



**RONALD MCDONALD HOUSE  
CHARITIES® OF JACKSONVILLE, INC.**

**FINANCIAL STATEMENTS**

**December 31, 2023 and 2022**

**REPORT**

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**FINANCIAL STATEMENTS**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Ronald McDonald House Charities® of Jacksonville, Inc.

### **Opinion**

We have audited the accompanying financial statements of Ronald McDonald House Charities® of Jacksonville, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ronald McDonald House Charities® of Jacksonville, Inc. as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

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

### **Responsibilities of Management for the Financial Statements**

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

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

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

*Carr, Riggs & Ingram, L.L.C.*

Jacksonville, Florida  
June 28, 2024

**Ronald McDonald House Charities of Jacksonville, Inc.**  
**Statements of Financial Position**

<i>December 31,</i>	<b>2023</b>	<b>2022</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 1,388,731	\$ 1,521,604
Contributions receivable, net	115,242	131,350
Pledges receivable, net	-	2,000
Prepaid expenses and other assets	51,702	27,000
Investments, at fair value	8,207,487	7,404,840
Property and equipment, net	13,955,459	14,480,580
Right-of-use finance lease asset	13,394	-
<b>Total assets</b>	<b>\$ 23,732,015</b>	<b>\$ 23,567,374</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 86,695	\$ 84,965
Performance obligation	50,000	100,000
Finance lease obligation	12,953	5,897
<b>Total liabilities</b>	<b>149,648</b>	<b>190,862</b>
<b>Net assets</b>		
Without donor restrictions	21,025,810	21,061,606
With donor restrictions	2,556,557	2,314,906
<b>Total net assets</b>	<b>23,582,367</b>	<b>23,376,512</b>
<b>Total liabilities and net assets</b>	<b>\$ 23,732,015</b>	<b>\$ 23,567,374</b>

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

**Ronald McDonald House Charities of Jacksonville, Inc.**  
**Statements of Activities**

<i>Year Ended December 31, 2023</i>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenues and Other Support</b>			
Contributions and grants	\$ 1,322,523	\$ 105,000	\$ 1,427,523
Guest family contributions	80,163	-	80,163
In-kind contributions	96,777	-	96,777
Special events revenue	1,002,641	-	1,002,641
Third-party reimbursements	31,510	-	31,510
Investment income, net	113,874	33,376	147,250
Net realized investment gains (losses)	13,452	7,844	21,296
Net unrealized investment gains (losses)	511,305	184,425	695,730
Other income	37,181	-	37,181
<b>Total revenues and other support before net assets released from restrictions</b>	<b>3,209,426</b>	<b>330,645</b>	<b>3,540,071</b>
Net assets released from restrictions -- satisfaction of donor restrictions	88,994	(88,994)	-
<b>Total revenues and other support</b>	<b>3,298,420</b>	<b>241,651</b>	<b>3,540,071</b>
<b>Expenses</b>			
Program services	2,280,471	-	2,280,471
Supporting services			
Management and general	366,087	-	366,087
Fundraising	475,928	-	475,928
<b>Total supporting services</b>	<b>842,015</b>	<b>-</b>	<b>842,015</b>
<b>Cost of direct benefits to donors</b>	<b>211,730</b>	<b>-</b>	<b>211,730</b>
<b>Total expenses</b>	<b>3,334,216</b>	<b>-</b>	<b>3,334,216</b>
Change in net assets	(35,796)	241,651	205,855
Net assets at beginning of year	21,061,606	2,314,906	23,376,512
<b>Net assets at end of year</b>	<b>\$ 21,025,810</b>	<b>\$ 2,556,557</b>	<b>\$ 23,582,367</b>

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

**Ronald McDonald House Charities of Jacksonville, Inc.**  
**Statements of Activities**  
**(Continued)**

<i>Year Ended December 31, 2022</i>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenues and Other Support</b>			
Contributions and grants	\$ 1,509,782	\$ 30,000	\$ 1,539,782
Guest family contributions	60,581	-	60,581
In-kind contributions	69,015	-	69,015
Gross revenues from special events	1,071,706	-	1,071,706
Third-party reimbursements	14,360	-	14,360
Investment income, net	86,509	26,348	112,857
Net realized investment gains	602,942	(32,329)	570,613
Net unrealized investment gains	(1,614,216)	(316,489)	(1,930,705)
Other income	17,754	-	17,754
<b>Total revenues and other support before net assets released from restrictions</b>	<b>1,818,433</b>	<b>(292,470)</b>	<b>1,525,963</b>
Net assets released from restrictions -- satisfaction of donor restrictions	3,194	(3,194)	-
<b>Total revenues and other support</b>	<b>1,821,627</b>	<b>(295,664)</b>	<b>1,525,963</b>
<b>Expenses</b>			
Program services	2,241,078	-	2,241,078
Supporting services			
Management and general	375,210	-	375,210
Fundraising	439,966	-	439,966
<b>Total supporting services</b>	<b>815,176</b>	<b>-</b>	<b>815,176</b>
Cost of direct benefits to donors	285,761	-	285,761
<b>Total expenses</b>	<b>3,342,015</b>	<b>-</b>	<b>3,342,015</b>
Change in net assets	(1,520,388)	(295,664)	(1,816,052)
Net assets at beginning of year	22,581,994	2,610,570	25,192,564
Net assets at end of year	\$ 21,061,606	\$ 2,314,906	\$ 23,376,512

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

**Ronald McDonald House Charities of Jacksonville, Inc.**  
**Statements of Functional Expenses**

*For the year ended December 31, 2023*

	Supporting Services			Total Functional Expenses	Costs of Direct Benefits to Donors	Total Expenses
	Program Services	Management and General	Fundraising			
Salaries and benefits	\$ 1,003,030	\$ 300,111	\$ 338,245	\$ 1,641,386	\$ -	\$ 1,641,386
Program supplies and expense	223,121	-	-	223,121	-	223,121
Professional fees	2,479	8,571	19,708	30,758	-	30,758
Contract services	119,208	-	-	119,208	-	119,208
Printing and publications	1,343	170	12,483	13,996	-	13,996
Office supplies and expense	3,291	4,867	1,830	9,988	-	9,988
Postage and shipping	294	484	730	1,508	-	1,508
Maintenance and repairs	43,860	-	158	44,018	-	44,018
Dues and subscriptions	204	10,303	5,193	15,700	-	15,700
Telephone	34,109	710	-	34,819	-	34,819
Computer and information technology	59,097	13,102	38,008	110,207	-	110,207
Occupancy	121,779	1,242	1,242	124,263	-	124,263
Travel and lodging	273	4,412	601	5,286	-	5,286
Meetings, training and seminars	6,974	13,281	4,046	24,301	-	24,301
Depreciation	546,409	5,576	5,576	557,561	-	557,561
Insurance	100,573	2,095	2,095	104,763	-	104,763
Fundraising expenses - special events	-	-	-	-	211,730	211,730
Fundraising expenses - indirect	26	650	26,648	27,324	-	27,324
Interest	-	176	-	176	-	176
Bank service fees	1,411	90	17,288	18,789	-	18,789
Taxes and licenses - other	316	413	-	729	-	729
Miscellaneous	10,024	(166)	77	9,935	-	9,935
Bad debt expense	2,650	-	2,000	4,650	-	4,650
<b>Total expenses</b>	<b>\$ 2,280,471</b>	<b>\$ 366,087</b>	<b>\$ 475,928</b>	<b>\$ 3,122,486</b>	<b>\$ 211,730</b>	<b>\$ 3,334,216</b>

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



**Ronald McDonald House Charities of Jacksonville, Inc.**  
**Statements of Functional Expenses**  
**(Continued)**

*For the year ended December 31, 2022*

	Supporting Services			Total Functional Expenses	Costs of Direct Benefits to Donors	Total Expenses
	Program Services	Management and General	Fundraising			
Salaries and benefits	\$ 1,034,534	\$ 248,753	\$ 329,150	\$ 1,612,437	\$ -	\$ 1,612,437
Program supplies and expense	169,194	873	-	170,067	-	170,067
Professional fees	2,030	77,315	9,516	88,861	-	88,861
Contract services	110,111	-	-	110,111	-	110,111
Printing and publications	544	914	8,127	9,585	-	9,585
Office supplies and expense	4,705	4,788	1,166	10,659	-	10,659
Postage and shipping	302	379	1,536	2,217	-	2,217
Maintenance and repairs	50,374	-	-	50,374	-	50,374
Dues and subscriptions	337	4,175	2,966	7,478	-	7,478
Telephone	33,401	752	-	34,153	-	34,153
Computer and information technology	60,698	18,572	35,546	114,816	-	114,816
Occupancy	122,930	1,254	1,254	125,438	-	125,438
Travel and lodging	2,026	1,222	1,635	4,883	-	4,883
Meetings, training and seminars	382	6,729	880	7,991	-	7,991
Depreciation	551,956	5,632	5,632	563,220	-	563,220
Insurance	88,708	1,848	1,848	92,404	-	92,404
Fundraising expenses - special events	-	-	-	-	285,761	285,761
Fundraising expenses - indirect	-	214	19,590	19,804	-	19,804
Interest	-	96	-	96	-	96
Bank service fees	1,423	125	21,116	22,664	-	22,664
Taxes and licenses - other	1,120	718	-	1,838	-	1,838
Miscellaneous	6,303	851	4	7,158	-	7,158
<b>Total expenses</b>	<b>\$ 2,241,078</b>	<b>\$ 375,210</b>	<b>\$ 439,966</b>	<b>\$ 3,056,254</b>	<b>\$ 285,761</b>	<b>\$ 3,342,015</b>

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

**Ronald McDonald House Charities of Jacksonville, Inc.**  
**Statements of Cash Flows**

<i>For the years Ended December 31,</i>	<b>2023</b>	<b>2022</b>
<b>Operating activities</b>		
Change in net assets	\$ 205,855	\$ (1,816,052)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation	557,561	563,220
Donated securities	-	(5,018)
Proceeds from sale of donated securities	-	5,036
Donated property and equipment	(1,500)	(6,035)
Net realized and unrealized (gain) loss on investments	(717,026)	1,360,092
Changes in operating assets and liabilities		
Contributions and other receivables	16,108	(52,896)
Pledges receivable, net	2,000	10,000
Prepaid expenses and other assets	(24,702)	19,592
Accounts payable and accrued expenses	1,730	(15,362)
Performance obligation	(50,000)	94,500
Net cash provided (used) by operating activities	(9,974)	157,077
<b>Investing activities</b>		
Acquisition of property and equipment	(30,940)	(23,754)
Proceeds from sale of investments	858,136	9,437,360
Purchase of investments	(943,757)	(9,485,962)
Net cash provided (used) by investing activities	(116,561)	(72,356)
<b>Financing activities</b>		
Payments on finance lease obligation	(6,338)	(2,566)
Net cash provided (used) by financing activities	(6,338)	(2,566)
Net change in cash and cash equivalents	(132,873)	82,155
Cash and cash equivalents at beginning of year	1,521,604	1,439,449
Cash and cash equivalents at end of year	\$ 1,388,731	\$ 1,521,604

**Supplemental disclosure of cash flow information:** See Note 18.

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

## **Ronald McDonald House Charities of Jacksonville, Inc. Notes to Financial Statements**

### **Note 1: DESCRIPTION OF THE ORGANIZATION**

Ronald McDonald House Charities® of Jacksonville, Inc. (the “Organization”) is a Florida nonprofit charitable corporation. The mission of Ronald McDonald House Charities is to create, find and support programs that directly improve the health and well-being of children and their families. The Organization ascribes to five core values: we are focused on the critical needs of children, we lead with compassion, we celebrate the diversity of our people and our programs, we value our heritage and we operate with accountability and transparency. The Organization is licensed by McDonald’s Corporation as an independent chapter of Ronald McDonald House Charities®, Inc.

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

#### ***Ronald McDonald House***

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

#### ***Ronald McDonald Family Room***

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

### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### ***Basis of Accounting***

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

## **Ronald McDonald House Charities of Jacksonville, Inc.**

### **Notes to Financial Statements**

#### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***

##### ***Measure of Operations***

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

##### ***Use of Estimates***

The preparation of financial statements in conformity with U.S. GAAP requires management of the Organization to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to allowances for uncollectible unconditional promises to give, useful life and depreciation method of property and equipment, fair value of investments, and the allocation of functional expenses.

##### ***Cash and Cash Equivalents***

Cash equivalents include money market funds and all highly liquid investments with a maturity date of less than three months from the date of purchase.

##### ***Contributions Receivable***

Contributions receivable are unconditional promises to give. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows using a credit risk adjusted discount rate. Contributions receivable are written off when deemed uncollectible. There were no unconditional promises to give received in 2023. Promises to give for 2022 were written off.

##### ***Investments***

The Organization reports investments in equity securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position. Realized and unrealized gains and losses and income are included in the statements of activities.

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

## **Ronald McDonald House Charities of Jacksonville, Inc.**

### **Notes to Financial Statements**

#### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### ***Property and Equipment***

Property and equipment are stated at cost, if purchased, or estimated fair value, if donated, at the date of donation. Additions of \$1,000 or more are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed as incurred. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets.

##### ***Leases***

The Organization determines if an arrangement is a lease at inception. Finance leases are included in right-of-use ("ROU") finance lease assets and finance lease obligation liability in the statements of financial position.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Organization has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities.

The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

##### ***Impairment of Long-Lived Assets***

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. If the future undiscounted cash flows expected to result from the use of the asset and its eventual disposition are less than the carrying amount of the asset, an impairment loss is recognized. Long-lived assets and certain intangible assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell.

No events or circumstances were identified during December 31, 2023 and 2022 that would cause an impairment loss.

##### ***Performance Obligation***

Revenues received in advance related to fundraising events or program services that could be returned to the donor should the funding not be spent in accordance with the requirements are recorded as a performance obligation. The revenue is recognized as earned in the period which the event takes place or the program service funding requirements are met.

## **Ronald McDonald House Charities of Jacksonville, Inc.**

### **Notes to Financial Statements**

#### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***

##### ***Net Assets***

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. The governing board has designated a portion of the net assets without donor restrictions to support House and program operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from with donor restrictions to net assets without donor restrictions. Contributions with donor restrictions that are both received and released within the same year are recorded as an increase in net assets without donor restrictions.

##### ***Revenue Recognition***

Unconditional promises to give are recognized as revenue in the period the promise was made. Contributions, grants, and bequests are recognized as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

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

Sponsorship revenue that relates to the commensurate value the sponsor received in return is recognized when the related events are held and performance obligations are met.

Ticket sales that relates to the commensurate value the attendee receives in return is recognized when the related events are held and performance obligations are met.

## **Ronald McDonald House Charities of Jacksonville, Inc.**

### **Notes to Financial Statements**

#### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***

##### ***Revenue Recognition (Continued)***

Third-party reimbursements are reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing housing to eligible families. These amounts are due from third party payors, as applicable, and include variable consideration and price concessions due to coverage. Revenue is recognized as performance obligations are satisfied based on actual charges incurred in relation to total expected collections.

##### ***Donated Assets, Property and Equipment, and Services***

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

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

##### ***Functional Allocation of Expenses***

The statements of functional expenses report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. Expenses not charged to a specific program or supporting function require allocation on a reasonable basis that is consistently applied as follows: depreciation, insurance, occupancy (including utilities), and communications expense (telephone and cable), are allocated on an estimated square footage basis. Office equipment expense, including interest on equipment finance leases, certain office supplies, general postage and printing, certain professional fees, and information technology are allocated based on full-time equivalents.

Salaries and wages, payroll taxes and employee benefits are allocated on the basis of actual time and effort.

##### ***Income Taxes***

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

## **Ronald McDonald House Charities of Jacksonville, Inc.**

### **Notes to Financial Statements**

#### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***

##### ***Income Taxes (Continued)***

The Organization utilized the accounting requirements associated with uncertainty in income taxes using the provisions of FASB ASC 740, Income Taxes. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of December 31, 2023, and 2022, the Organization has no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

##### ***Reclassifications***

Certain reclassifications were made to prior year balances to conform with current year presentation.

##### ***Subsequent Events***

Management has evaluated subsequent events through the date the financial statements were available to be issued, June 28, 2024, and determined there were no events that occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

##### ***Recent Accounting Pronouncements***

In February 2016, the Financial Accounting Standards Board (FASB) issued guidance (Accounting Standards Codification [ASC] 842, Leases) to increase transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease obligations on the statement of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease obligations by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Organization adopted the standard effective January 1, 2022 and recognized and measured leases existing at, or entered into after, January 1, 2022 (the beginning of the period of adoption) through a cumulative effect adjustment, with certain practical expedients available.

The Organization elected the available practical expedients to account for existing capital leases as finance leases under the new guidance, without reassess (a) whether the contracts contain leases under the new standard, (b) whether classification of capital leases would be different in accordance with the new guidance, or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs in the new guidance at lease commencement.

As a result of the adoption of the new lease accounting guidance, the Organization recognized on January 1, 2022 (beginning of the year of adoption) a lease obligation at the carrying amount of the capital lease obligations on December 31, 2021, of \$8,463 and equipment at the carrying amount of the capital lease asset of \$8,463.



## **Ronald McDonald House Charities of Jacksonville, Inc.**

### **Notes to Financial Statements**

#### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***

##### ***Recent Accounting Pronouncements (Continued)***

The standard did not have a material impact on the Organization's statements of financial position, statements of activities, nor statements of cash flows.

In September 2020, the FASB issued ASU 2020-07, Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. This change in accounting principal is effective for fiscal years beginning after June 15, 2021. This ASU did not have a significant impact on the Organization's financial reporting.

#### **Note 3: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY**

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments. The Organization receives contributions restricted by donors, and considers contributions restricted for programs, which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures.

The Organization maintains financial assets, consisting of cash and investments, on hand to meet its normal operating expenses based on its annual budget. Operating expenses are compared to budgeted expenses on a monthly basis and financial assets on hand are reallocated if necessary. As part of its liquidity management, the Organization invests cash in excess of daily requirements in various investments. In addition, the Organization maintains a board-designated fund that allows for annual spending of income and appreciation approved by the board. Distributions are made annually from donor-restricted perpetual endowment funds based on the endowment spending policy (See Note 10).

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions:

**Ronald McDonald House Charities of Jacksonville, Inc.**  
**Notes to Financial Statements**

**Note 3: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY (Continued)**

<i>December 31,</i>	<b>2023</b>	<b>2022</b>
Total assets at year end	\$ 23,732,015	\$ 23,567,374
Less non-financial assets		
Prepaid expenses and other assets	(51,702)	(27,000)
Property and equipment, net	(13,955,459)	(14,480,580)
Financial assets at year-end	<b>9,724,854</b>	9,059,794
Less those not available for general expenditures within one year, due to board designation, contractual or donor-imposed restrictions		
Board designated funds	(4,301,920)	(3,868,888)
Accumulated surplus on donor restricted net assets	(212,865)	(73,694)
Donor restricted due to purpose	(109,286)	(26,806)
Donor- restricted perpetual endowment	(1,784,406)	(1,764,406)
Financial assets available to meet cash needs for general expenditures within one year	<b>\$ 3,316,377</b>	\$ 3,326,000

In addition, although the Organization does not intend to spend from its board-designated fund, other than amounts appropriated for general expenditures as part of its annual budget approval and appropriation, amounts from its board-designated fund could be made available if necessary.

**Note 4: CONTRIBUTIONS RECEIVABLE**

Contributions receivable consist of the following:

<i>December 31,</i>	<b>2023</b>	<b>2022</b>
Due in less than one year	\$ 115,242	\$ 131,350
Pledges receivable, net	<b>\$ 115,242</b>	\$ 131,350

Bad debt expense totaled \$4,650 for the year ended December 31, 2023. There was no bad debt expense for the year ended December 31, 2022.

**Ronald McDonald House Charities of Jacksonville, Inc.**  
**Notes to Financial Statements**

**Note 5: INVESTMENTS**

Investments in marketable securities consist of the following:

<b><i>December 31, 2023</i></b>	Cost	Market Value
Money market funds	\$ 33,482	\$ 33,482
Mutual funds	4,294,452	4,739,437
Alternative investments	797,217	808,240
Fixed income	2,576,528	2,626,328
<b>Total investments in marketable securities</b>	<b>\$ 7,701,680</b>	<b>\$ 8,207,487</b>

<b><i>December 31, 2022</i></b>	Cost	Market Value
Money market funds	\$ 94,074	\$ 94,074
Mutual funds	4,255,240	4,041,940
Equities	773,862	772,919
Fixed income	2,476,488	2,495,907
<b>Total investments in marketable securities</b>	<b>\$ 7,599,664</b>	<b>\$ 7,404,840</b>

The Organization's investment income is summarized as follows:

<b><i>Year Ended December 31,</i></b>	<b>2023</b>	2022
Interest and dividend income, net of investment fees	\$ 147,250	\$ 112,857
Net realized gains (losses)	21,296	570,613
Net unrealized gains (losses)	695,730	(1,930,705)
<b>Net investment income (loss)</b>	<b>\$ 864,276</b>	<b>\$ (1,247,235)</b>

Investment fees totaled \$51,085 and \$48,783 for the years ended December 31, 2023 and 2022, respectively.

**Ronald McDonald House Charities of Jacksonville, Inc.**  
**Notes to Financial Statements**

**Note 6: PROPERTY AND EQUIPMENT**

The components of property and equipment consist of the following at December 31, 2023 and 2022:

<i>December 31,</i>	Estimated Useful Lives (in years)	<b>2023</b>	2022
Land	N/A	\$ 1,576,142	\$ 1,576,142
Buildings and improvements	7-39	18,491,093	18,491,092
Furniture, fixtures and equipment	3-10	1,763,698	1,741,606
Transportation equipment	5	25,734	25,734
		<b>21,856,667</b>	21,834,574
Less accumulated depreciation		<b>(7,901,208)</b>	(7,353,994)
Total property and equipment		<b>13,955,459</b>	14,480,580
Less restricted land		<b>(450,000)</b>	(450,000)
		<b>\$ 13,505,459</b>	\$ 14,030,580

Depreciation expense was \$557,561 and \$563,220 for the years ended December 31, 2023 and 2022, respectively.

See Note 8 for details on the restricted land.

**Note 7: LEASES**

The Organization has a finance lease for office equipment. The lease has a remaining term of five years. As of December 31, 2023 and 2022, assets recorded under the finance leases were \$13,394 and \$13,495, respectively, and accumulated depreciation associated with the finance leases was \$446 and \$7,598, respectively.

The components of lease expense consist of the following:

<i>For the year ending December 31,</i>	<b>2023</b>	2022
Finance lease cost		
Depreciation of property and equipment	\$ 446	\$ 2,566
Interest on lease liabilities	176	96
	<b>\$ 622</b>	\$ 2,662

**Ronald McDonald House Charities of Jacksonville, Inc.**  
**Notes to Financial Statements**

**Note 7: LEASES (Continued)**

Weighted average remaining lease term and discount rates consist of the following:

<i>For the year ending December 31,</i>	<b>2023</b>	2022
Property and equipment obtained in exchange for lease obligations		
Finance leases	\$ <b>13,394</b>	\$ 8,463
Weighted average remaining lease term		
Finance leases	<b>5.25 years</b>	2.25 years
Weighted average discount rate		
Finance leases	<b>5.55%</b>	1.31%

Future minimum lease payments under non-cancellable leases as of December 31, 2023, were as follows:

<i>For the years ending December 31,</i>	Finance Leases
2024	\$ 2,931
2025	2,931
2026	2,931
2027	2,931
2028	2,931
thereafter	242
Total future minimum lease payments	14,897
Less imputed interest	(1,944)
Present value of lease obligation	<b>\$ 12,953</b>

**Ronald McDonald House Charities of Jacksonville, Inc.**  
**Notes to Financial Statements**

**Note 8: NET ASSETS**

A summary of net assets without donor restrictions consists of the following:

<i>December 31</i>	<b>2023</b>	2022
Undesignated	\$ 16,723,890	\$ 17,192,718
Board designated		
House and program operations	<b>4,301,920</b>	3,868,888
<b>Total net assets without donor restrictions</b>	<b>\$ 21,025,810</b>	\$ 21,061,606

A summary of net assets with donor restrictions consists of the following:

<i>December 31,</i>	<b>2023</b>	2022
Purpose restricted		
Kid Zone	\$ 59,286	\$ 26,806
Technology	<b>50,000</b>	-
Subject to the Organization's spending policy and appropriation		
Accumulated gain (loss)	<b>212,865</b>	73,694
Restricted in perpetuity		
Contributed land	<b>450,000</b>	450,000
Original donor restricted gift amount and amount required to be maintained by donor	<b>1,784,406</b>	1,764,406
<b>Total restricted in perpetuity</b>	<b>2,447,271</b>	2,288,100
<b>Total net assets with donor restrictions</b>	<b>\$ 2,556,557</b>	\$ 2,314,906

A summary of the release of donor restrictions consists of the following:

<i>For the years ended December 31,</i>	<b>2023</b>	2022
Purpose restrictions		
Endowment	\$ 86,473	\$ -
Kid Zone	<b>2,521</b>	3,194
<b>Total net assets with donor restrictions</b>	<b>\$ 88,994</b>	\$ 3,194

## Ronald McDonald House Charities of Jacksonville, Inc. Notes to Financial Statements

### Note 8: NET ASSETS (Continued)

Net assets with donor restrictions are reclassified to net assets without donor restrictions when the time restrictions expires or the funds are utilized for the restricted purpose.

Net assets with donor restrictions that are perpetual in nature consist of endowment contributions to be held in perpetuity. Funds include the Children's Legacy Fund and the Kroc Endowment Fund. Contributions to these funds were recorded at fair market value at the time of receipt, \$1,251,574 and \$532,832, respectively. Income from the funds is intended to support House program expenditures and are distributed in accordance with the Organization's endowment spending policy.

The Organization received land with donor restrictions that are perpetual in nature that was recorded at its fair market value at the date of contribution. The land is part of the property on which the facility is built and is donor restricted in perpetuity to be used as the site for the Ronald McDonald House facility. In accordance with the terms of the donor agreement, ownership of the land will revert back to the donor if the land is used for any other purpose and it may not be sold.

### Note 9: REVENUES

The Organization recognizes revenue at a point in time for its special events revenue, including sponsorships and ticket sales, and third-party reimbursement revenue. As of December 31, 2023 and 2022, there are performance obligations to be satisfied of \$50,000 and \$100,000, respectively. At December 31, 2023, management expects to recognize \$50,000 as revenue in 2024. All performance obligations at December 31, 2022 were recognized in 2023. These performance obligations are based upon the special event occurring.

The Organization's method of recognizing revenue is the output method for performance obligations to be recognized at a point in time.

Contract liabilities related to special events revenue consist of the following:

<i>December 31,</i>	<b>2023</b>	2022
Contract liabilities		
Performance obligation liability, beginning of year	\$ 100,000	\$ 5,500
Performance obligation liability, end of year	\$ 50,000	\$ 100,000

### Note 10: ENDOWMENTS

The Organization's endowment consists of two individual funds established to support House program expenditures. Its endowment includes donor-restricted funds. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

## Ronald McDonald House Charities of Jacksonville, Inc. Notes to Financial Statements

### Note 10: ENDOWMENTS (Continued)

Absent explicit donor stipulations to the contrary, the Finance Committee of the Organization has interpreted the State of Florida's Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gifts as of the gift date of the donor-restricted endowment funds. As a result of this interpretation, the Organization retains in perpetuity and classifies as net assets with donor restrictions (1) the original value of gifts donated to the perpetual endowment, (2) the original value of subsequent gifts to the perpetual endowment, and (3) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not retained in perpetuity are subject to appropriation for expenditure by the Organization in a manner consistent with the standard of prudence prescribed in SPMIFA. In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Organization, and (7) the Organization's investment policies.

*Investment Return Objectives, Risk Parameters and Strategies.* The Organization has adopted investment and spending policies determined and recommended by the Finance Committee, and approved by the Board of Directors, for endowment assets. Those policies attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term.

The Organization engages professional investment advisors to handle the investment of endowed and other funds. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk.

Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, alternative investments and money market funds. The Organization expects its endowment assets, over time, to produce an average rate of return of approximately 3% over the inflation rate annually. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to prevent exposing the fund to unacceptable levels of risk.

*Spending Policy.* The Organization has a policy of appropriating for distribution each year 5% of its endowment fund's average fair value of the prior 12 quarters through September 30. In no case will the distribution exceed 5% of, nor be less than 3% of, the fair value of endowment assets as of September 30 of the previous year. In establishing this policy, the Organization considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, all of which must be maintained in perpetuity because of donor-restrictions, and the possible effects of inflation.



**Ronald McDonald House Charities of Jacksonville, Inc.**  
**Notes to Financial Statements**

**Note 10: ENDOWMENTS (Continued)**

The Organization expects the current spending policy to allow its endowment funds to grow at an average rate as indicated in the previous paragraph, less the annual distribution. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through new gifts and investment return.

From time to time, certain donor-restricted endowment funds may have fair values that are less than the amount required to be maintained by the donors or by law (underwater endowments). The Organization has interpreted SPMIFA to permit spending from underwater endowments in accordance with prudent measures required by law. The fund was not underwater for the year ended December 31, 2023 and 2022. The fair value of the fund at years ended December 31, 2023 and 2022 was \$1,997,271 and \$1,838,100 respectively. The original funds amount restricted in perpetuity is \$1,784,406 and \$1,764,406 for the years ended December 31, 2023 and 2022, respectively.

Endowment net asset composition by type of fund consists of the following:

<i>Year Ended December 31,</i>	<b>2023</b>	2022
Donor-restricted endowment net assets in perpetuity	\$ 1,784,406	\$ 1,764,406
Accumulated surplus (deficit) on donor-restricted endowment net assets available for expenditure	<b>212,865</b>	73,694
<b>Total donor-restricted endowment net assets</b>	<b>\$ 1,997,271</b>	<b>\$ 1,838,100</b>

Changes in endowment net assets consists of the following for the years ended December 31, 2023 and 2022:

<i>Year Ended December 31,</i>	<b>2023</b>	2022
Endowment net assets - January 1,	\$ 1,838,100	\$ 2,160,570
Contributions	<b>20,000</b>	-
Investment income	<b>46,371</b>	38,213
Net appreciation (depreciation) on investments	<b>192,268</b>	(348,818)
Investment management fees	<b>(12,994)</b>	(11,865)
Amounts appropriated for expenditures	<b>(86,474)</b>	-
<b>Endowment net assets - December 31,</b>	<b>\$ 1,997,271</b>	<b>\$ 1,838,100</b>

## Ronald McDonald House Charities of Jacksonville, Inc. Notes to Financial Statements

### Note 11: FAIR VALUE MEASUREMENTS

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

*Level 1:* Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

*Level 2:* Significant other observable inputs other than Level 1 prices, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are:
  - observable; or
  - can be corroborated by observable market data.

If the asset or liability has a specific (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3:* Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2023 and 2022.

*Mutual funds:* Valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-end mutual funds that are registered with the Securities and Exchange Commission (SEC). These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Organization are deemed to be actively traded.

*Equities:* Valued at the closing price reported on the active market on which the individual equity securities are traded.

*Fixed income:* Valued using pricing models maximizing the use of observable inputs for similar securities which includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

*Alternative investments:* Valued using pricing models or other valuation methodologies maximizing the use of observable inputs.

**Ronald McDonald House Charities of Jacksonville, Inc.**  
**Notes to Financial Statements**

**Note 11: FAIR VALUE MEASUREMENTS (Continued)**

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in different fair value measurements at the reporting date.

Assets and liabilities measured at fair value on a recurring basis consists of the following:

<b><i>December 31, 2023</i></b>	Level 1	Level 2	Level 3	Total
Money market funds	\$ 33,482	\$ -	\$ -	\$ 33,482
Mutual funds	4,739,437	-	-	4,739,437
Alternative investments	-	-	808,240	808,240
Fixed income	2,626,328	-	-	2,626,328
<b>Total investments at fair value</b>	<b>\$ 7,399,247</b>	<b>\$ -</b>	<b>\$ 808,240</b>	<b>\$ 8,207,487</b>
<b><i>December 31, 2022</i></b>	Level 1	Level 2	Level 3	Total
Money market funds	\$ 94,074	\$ -	\$ -	\$ 94,074
Mutual funds	4,041,940	-	-	4,041,940
Equities	-	-	772,919	772,919
Fixed income	2,495,907	-	-	2,495,907
<b>Total investments at fair value</b>	<b>\$ 6,631,921</b>	<b>\$ -</b>	<b>\$ 772,919</b>	<b>\$ 7,404,840</b>

***Changes in Fair Value Levels***

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Management evaluated the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total assets. For the year ended December 31, 2023, there were no significant transfers in or out of Levels 1, 2 or 3. For the year ended December 31, 2022, there was a purchase of \$540,000 of Level 3 investments due to a change in investment blend.

**Ronald McDonald House Charities of Jacksonville, Inc.**  
**Notes to Financial Statements**

**Note 11: FAIR VALUE MEASUREMENTS (Continued)**

***Changes in Fair Value of Level 3 Assets and Related Gains and Losses***

The following table sets forth a summary of changes in the fair value of the Organization's Level 3 assets:

<i>Year Ended December 31,</i>	<b>2023</b>	<b>2022</b>
Fair value, beginning of year	\$ 772,920	\$ 235,159
Level 3 investments purchased	243,474	540,000
Level 3 investments sold	226,913	-
Unrealized gains	18,759	(2,239)
Fair value, end of year	\$ 808,240	\$ 772,920

**Note 12: CONCENTRATIONS OF CREDIT RISK**

The Organization maintains cash with a financial institution in excess of the FDIC limit of \$250,000 by approximately \$860,000 and \$1,020,000 at December 31, 2023 and 2022, respectively.

The Organization's credit risk is inherent principally in its investments. Adverse economic conditions either domestically or internationally may result in a reduction of the investments' carrying amount. Market risk of the Organization's investment portfolio is monitored through ongoing review of asset allocations and evaluation by independent investment advisers.

**Note 13: DEFINED CONTRIBUTION PLAN**

The Organization sponsors a defined contribution retirement plan (the Plan) covering all eligible employees who have completed one year of service and are at least 21 years of age. The Organization matches 50% of the amount contributed by the employee, up to a maximum of 6% of the employee's gross wages. Employees become 20% vested in the Organization's contribution for each year of service, up to five years. For the years ended December 31, 2023 and 2022, the Organization's contributions to the Plan totaled \$- and \$15,610, respectively.

**Ronald McDonald House Charities of Jacksonville, Inc.**  
**Notes to Financial Statements**

**Note 14: DONATED MATERIALS, PROPERTY AND SERVICES**

The estimated fair market value of donated materials, property and services included in the financial statements are as follows:

<i>Year Ended December 31,</i>	<b>2023</b>	<b>2022</b>
Fundraising services and expenses	\$ 12,758	\$ -
House program supplies and expenses	68,262	46,023
Property and equipment donations	1,500	6,035
Professional services	12,657	15,357
Other management and general	1,600	1,600
<b>Total donated materials, property and services</b>	<b>\$ 96,777</b>	<b>\$ 69,015</b>

**Note 15: SPECIAL EVENTS ACTIVITIES**

Special events activities, including donated revenues and expenses (Note 14), consist of the following:

<i>Year Ended December 31,</i>	<b>2023</b>	<b>2022</b>
<b>Revenues</b>		
McGala	\$ 647,112	\$ 593,170
Golf Tournament	234,342	310,910
Light Up the House 5k	121,187	167,626
<b>Total revenues</b>	<b>1,002,641</b>	<b>1,071,706</b>
<b>Expenses</b>		
<b>Total direct expenses</b>	<b>(211,730)</b>	<b>(285,761)</b>
<b>Net special events activities</b>	<b>\$ 790,911</b>	<b>\$ 785,945</b>

**Note 16: COMMUNITY FOUNDATION FOR NORTHEAST FLORIDA ENDOWMENTS**

The Community Foundation for Northeast Florida, Inc. (the Foundation), a non-profit charitable foundation, previously received donations totaling \$690,775 in the Organization's name. Earnings from these funds are to be used for the benefit and support of the Organization. Amounts available for granting and received by the Organization from the Foundation for the years ended December 31, 2023 and 2022 totaled \$28,744 and \$31,296, respectively.

## **Ronald McDonald House Charities of Jacksonville, Inc. Notes to Financial Statements**

### **Note 17: RONALD MCDONALD FAMILY ROOM®**

There were no expenses in salaries for the coordination of volunteers related to the Ronald McDonald Family Room® licensed ancillary program operations (Note 1) during the years ending December 31, 2023 and 2022. During 2020, the Room was closed due to COVID. At December 31, 2023, the Room remains closed.

### **Note 18: SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION**

#### ***Noncash Investing and Financing Activities***

Finance lease obligations arising from obtaining right-of-use assets in the amount of \$13,394 and \$8,463 for the years ended December 31, 2023 and 2022, respectively.

#### ***Supplemental Cash Flow Disclosure***

Cash paid for interest totaled \$176 and \$96 for the years ended December 31, 2023 and 2022, respectively.