

DEATH WITH DIGNITY NATIONAL CENTER  
AND  
DEATH WITH DIGNITY POLITICAL FUND

Audited Consolidated Financial Statements  
For the years ended March 31, 2023 and 2022



MCDONALD JACOBS

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Death With Dignity National Center  
and Death With Dignity Political Fund

### Opinion

We have audited the accompanying consolidated financial statements of Death with Dignity National Center and Death With Dignity Political Fund (nonprofit corporations), which comprise the consolidated statements of financial position as of March 31, 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 consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Death with Dignity National Center and Death With Dignity Political Fund as of March 31, 2023 and 2022, and the changes in their net assets and their 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 Death with Dignity National Center and Death With Dignity Political Fund 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 Death with Dignity National Center and Death With Dignity Political Fund's ability to continue as a going concern within one year after the date that the consolidated 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 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 consolidated 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 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 consolidated 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 Death with Dignity National Center and Death With Dignity Political Fund'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 Death with Dignity National Center and Death With Dignity Political Fund'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.

*McDonald Jacobson, P.C.*

Portland, Oregon  
August 22, 2023

DEATH WITH DIGNITY NATIONAL CENTER  
AND DEATH WITH DIGNITY POLITICAL FUND

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
March 31, 2023 and 2022

	2023	2022
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,151,979	\$ 1,588,034
Prepaid expenses and other assets	4,588	7,693
Investments	3,237,571	3,437,586
Property and equipment, net	-	1,683
Operating lease right-of-use asset	106,051	-
	\$ 4,500,189	\$ 5,034,996
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 175,969	\$ 111,905
Operating lease liability	104,664	-
Total liabilities	280,633	111,905
Net assets:		
Net assets without donor restrictions:		
Undesignated	1,750,834	2,367,524
Board designated	2,408,007	2,555,567
Total net assets without donor restrictions	4,158,841	4,923,091
Net assets with donor restrictions	60,715	-
Total net assets	4,219,556	4,923,091
	\$ 4,500,189	\$ 5,034,996

See notes to consolidated financial statements.

DEATH WITH DIGNITY NATIONAL CENTER  
AND DEATH WITH DIGNITY POLITICAL FUND

CONSOLIDATED STATEMENTS OF ACTIVITIES  
For the years ended March 31, 2023 and 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue and support:</b>						
Contributions and grants	\$ 1,138,919	\$ -	\$ 1,138,919	\$ 2,253,994	\$ 6,000	\$ 2,259,994
Donated services	-	-	-	30,420	-	30,420
Investment income (loss), net	(199,556)	-	(199,556)	87,656	-	87,656
Conference income	-	177,577	177,577	-	7,194	7,194
Net assets released from restrictions:						
Satisfaction of purpose restrictions	116,862	(116,862)	-	138,258	(138,258)	-
Total revenue and support	<u>1,056,225</u>	<u>60,715</u>	<u>1,116,940</u>	<u>2,510,328</u>	<u>(125,064)</u>	<u>2,385,264</u>
<b>Expenses:</b>						
Program services	1,346,845	-	1,346,845	1,338,737	-	1,338,737
Management and general	280,168	-	280,168	174,267	-	174,267
Fundraising	193,462	-	193,462	153,289	-	153,289
Total expenses	<u>1,820,475</u>	<u>-</u>	<u>1,820,475</u>	<u>1,666,293</u>	<u>-</u>	<u>1,666,293</u>
Change in net assets	(764,250)	60,715	(703,535)	844,035	(125,064)	718,971
<b>Net assets:</b>						
Beginning of year	<u>4,923,091</u>	<u>-</u>	<u>4,923,091</u>	<u>4,079,056</u>	<u>125,064</u>	<u>4,204,120</u>
End of year	<u>\$ 4,158,841</u>	<u>\$ 60,715</u>	<u>\$ 4,219,556</u>	<u>\$ 4,923,091</u>	<u>\$ -</u>	<u>\$ 4,923,091</u>

See notes to consolidated financial statements.

DEATH WITH DIGNITY NATIONAL CENTER  
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CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
For the year ended March 31, 2023

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and related expenses	\$ 498,731	\$ 165,616	\$ 109,810	\$ 774,157
Professional fees	548,391	57,706	31,662	637,759
Media, printing and postage	40,208	2,331	13,090	55,629
Rent	32,903	5,165	4,141	42,209
Telephone	736	4,830	80	5,646
Office expenses	1,454	4,411	675	6,540
Insurance	4,973	3,528	832	9,333
Depreciation	1,203	273	207	1,683
Travel and meetings	85,991	8,050	4,698	98,739
Contributions	85,816	-	-	85,816
Registration and bank fees	13,018	27,753	12,772	53,543
Other costs	<u>33,421</u>	<u>505</u>	<u>15,495</u>	<u>49,421</u>
Total expenses	<u>\$ 1,346,845</u>	<u>\$ 280,168</u>	<u>\$ 193,462</u>	<u>\$ 1,820,475</u>

See notes to consolidated financial statements.

DEATH WITH DIGNITY NATIONAL CENTER  
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CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
For the year ended March 31, 2022

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and related expenses	\$ 437,251	\$ 125,809	\$ 93,627	\$ 656,687
Professional fees	630,893	10,556	22,655	664,104
Media, printing and postage	27,737	1,522	19,016	48,275
Rent	28,691	12,475	3,247	44,413
Telephone	2,431	1,057	275	3,763
Office expenses	10,414	7,814	1,110	19,338
Insurance	5,413	3,642	613	9,668
Depreciation	1,299	296	223	1,818
Travel and meetings	103,713	-	2,194	105,907
Contributions	44,558	-	-	44,558
Registration and bank fees	24,600	6,145	6,596	37,341
Other costs	<u>21,737</u>	<u>4,951</u>	<u>3,733</u>	<u>30,421</u>
Total expenses	<u>\$ 1,338,737</u>	<u>\$ 174,267</u>	<u>\$ 153,289</u>	<u>\$ 1,666,293</u>

See notes to consolidated financial statements.

DEATH WITH DIGNITY NATIONAL CENTER  
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CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended March 31, 2023 and 2022

	2023	2022
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ (703,535)	\$ 718,971
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	1,683	1,818
Amortization of operating lease right-of-use asset	32,023	-
Change in value of investments	287,946	(44,305)
(Increase) decrease in:		
Prepaid expenses and other assets	3,105	1,634
Increase (decrease) in:		
Accounts payable and accrued expenses	64,064	(43,226)
Operating lease liability	(33,410)	-
Net cash flows from operating activities	(348,124)	634,892
<b>Cash flows from investing activities:</b>		
Purchase of investments	(189,403)	(106,065)
Proceeds from the sale of investments	101,472	35,482
Net cash flows from investing activities	(87,931)	(70,583)
Net change in cash and cash equivalents	(436,055)	564,309
Cash and cash equivalents - beginning of year	1,588,034	1,023,725
Cash and cash equivalents - end of year	\$ 1,151,979	\$ 1,588,034
<b>Supplemental cash flow information:</b>		
Cash paid for operating leases	\$ 36,311	\$ -
Non-cash investing and financing activities:		
Obtaining right-of-use asset in exchange for lease liability	138,074	-

See notes to consolidated financial statements.



DEATH WITH DIGNITY NATIONAL CENTER  
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
March 31, 2023 and 2022

1. THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Organization

The mission of Death with Dignity National Center (The Center) is to improve end-of-life care by expanding options for those who are dying and confronting injustices in the healthcare system. In 2003, The Center transitioned from being a state to national organization, headquartered in Portland, Oregon. For more than two decades, The Center has promoted death with dignity legislation across the country based on our model legislation, The Oregon Death with Dignity Act.

The Center's staff members serve a variety of stakeholders, including patients and family members, medical providers, donors, legislators, advocates, and beyond, with provision of resources, information, and referrals, focused on end-of-life care issues and decision-making. The Center's priorities include promoting existing death with dignity laws, expanding freedom of terminally ill individuals to choose a dignified death, partnering with state grassroots coalitions, and mounting legal defenses when necessary to defend existing aid-in-dying legislation.

Death with Dignity Political Fund, formed in 2001 to replace the State Political Action Committee, Oregon Right to Die, organizes bold advocacy campaigns to revolutionize end-of-life care and pass aid-in-dying laws. The Fund engages in a variety of activities to promote the social welfare of dying individuals and expand options for aid-in-dying, including lobbying and political advocacy.

Revenues are received primarily through contributions from individuals and foundations.

Principles of Consolidation

The consolidated financial statements include the accounts of Death With Dignity National Center and Death With Dignity Political Fund (collectively, the Organization). All inter-organization transactions and balances as of and for the years ended March 31, 2023 and 2022 have been eliminated.

Net Assets

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

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

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
March 31, 2023 and 2022

1. THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES, Continued

Net Assets, Continued

- *Net Assets With Donor Restrictions* - Net assets subject to donor- (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. 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.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, the Organization considers all highly liquid investments available for current use with maturities of three months or less at the time of purchase to be cash equivalents.

Investments

Investments consist of marketable securities and are carried at current market value.

Property and Equipment

Acquisitions of property and equipment in excess of \$5,000 are capitalized. Capitalized property and equipment are recorded at cost if purchased or at fair value if donated. Depreciation is computed using the straight-line method based on the estimated useful lives of the property.

Leases

The Organization determines if an arrangement is or contains a lease at inception. Under FASB ASC 842, *Leases*, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

Leases are included in right-of-use (ROU) assets and lease liabilities in the consolidated 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. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Organization has made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
March 31, 2023 and 2022

1. THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES, Continued

Leases, Continued

The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise the option.

The Organization does not report ROU assets and leases liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

Income Taxes

Death With Dignity National Center is a nonprofit corporation exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code and applicable state law. The Center has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(vi).

Death With Dignity Political Fund is a nonprofit corporation exempt from federal and state income tax under Section 501(c)(4) of the Internal Revenue Code and applicable state law.

No provision for income taxes is made in the accompanying consolidated financial statements, and the Center and the Fund have no other activities subject to unrelated business income tax.

The Center and the Fund follow the provisions of FASB ASC *Topic 740 Accounting for Uncertainty in Income Taxes*. Management has evaluated each organization's tax positions and concluded that there are no uncertain tax positions that require adjustment to the consolidated financial statements to comply with provisions of this Topic.

Revenue Recognition:

Revenues from various sources are recognized as follows:

**Contributions and grants:** Contributions and grants, which include unconditional promises to give (pledges), are recognized as revenues in the period the Organization is notified of the commitment. Bequests are recorded as revenue at the time the Organization has an established right to the bequest and the proceeds are measurable. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
March 31, 2023 and 2022

1. THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Revenue Recognition, Continued

**Donated Assets and Services:** Donations of property, equipment, materials and other assets are recorded as support at their estimated fair value at the date of donation. Such donations are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose.

The Organization recognizes donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

The Organization received contributed professional services related to legal and consulting services. These services are used to support programs and operations. Contributed professional services are recorded at their estimated fair value using current market rates from similar vendors and comparable professionals. During the year ended March 31, 2022, the Organization recognized donated legal services of approximately \$30,400, which was used in programs.

**Conference income:** Conference sponsorship income is recognized as revenue in the period the Organization receives funds. Conference registration income is recognized in the period in which the programs and other activities occur. Registration income received for programs occurring in the following year is reflected as deferred revenue. For revenue from contracts with customers (registration income), the timing of revenue recognition, billings, and cash collections may result in billed accounts receivable (contract asset) and customer advances and deposits and deferred revenue (contract liabilities) on the consolidated statements of financial position. Conference income for 2023 and 2022 is sponsorship income (except for \$640 in registration income in 2023). There are no contract assets or liabilities as of March 31, 2023 and 2022.

**Paycheck Protection Program Loan:** The Paycheck Protection Program (PPP) loan guaranteed by the Small Business Administration (SBA) is accounted for as a conditional advance and accrues interest at 1%. The advance may be forgiven partially or in its entirety if certain conditions are met, including incurrence of allowable qualifying expenses (mostly personnel and occupancy costs) and acceptance and approval of the forgiveness application by the lender. Upon satisfaction of the conditions, the advance will be recognized as revenue. During the year ended March 31, 2021, the Organization received a PPP loan totaling \$88,900. The Organization received notice of forgiveness the loan in fiscal year 2022. Revenue of \$88,900 for the year ended March 31, 2022 is included in grant revenue on the consolidated statement of activities.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
March 31, 2023 and 2022

1. THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities and in the consolidated statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include salaries and related expenses, professional fees, rent, office expenses, travel and meetings, contributions, and other operating expenses, which are allocated based on estimated time and effort.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates.

New Accounting Standards

The Organization has implemented Accounting Standards Update 2020-07, *Presentation and Disclosures by Non-Profit Entities for Contributed Nonfinancial Assets* (ASU 2020-07) for the year ended March 31, 2023 on a retrospective basis. The standard provides new presentation and disclosure requirements about contributed nonfinancial assets, including additional disclosure requirements for recognized contributed services. The amendments do not change the recognition and measurement requirements. There was no material impact on the Organization's financial position and change in net assets upon adoption.

Effective April 1, 2022, the Organization adopted Accounting Standards Update (ASU) No. 2016-02, *Leases*, which requires lessees to recognize leases on the consolidated statements of financial position and disclose key information about leasing arrangements. The Organization elected not to restate the comparative period (2022). It also elected not to reassess at adoption (i) expired or existing contracts to determine whether they are or contain a lease, (ii) the lease classification of any existing leases, or (iii) initial direct costs for existing leases. As a result of implementing ASU No. 2016-02, the Organization recognized a right-of-use asset and lease liability of \$138,074 in its consolidated statements of financial position as of April 1, 2022. The adoption did not result in a significant effect on amounts reported in the consolidated statements of activities for the year ended March 31, 2023.

Subsequent Events

The Organization has evaluated all subsequent events through August 22, 2023, the date the consolidated financial statements were available to be issued.

**DEATH WITH DIGNITY NATIONAL CENTER  
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
March 31, 2023 and 2022**

**2. AVAILABLE RESOURCES AND LIQUIDITY**

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its primary operations to be general expenditures. It excludes financial assets with donor or other restrictions limiting their use.

Financial assets available for general expenditure consist of the following at March 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 1,151,979	\$ 1,588,034
Investments	3,138,693	3,333,610
Beneficial interest in assets held by OCF	<u>98,878</u>	<u>103,976</u>
Total financial assets	4,389,550	5,025,620
Less amounts unavailable for general expenditure:		
Net assets with donor restrictions	60,715	-
Net assets with board designations	<u>2,408,007</u>	<u>2,555,567</u>
Financial assets available for general expenditure	<u>\$ 1,920,828</u>	<u>\$ 2,470,053</u>

Board-designated funds may be utilized with a two-thirds vote of the Board members present. See Note 6 regarding board designated net assets.

**3. INVESTMENTS**

Investments at March 31, 2023 and 2022 consist of the following:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 133,262	\$ 132,649
Common stock	19,388	21,667
Mutual funds and exchange traded funds	2,986,043	3,179,294
Beneficial interest in assets held by OCF (Notes 6 and 7)	<u>98,878</u>	<u>103,976</u>
Total investments	<u>\$ 3,237,571</u>	<u>\$ 3,437,586</u>

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
March 31, 2023 and 2022**

**3. INVESTMENTS, Continued**

Investments at March 31, 2023 and 2022 are held for the following purposes:

	2023	2022
Investments - board designated	\$2,408,007	\$ 2,555,567
Investments - undesignated	829,564	882,019
	\$ 3,237,571	\$ 3,437,586

**4. PROPERTY AND EQUIPMENT**

Property and equipment at March 31, 2023 and 2022 consist of the following:

	2023	2022
Furniture and equipment	\$ 38,785	\$ 38,785
Software and website	62,975	62,974
	101,760	101,759
Less accumulated depreciation	101,760	100,076
Property and equipment, net	\$ -	\$ 1,683

**5. OPERATING LEASES**

The Organization evaluated current contracts to determine which met the criteria of a lease. The right-of-use (ROU) assets represent the Organization's right to use underlying assets for the lease term, and the lease liabilities represent the Organization's obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, all of which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms.

The Organization's operating lease consists of a lease for office space with a remaining lease term of 3.2 years. The lease agreement also includes charges for common area maintenance not included in the operating lease cost. The discount rate applied to calculate lease liabilities as of March 31, 2023 is 2.61%. The consolidated statements of financial position reflects ROU assets of \$106,051 and operating lease liabilities of \$104,664 as of March 31, 2023.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
March 31, 2023 and 2022

5. OPERATING LEASES , Continued

The maturities of operating lease liabilities as of March 31, 2023 are as follows:

Year ending December 31, 2024	\$	33,884
2025		34,198
2026		35,224
2027		5,899
		109,205
Less discount/interest		(4,541)
Present value of lease liabilities	\$	104,664

For the year ended March 31, 2023, total operating lease cost reported with rent on the consolidated statements of functional expenses was \$34,924.

Rent expense under FASB ASC Topic 840, *Leases*, (pre-adoption of the new standards) for operating leases totaled approximately \$45,500 (including common area maintenance charges) for the year ended March 31, 2022. The aggregate minimum lease payments under those operating leases as of March 31, 2022, were as follows:

Year ending March 31, 2023	\$	36,300
2024		6,100
Total		42,400

6. NET ASSET DESIGNATIONS AND RESTRICTIONS

Board Designated Net Assets

During 2002, the Board of Directors of the Center established the Oregon Death with Dignity Endowment Fund of The Oregon Community Foundation (OCF) to create a fund for future unexpected legal challenges. Under the terms of the agreement, variance power has been granted to OCF; however, the Center is the beneficiary of the fund and the transfer is reciprocal in nature. Accordingly, OCF recognizes the fund as a liability on its statement of financial position. The Center may receive distributions based on the provisions of the agreement with OCF (See Note 7, Endowment - Board Designated.). In addition, the Board designated net assets without donor restrictions as a reserve.



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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
March 31, 2023 and 2022**

**6. NET ASSET DESIGNATIONS AND RESTRICTIONS, Continued**

Board designated net assets at March 31, 2023 and 2022 consist of the following:

	2023	2022
Death with Dignity National Center:		
Board designated endowment (Note 7)	\$ 98,878	\$ 103,976
Board designated reserve	2,309,129	2,451,591
Total board designated net assets	\$ 2,408,007	\$ 2,555,567

Net Assets with Expiring Donor Restrictions

Net assets at March 31, 2023 with expiring donor restrictions consist of \$60,715 for the National Clinicians Conference on Medical Aid in Dying. There were no restricted net assets at March 31, 2022.

**7. ENDOWMENT - BOARD DESIGNATED**

The Board of Directors has designated net assets without donor restrictions for endowment to help fund future unexpected legal challenges. Since the endowment resulted from an internal designation and is not donor-restricted, it is classified and reported as net assets without donor restrictions.

As of March 31, 2023 and 2022, the Center has not commenced spending of endowment funds and a policy of appropriating for distribution has not been implemented. The Center's objective is to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return.

To achieve its objective, the Center has adopted an investment policy that attempts to maximize total return consistent with an acceptable level of risk. Endowment assets are invested with The Oregon Community Foundation (OCF) which maintains a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation protected rate of return that has sufficient liquidity to make distributions to support operations. Accordingly, the Center expects its endowment assets, over time, to produce an average rate of return consistent with the market. Actual returns in any given year may vary. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

DEATH WITH DIGNITY NATIONAL CENTER  
AND DEATH WITH DIGNITY POLITICAL FUND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
March 31, 2023 and 2022

7. ENDOWMENT - BOARD DESIGNATED, Continued

Changes in endowment assets for the years ended March 31, 2023 and 2022 are as follows:

Balance - March 31, 2021	\$ 91,910
Investment income, net of fees	(232)
Change in value of investments	<u>12,298</u>
Balance - March 31, 2022	103,976
Investment income, net of fees	(293)
Change in value of investments	<u>(4,805)</u>
Balance - March 31, 2023	<u><u>\$ 98,878</u></u>

8. EMPLOYEE BENEFIT PLAN

The Organization has a defined contribution plan. The Organization matches 100% of the participating employees' contributions up to three percent of their total salaries. Employer contributions to the plan totaled approximately \$17,600 and \$14,000 for the years ended March 31, 2023 and 2022, respectively.

9. CONCENTRATIONS OF CREDIT RISK

The Organization maintains cash balances in two financial institutions. Balances in each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The balances, at times, may exceed the federally insured limit. There are uninsured balances at March 31, 2023 of approximately \$651,000 and \$1,085,400 at March 31, 2022.

Contributions received from one donor during fiscal year 2023 represented 23% of total support and revenue (34% of total support and revenue was received from three donors during fiscal year 2022).

Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the consolidated statements of financial position.

DEATH WITH DIGNITY NATIONAL CENTER  
AND DEATH WITH DIGNITY POLITICAL FUND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
March 31, 2023 and 2022

10. FAIR VALUE MEASUREMENTS

Assets recorded at fair value in the consolidated statements of financial position are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Level inputs are defined as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2: Observable inputs other than those included in Level 1, such as quoted market prices for similar assets or liabilities in active markets, or quoted market prices for identical assets or liabilities in inactive markets.

Level 3: Unobservable inputs reflecting management's own assumptions about the inputs used in pricing the asset or liability. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair values requires significant management judgment or estimation.

Fair values of assets measured on a recurring basis at March 31, 2023 are as follows:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<b>March 31, 2023</b>				
Stock - domestic	\$ 19,388	\$ 19,388	\$ -	\$ -
Mutual and exchange traded funds:				
Blended/ all asset funds	2,309,128	2,309,128	-	-
Domestic equities	528,138	528,138	-	-
International equities	148,777	148,777	-	-
Beneficial interest in assets held by OCF	98,878	-	-	98,878
Total fair value investments	<u>\$ 3,104,309</u>	<u>\$ 3,005,431</u>	<u>\$ -</u>	<u>\$ 98,878</u>

**DEATH WITH DIGNITY NATIONAL CENTER  
AND DEATH WITH DIGNITY POLITICAL FUND**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
March 31, 2023 and 2022**

**10. FAIR VALUE MEASUREMENTS, Continued**

Fair values of assets measured on a recurring basis at March 31, 2022 are as follows:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<b>March 31, 2022</b>				
Stock - domestic	\$ 21,667	\$ 21,667	\$ -	\$ -
Mutual and exchange traded funds:				
Blended/ all asset funds	2,451,591	2,451,591	-	-
Domestic equities	630,421	630,421	-	-
International equities	97,282	97,282	-	-
Beneficial interest in assets held by OCF	<u>103,976</u>	<u>-</u>	<u>-</u>	<u>103,976</u>
Total fair value investments	<u>\$ 3,304,937</u>	<u>\$3,200,961</u>	<u>\$ -</u>	<u>\$ 103,976</u>

Fair values for investments in equities and mutual funds are determined by reference to quoted market prices and other relevant information generated by market transactions. Fair value of beneficial interest in investments held at The Oregon Community Foundation (OCF) has been estimated by management based on information provided by OCF which represents the fair value of the Organization's proportionate share of investments owned by OCF using a market approach.

Assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3 inputs) are shown below. Net gains and losses are presented in the consolidated statements of activities as investment income without donor restrictions.

Beneficial interest in assets held at OCF:

Balance - March 31, 2021	\$ 91,910
Investment income, net of fees	(232)
Change in value of investments	<u>12,298</u>
Balance - March 31, 2022	103,976
Investment income, net of fees	(293)
Change in value of investments	<u>(4,805)</u>
Balance - March 31, 2023	<u>\$ 98,878</u>

**II. RELATED PARTY DISCLOSURE**

The Center contracted for consulting services with a company owned by an employee of the Center. Total payments made to the company approximated \$216,000 and \$46,000 for the years ended March 31, 2023 and 2022, respectively.

**SUPPLEMENTARY INFORMATION**

INDEPENDENT AUDITOR'S REPORT  
ON CONSOLIDATING INFORMATION

To the Board of Directors  
Death With Dignity National Center  
and Death With Dignity Political Fund

We have audited the consolidated financial statements of Death with Dignity National Center and Death with Dignity Political Fund as of and for the year ended March 31, 2023, and have issued our report thereon dated August 22, 2023, which contained an unmodified opinion on those consolidated financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information in Schedules I and II is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements. Such 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 audit of the consolidated financial statements and certain additional procedures, including 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*McDonald Jacobs, P.C.*

Portland, Oregon  
August 22, 2023

DEATH WITH DIGNITY NATIONAL CENTER  
AND DEATH WITH DIGNITY POLITICAL FUND

SUPPLEMENTARY INFORMATION - SCHEDULE I  
CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
March 31, 2023

	National Center	Political Fund	Eliminating Entries	Consolidated Totals
<b>ASSETS</b>				
Cash and cash equivalents	\$ 862,641	\$ 289,338	\$ -	\$ 1,151,979
Interorganization receivable	175,990	-	(175,990)	-
Prepaid expenses and other assets	4,588	-	-	4,588
Investments	3,237,571	-	-	3,237,571
Operating lease right-of-use asset	106,051	-	-	106,051
TOTAL ASSETS	<u>\$ 4,386,841</u>	<u>\$ 289,338</u>	<u>\$ (175,990)</u>	<u>\$ 4,500,189</u>
<b>LIABILITIES AND NET ASSETS</b>				
Liabilities:				
Interorganization payable	\$ -	\$ 175,990	\$ (175,990)	\$ -
Accounts payable and accrued expenses	124,500	51,469	-	175,969
Operating lease liability	104,664	-	-	104,664
Total liabilities	229,164	227,459	(175,990)	280,633
Net assets:				
Net assets without donor restrictions:				
Undesignated	1,688,955	61,879	-	1,750,834
Board designated	2,408,007	-	-	2,408,007
Total net assets without donor restrictions	4,096,962	61,879	-	4,158,841
Net assets with donor restrictions	60,715	-	-	60,715
Total net assets	4,157,677	61,879	-	4,219,556
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,386,841</u>	<u>\$ 289,338</u>	<u>\$ (175,990)</u>	<u>\$ 4,500,189</u>

See independent auditor's report on consolidating information.

DEATH WITH DIGNITY NATIONAL CENTER  
AND DEATH WITH DIGNITY POLITICAL FUND

SUPPLEMENTARY INFORMATION - SCHEDULE II  
CONSOLIDATING STATEMENT OF ACTIVITIES  
For the year ended March 31, 2023

	National Center	Political Fund	Eliminating Entries	Consolidated Totals
<b>Revenue and support:</b>				
Contributions and grants	\$ 965,444	\$ 423,475	\$ (250,000)	\$ 1,138,919
Investment income (loss), net	(199,556)	-	-	(199,556)
Conference income	177,577	-	-	177,577
Total revenue and support	943,465	423,475	(250,000)	1,116,940
<b>Expenses:</b>				
Program services	1,421,633	175,212	(250,000)	1,346,845
Management and general	263,751	16,417	-	280,168
Fundraising	155,385	38,077	-	193,462
Total expenses	1,840,769	229,706	(250,000)	1,820,475
Change in net assets	(897,304)	193,769	-	(703,535)
<b>Net assets (deficit):</b>				
Beginning of year	5,054,981	(131,890)	-	4,923,091
End of year	\$ 4,157,677	\$ 61,879	\$ -	\$ 4,219,556

See independent auditor's report on consolidating information.