWEP Geriatric Education Centers GECs | 93.969 | 1U1QHP33082-01-00 | 28,188 | - |
| Pass through: University of Rochester | | | | |
| Geriatric Workforce Enhancement Program GWEP Geriatric Education Centers GECs | 93.969 | U1QHP28738 | 82,924 | - |
| Pass through: University of North Dakota | | | | |
| Geriatric Workforce Enhancement Program GWEP Geriatric Education Centers GECs | 93.969 | UND0025172-S5 | 7,044 | - |
| Pass through: Northeast Ohio Medical University | | | | |
| Geriatric Workforce Enhancement Program GWEP Geriatric Education Centers GECs | 93.969 | U1Q33073 | 6,000 | - |
| Pass through: University of Southern Indiana | | | | |
| Geriatric Workforce Enhancement Program GWEP Geriatric Education Centers GECs | 93.969 | 5U1QHP33084-02-00 | 4,731 | - |
| Subtotal 93.969 | | | 173,108 | - |
| Total DHHS | | | 8,876,424 | 846,372 |
| Total expenditures of federal awards | | | <u>\$ 8,912,359</u> | <u>\$ 846,372</u> |

The accompanying notes are an integral part of this schedule.

Alzheimer's Association

SCHEDULE OF EXPENDITURES OF WISCONSIN STATE AWARDS

Year ended June 30, 2023

| State/Pass Through Agency/ Program Title | Assistance Listing Number | Contract Number | Total Expenditures | Expenditures to Subrecipients |
|---|---------------------------------|--------------------|-----------------------|----------------------------------|
| State of Wisconsin Pass through: Milwaukee County Department on Aging Counseling and Community Support Services Community Living Program | N/A | | \$ 54,368 | \$ - |
| Total expenditures of Wisconsin state awards | | | <u>\$ 54,368</u> | <u>\$ -</u> |

The accompanying notes are an integral part of this schedule.

Alzheimer's Association

SCHEDULE OF EXPENDITURES OF FLORIDA STATE FINANCIAL ASSISTANCE

Year ended June 30, 2023

| <u>State/Pass Through Agency/ Program Title</u> | <u>State CSFA Number</u> | <u>Contract Number</u> | <u>Total Expenditures</u> | <u>Expenditures to Subrecipients</u> |
|---|--|----------------------------|-------------------------------|--|
| State of Florida Pass through: Area Agency on Aging Pasco-Pinellas, Inc. Alzheimer's Disease Initiative | 65.002, 65.004 | N/A | \$ 316,818 | \$ - |
| Florida Department of Elder Affairs | N/A | XQXID | <u>631,474</u> | <u>-</u> |
| | Total expenditures of Florida state financial assistance | | <u>\$ 948,292</u> | <u>\$ -</u> |

The accompanying notes are an integral part of this schedule.

Alzheimer's Association

**NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL,
WISCONSIN STATE, AND FLORIDA STATE AWARDS**

June 30, 2023

NOTE A - BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal, Wisconsin state, and Florida state awards include the federal, Wisconsin state, and Florida state award activity of the Alzheimer's Association and affiliates and are presented on the accrual basis of accounting. The information in these schedules are presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the State of Wisconsin Department of Health Services Audit Guide, Section 215.97, *Florida Statutes*, and Chapter 10.650, *Rules of the Auditor General*. Therefore, some amounts presented in these schedules may differ from amounts presented in or used in the preparation of the basic consolidated financial statements.

NOTE B - INDIRECT COST RATE

The Alzheimer's Association's federally negotiated cost rate was changed to 26.0% for all new contracts beginning on or after October 1, 2021. The Association had been using its previous federally negotiated indirect cost rate of 23.6% since October 1, 2020.

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Alzheimer's Association

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the consolidated financial statements of Alzheimer's Association and affiliates (the "Entity"), which comprise the consolidated statement of financial position as of June 30, 2023, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 23, 2023.

Report on internal control over financial reporting

In planning and performing our audit of the consolidated financial statements, we considered the Entity's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the Entity's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on compliance and other matters

As part of obtaining reasonable assurance about whether the Entity's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant

agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Entity's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Grant Thornton LLP

Chicago, Illinois
October 23, 2023

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, WISCONSIN
STATE PROGRAM, AND FLORIDA STATE PROJECT AND ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE,
THE WISCONSIN DEPARTMENT OF HEALTH SERVICES AUDIT GUIDE,
CHAPTER 10.650, RULES OF THE AUDITOR GENERAL, AND THE FLORIDA
SINGLE AUDIT ACT**

Board of Directors
Alzheimer's Association

**Report on compliance for each major federal program and state
program or project**

Opinion on each major federal program and state program or project

We have audited the compliance of Alzheimer's Association and affiliates (the "Entity") with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget's *OMB Compliance Supplement*, the State of Wisconsin Department of Health Services Audit Guide ("DHS Audit Guide"), and the requirements described in the State of Florida Department of Financial Services' State Projects Compliance Supplement that could have a direct and material effect on each of the Entity's major federal, Wisconsin state, and Florida state programs or projects for the year ended June 30, 2023. The Entity's major federal, Wisconsin state, and Florida state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Entity complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal, Wisconsin state, and Florida state programs or projects for the year ended June 30, 2023.

Basis for opinion on each major federal and state program or project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (US GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); the DHS Audit Guide; the Florida Single Audit Act (Section 215.97, *Florida Statutes*); and Chapter 10.650, *Rules of the Auditor General*. Our responsibilities under those standards, the Uniform Guidance, the DHS Audit Guide, and the Florida Single Audit Act (Section 215.97, *Florida Statutes*); and Chapter 10.650, *Rules of the Auditor General* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Entity and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and

appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Entity's compliance with the compliance requirements referred to above.

Responsibilities of management for compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Entity's federal, Wisconsin state, and Florida state programs or projects.

Auditor's responsibilities for the audit of compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Entity's compliance based on our audit. 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 US GAAS, *Government Auditing Standards*, Uniform Guidance, DHS Audit Guide, Section 215.97, *Florida Statutes*, and Chapter 10.650, *Rules of the Auditor General* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Entity's compliance with the requirements of each major federal, Wisconsin state, and Florida state program or project as a whole.

In performing an audit in accordance with US GAAS, *Government Auditing Standards*, and the Uniform Guidance, DHS Audit Guide, Section 215.97, *Florida Statutes*, and Chapter 10.650, *Rules of the Auditor General*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Entity's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on internal control over compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal, Wisconsin state, or Florida state program or project on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal, Wisconsin state, or Florida State program or project will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal, Wisconsin state, or Florida state program or project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in the Entity's internal control over compliance that we consider to be material weaknesses or significant deficiencies. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this Report on Internal Control Over Compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance, DHS Audit Guide, Section 215.97, Florida Statutes, and Chapter 10.650, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

Grant Thornton LLP

Chicago, Illinois
October 23, 2023

Alzheimer's Association
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year ended June 30, 2023

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unmodified
Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards and State Financial Assistance

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? Yes None reported

Type of auditor's report issued on compliance for major federal programs and state programs or projects: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) (Uniform Guidance), Wisconsin Department of Health Services Audit Guide (DHS Audit Guide), Section 215.97, Florida Statutes, and Chapter 10.650, Rules of the Auditor General? Yes No

Identification of major federal and state programs or projects:

Federal Programs:

| <u>Assistance listing number</u> | <u>Name of Federal Program or Cluster</u> |
|----------------------------------|--|
| 93.470 | Alzheimer's Disease Program Initiative |
| 93.866 | National Institutes of Health-Research and Development Cluster |

Wisconsin State Programs:

| <u>Assistance listing number</u> | <u>Name of State Program</u> |
|----------------------------------|---|
| N/A | State of Wisconsin - Pass through Milwaukee County Department on Aging - Counseling and Community Support Services Community Living Program |

Alzheimer's Association

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

Year ended June 30, 2023

Florida State Projects:

CSFA number

Name of State Project

N/A

State of Florida - Florida Department of Elder Affairs - Project VITAL

Dollar threshold used to distinguish between Type A and Type B programs/projects:

Federal: \$750,000

Florida State: \$300,000

Auditee qualified as low-risk auditee?

X Yes ___ No

II. FINANCIAL STATEMENT FINDINGS

None reported.

III. FEDERAL AND WISCONSIN STATE AWARDS, AND FLORIDA STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

None reported.

IV. OTHER ISSUES

Wisconsin State Program:

- 1. Does the auditor's report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? No
- 2. Does the audit report show audit issues (i.e., material non-compliance, non-material non-compliance, questioned costs, significant deficiencies or material weaknesses in internal controls, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the Wisconsin State Single Audit Guidelines? No
- 3. Was a management letter or other document conveying audit comments issued as a result of this audit? No

4. Name and signature of partner

Dianne Wasieleski

Dianne Wasieleski

5. Date of report

October 23, 2023

Alzheimer's Association

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

Year ended June 30, 2023

Florida State Project:

1. No management letter is required because there were no findings required to be reported in the management letter.
2. There are no findings required to be reported in a management letter pursuant to Section 10.654(1), Rules of the Auditor General.
3. There were no prior audit findings.