

THE CRASH FOUNDATION, INC.

Doing BusinessAs

TRUCK SAFETY COALITION

Financial Statements
and
Independent Auditors' Report

December 31, 2020 and 2019

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Truck Safety Coalition

Report on the Financial Statements

We have audited the accompanying financial statements of Truck Safety Coalition, which comprise the Statements of Financial Position as of December 31, 2020 and 2019, and the related Statements of Activities and Changes in Net Assets, Functional Expenses, and Cash Flows for the years then ended, and the related Notes to Financial Statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Truck Safety Coalition, as of December 31, 2020 and 2019, and the changes in net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Marshall Jones

Atlanta, Georgia
September 15, 2021

THE TRUCK SAFETY COALITION
STATEMENTS OF FINANCIAL POSITION
December 31, 2020 and 2019

ASSETS	2020	2019
Current Assets		
Cash and cash equivalents	\$329,871	\$326,105
Prepaid expenses	1,827	4,253
Total Current Assets	331,698	330,358
Other Assets		
Security deposits	2,550	2,550
Total Other Assets	2,550	2,550
Fixed Assets		
Property and equipment, net	1,725	732
20TOTAL ASSETS	\$335,973	\$333,640
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 2,562	\$ -
Accrued expenses	4,981	14,483
Credit cards payable	1,165	1,131
Due to affiliated organization	20,346	10,808
Total Current Liabilities	29,054	26,422
Net Assets		
Net assets without donor restrictions	206,919	207,218
Net assets with donor restrictions	100,000	100,000
Total Net Assets	306,919	307,218
TOTAL NET ASSETS	\$335,973	\$333,640

These financial statements should be read only in connection with the accompanying independent auditors' report and notes to financial statements.

THE TRUCK SAFETY COALITION
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Year Ended December 31, 2020

	Without Donor Unrestricted	With Donor Restricted	Total
Revenues			
Contributions	\$110,650	\$ -	\$110,650
Interest income and other income	664	-	664
Net assets released from restrictions	-	-	-
Total Revenues	111,314	-	111,314
Expenses			
Program services	67,928	-	67,928
Management and general	21,587	-	21,587
Fundraising	22,098	-	22,098
Total Expenses	111,613	-	111,613
Change in Net Assets	(294)	-	(294)
Net Assets-Beginning of Year	207,218	100,000	307,218
Net Assets-End of Year	\$206,919	\$100,000	\$306,919

This financial statement should be read only in connection with the accompanying independent auditors' report and notes to financial statements.

THE TRUCK SAFETY COALITION
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Year Ended December 31, 2019

	Net Assets Without Restrictions	Net Assets With Donor Restrictions	Total
Revenues			
Contributions	\$143,244	\$ -	\$143,244
Interest income	4,036	-	4,036
Net assets released from restrictions	-	-	-
Total Revenues	147,280	-	147,280
Expenses			
Program services	196,479	-	196,479
Management and general	33,906	-	33,906
Fundraising	189	-	189
Total Expenses	230,574	-	230,574
Change in Net Assets	(83,294)	-	(83,294)
Net Assets-Beginning of Year	290,512	100,000	390,512
Net Assets-End of Year	\$207,218	\$100,000	\$307,218

This financial statement should be read only in connection with the accompanying independent auditors' report and notes to financial statements.

THE TRUCK SAFETY COALITION
STATEMENT OF FUNCTIONAL EXPENSE
For the Year Ended December 31, 2020

	Program Services	Management and General	Fundraising	Total
Functional Expenses				
Salaries	\$50,626	\$ 7,565	\$ -	\$ 58,191
Bank fees	-	200	-	200
Business licenses	-	787	-	787
Computer and website	-	-	7,140	7,140
Depreciation	335	50	-	385
Insurance	7,613	1,137	-	8,750
Marketing	969	100	45	1,114
Postage and delivery	343	35	16	394
Print and reproduction	338	35	16	389
Professional services	-	10,867	14,881	25,748
Rent	3,735	558	-	4,293
Supplies	596	89	-	685
Telephone	1,094	164	-	1,258
Travel	2,279	-	-	2,279
Total Functional Expenses	\$67,928	\$21,587	\$22,098	\$111,613

This financial statement should be read only in connection with the accompanying independent auditors' report and notes to financial statements.

THE TRUCK SAFETY COALITION
STATEMENT OF FUNCTIONAL EXPENSE
For the Year Ended December 31, 2019

	Program Services	Management and General	Fundraising	Total
Functional Expenses				
Salaries	\$129,439	\$19,341	\$ -	\$148,780
Bank fees	-	180	-	180
Business licenses	-	445	-	445
Computer and website	2,986	446	-	3,432
Depreciation	316	47	-	363
Insurance	20,525	3,067	-	23,592
Marketing	3,542	366	163	4,071
Postage and delivery	345	36	16	397
Print and reproduction	224	23	10	257
Professional services	-	7,246	-	7,246
Rent	9,647	1,441	-	11,088
Supplies	1,031	154	-	1,185
Telephone	229	34	-	263
Travel	28,195	-	-	28,195
Miscellaneous	-	1,080	-	1,080
Total Functional Expenses	\$196,479	\$33,906	\$189	\$230,574

This financial statement should be read only in connection with the accompanying independent auditors' report and notes to financial statements.

THE TRUCK SAFETY COALITION
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2020 and 2019

	2020	2019
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Cash Flows From Operating Activities		
Change in net assets	\$ (299)	\$ (83,294)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
(Gain) on investment	-	-
Depreciation	385	363
(Increase) decrease in:		
Due from affiliated organization	(4,945)	16,682
Prepaid expenses	2,426	(272)
Increase (decrease) in:		
Accounts payable and accrued expenses	7,577	2,829
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Net Cash (Used In) Provided By Operating Activities	5,144	(63,692)
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Cash Flows From Investing Activities		
Purchase of property and equipment:	(1,378)	-
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Net Cash (Used In) Provided By Investing Activities	(1,378)	-
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Increase (Decrease) in Cash	3,766	(63,692)
Cash and Cash Equivalents – Beginning of Year	326,105	389,797
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Cash and Cash Equivalents – End of Year	\$ 329,871	\$ 326,105
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These financial statements should be read only in connection with the accompanying independent auditors' report and notes to financial statements.

THE TRUCK SAFETY COALITION
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1 – DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Description of Business

The Truck Safety Coalition. (“the Organization,”), was formed in California in 1991 to help mitigate the devastating problem of the truck crashes, improve truck safety in the U.S., and eliminate the senseless deaths and injuries caused by truck crashes every year. The Organization represents the millions of Americans who travel the nation’s highways every day, including the truck drivers, motorists, crash survivors, and families of truck crash victims.

Description of Program

Outreach and Education

- First Response Program – This program contacts and supports truck crash victims and survivors in the United States. The support includes information, access to a grief counselor, volunteer network, and a willing ear to offer encouragement, hope, and understanding.

- Public Education – The education efforts focus on informing the general public, the media, and public officials on the current state of truck safety and how it can be improved. The families and friends of truck crash victims and truck crash survivors work together in improving overall truck safety in the U.S. to eliminate the unnecessary deaths and injuries caused by truck crashes every year. For families choosing to participate in truck safety education and advocacy efforts, the Organization helps them to organize, implement, and realize safety goals.

- Biennial Conference – At the biennial “Sorrow to Strength” conference, families of truck crash victims come together in Washington, D.C. They share experiences and bond in a supportive environment, learn about truck safety issues, and meet with legislators and regulatory agencies to educate them on truck safety issues. The “Sorrow to Strength” conference allows families to talk about their experiences.

Basis of Presentation

The Organization prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (“GAAP”), which involves the application of accrual accounting; consequently, revenues and gains are recognized when earned and expenses and losses are recognized when incurred.

(Continued)

THE TRUCK SAFETY COALITION
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1 – DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION (Continued)

Basis of Presentation (Continued)

In accordance with GAAP, the Organization reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

Net Assets Without Donor Restriction - consists of assets, public support and program revenues which are available and used for activities and programs. Net assets without donor restrictions represents the portion of net assets of the Organization that is not restricted by donor-imposed stipulations. Contributions are considered without restriction unless specifically restricted by the donor by time or purpose. In addition, net assets without donor restrictions may include funds which represent resources without donor restrictions designated by the Board of Directors for specific purposes.

Net Assets With Donor Restriction - includes funds with donor-imposed restrictions which permit the donee organization to expend the assets as specified and are satisfied either by the passage of time or by actions of the Organization. Resources of this nature may originate from gifts, grants, bequests, and contracts.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with GAAP includes the use of estimates that may affect the financial statements. Accordingly, actual results could differ from those estimates.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is computed using the straight-line method calculated to depreciate the cost of the applicable assets over their estimated useful lives. All assets with a useful life of greater than one year and greater than \$1,000 are capitalized while repairs and maintenance are generally expensed. The estimated useful life of property and equipment is five years.

Donated Gifts

In the accompanying financial statements, donated services are reflected as in-kind donations at their estimated values on the date of receipt.

(Continued)

THE TRUCK SAFETY COALITION
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Organization qualifies as a tax-exempt organization as described in Internal Revenue Code Section 501(c)(3). The Organization only recognizes the tax benefit from an uncertain tax position taken or expected to be taken in a tax return if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position. Management has analyzed tax positions taken for filings with the Internal Revenue Service and all state jurisdictions where the Organization operates. Management believes that income tax filing positions would be sustained upon examination and does not anticipate that any adjustments would result in a material adverse effect on the Organization’s financial condition, results of activities or cash flows. Accordingly, the Organization has not recorded any reserves, or related accruals for interest and penalties, for uncertain income tax positions at December 31, 2020.

The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any tax periods. The Organization believes it is no longer subject to income tax examinations for fiscal years prior to December 31, 2017. The Organization is subject to unrelated business income tax on certain income not directly related to the Organization’s tax-exempt purpose. In the opinion of management, the Organization did not have unrelated business income tax liabilities on December 31, 2020.

Functional Allocation of Expenses

The Organization allocates expenses on a functional basis among their various programs and support services. The costs of providing various program and supporting services have been presented on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services that benefited from such costs. The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries and benefits	Time and Effort
Depreciation	Square Footage
Occupancy	Square Footage
Other	Time and Effort

(Continued)

THE TRUCK SAFETY COALITION
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three months or less to be cash equivalents. Cash and cash equivalents include any cash on hand, checking account balances, and money market accounts. The Organization maintains its cash in bank deposit accounts which may, at times, exceed federally insured limits. The Organization believes it is not exposed to any significant credit risk on cash or cash equivalents.

Liquidity and Availability of Resources

The Organization’s financial assets available within one year of the balance sheet date for designated expenditures are as follows:

	2020	2019
Cash and cash equivalents	\$ 329,871	\$ 326,105
Prepaid	1,827	4,253
Less: restrictions	(100,000)	(100,000)
Financial assets available to meet cash needs within one year	\$ 231,698	\$ 230,358

The Organization’s financial assets have been reduced by amounts not available for general use because of donor restrictions within one year of the balance sheet date and amounts set aside for designated expenses.

As part of Organization’s liquidity management, it has the policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

THE TRUCK SAFETY COALITION
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions

The Organization recognizes revenues in accordance with Accounting Standards Update (ASU) 2018-08, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made, which provides a framework for evaluating whether the transfer of assets constitutes a contribution or an exchange transaction. The ASU also provides additional clarification as to whether or not a contribution is conditional.

Unrestricted contributions and in-kind contributions are recognized and reported as increases to net assets “without donor restrictions” in the accompanying statement of activities in the fiscal year in which the donor makes the unconditional promise to give. Contributions and in-kind contributions that are restricted by the donor as to their specified purpose or time period for use are recognized and reported as increases to net assets “with donor restrictions” in the accompanying statement of activities in the fiscal year in which the donor makes the promise to give. When a donor restriction expires or is satisfied, the related assets are reclassified from net assets “with donor restrictions” to net assets “without donor restrictions” in the accompanying statement of activities.

Contributed services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

NOTE 3 – CONCENTRATION OF RISK

The Organization maintains its cash in bank deposit accounts which may, at times, exceed federally insured limits. The Organization believes it is not exposed to any significant credit risk on cash or cash equivalents.

During the year ended December 31, 2020 and 2019, the Organization received contributions from a major donor totaling \$102,500 and \$100,000, respectively. For the years ended December 31, 2020 and 2019, contributions from this donor represented approximately 92% and 68% of total support and revenue, respectively.

NOTE 4 – OPERATING LEASE

Rent is paid on a month-to-month basis at \$50 and \$ 924 for the the years ended December 31, 2020 and 2019 respectively. There is currently no deferred rent for December 31, 2020, for either Parents Against Tired Truckers (“P.A.T.T.”), and or the Organization.

THE TRUCK SAFETY COALITION
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 5 – AFFILIATED ORGANIZATION

The Truck Safety Coalition (the “Coalition”) is a partnership between the Organization and P.A.T.T., both non-profit organizations granted tax-exempt status under Internal Revenue Code Section 501(c)(3). Contributions to the Truck Safety Coalition get equally divided between the Organization and P.A.T.T., as do all expenses relating to operations. The Organization and P.A.T.T. also share office space and employees. During the year ended December 31, 2020 and 2019, expenses totaling \$100,253 and \$221,876 were charged to P.A.T.T. under this agreement. As of the years ended December 31, 2020 and 2019, the amount payable to P.A.T.T. totaled to \$(5,564) and \$(10,808), respectively.

NOTE 6 – RELATED PARTY

The Organization is affiliated through common officers and board directors with Citizens for Reliable and Safe Highways, Inc. (“CRASH, Inc.”), a non-profit organization granted tax-exempt status under Internal Revenue Code Section 501(c)(3).

NOTE 7 – COST-SHARING AGREEMENT

The Organization has a cost-sharing agreement with P.A.T.T. according to which P.A.T.T. is responsible for half of the rent expense. Both P.A.T.T. and the Organization’s share of the rent expense for the year ended December 31, 2020, totaling \$4,293, for each entity.

NOTE 8 – CONTINGENCY

Certain impacts to public health conditions particular to the coronavirus (COVID-19) outbreak that occurred during the year may have an impact on the operations of the Organization. The extent of the impact to the financial performance of the Organization will depend on future developments, including (i) the duration and spread of the outbreak, (ii) the restrictions and advisories, (iii) the effects on the financial markets, and (iv) the effects on the economy overall, all of which are highly uncertain and cannot be predicted. If the financial performance of the Organization is impacted because of these things for an extended period, the Organization’s financial results may be adversely affected. Final results of the relief measures are not currently known.

In order to reduce the possible impact as described above, the Organization has updated operations to include employees’ ability to work from home and added safety precautions to visitors and/or staff who enter the building.

THE TRUCK SAFETY COALITION
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS

In 2004, the Coalition received a restricted donation for \$542,628. The restriction designates that \$100,000 be set aside in a reserve fund. The principal of this fund cannot be spent, except by agreement of the chairs of both P.A.T.T. and the Organization. There is no restriction on the earnings that this amount generates. For the years ended December 31, 2020 and 2019, the balance of the net assets with donor restrictions amount totaled \$100,000 each year and was included in the statement of financial position.

These notes should be read only in connection with the
accompanying financial statements and independent auditors' report.