



**AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2024**

**Women Employed
Audit Report
For the Year Ended June 30, 2024**

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One Parkview Plaza, Suite 710 | Oakbrook Terrace, IL 60181 | www.seldenfox.com
p 630.954.1400 | f 630.954.1327 | email@seldenfox.com

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Women Employed
Chicago, Illinois

Opinion

We have audited the accompanying financial statements of **Women Employed**, a not-for-profit organization, which comprise the statement of financial position as of June 30, 2024 and 2023, 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 accompanying financial statements present fairly, in all material respects, the financial position of Women Employed as of June 30, 2024 and 2023, and the changes in 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 Women Employed 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 these 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 Women Employed's ability to continue as a going concern within one year after the date that 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 Women Employed'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 Women Employed'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.

Selden Fox, Ltd.

October 24, 2024

**Women Employed
Statement of Financial Position
June 30,**

	2024	2023
Assets		
Current assets:		
Cash and cash equivalents:		
Operating	\$ 494,036	\$ -
Restricted for future programs	579,307	418,096
Total cash and cash equivalents	1,073,343	418,096
Contributions receivable:		
Current portion of grants receivable	753,443	532,993
Other contributions	174,212	198,225
Prepaid expenses	67,329	60,488
Investments:		
Operating	-	385,907
Restricted for future programs	-	338,399
Total current assets	2,068,327	1,934,108
Noncurrent assets:		
Contributions receivable - grant receivable, net of current portion	100,000	-
Deposits	22,290	22,290
Office furniture and equipment, at cost, less accumulated depreciation of \$133,389 at June 30, 2024 (\$108,172 at June 30, 2023)	39,641	57,223
Finance lease right-of-use asset, less accumulated amortization of \$19,853 at June 30, 2024 (\$8,996 at June 30, 2023)	8,635	19,492
Total assets	\$ 2,238,893	\$ 2,033,113

See accompanying notes.

Liabilities and Net Assets	2024	2023
Current liabilities:		
Accounts payable	\$ 76,270	\$ 11,677
Accrued expenses	45,330	104,592
Line of credit	-	251,798
Current portion of finance lease liability	12,468	10,412
Total current liabilities and total liabilities	134,068	378,479
Finance lease liability, net of current portion	3,105	15,330
Total liabilities	137,173	393,809
Net assets:		
Without donor restrictions:		
Invested in property and equipment	39,641	57,223
Board designated - Working Capital Fund	255,000	255,000
Available for operations	216,259	62,293
Total without donor restrictions	510,900	374,516
With donor restrictions	1,590,820	1,264,788
Total net assets	2,101,720	1,639,304
Total liabilities and net assets	\$ 2,238,893	\$ 2,033,113

**Women Employed
Statement of Activities
For the Year Ended June 30,**

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenue:						
Contribution revenues:						
Individuals	\$ 723,061	\$ 211,450	\$ 934,511	\$ 461,052	\$ 113,850	\$ 574,902
Corporations, foundations, and trusts	1,058,904	1,358,500	2,417,404	538,639	1,462,000	2,000,639
Government grants	100,000	-	100,000	345,935	-	345,935
Net assets released from restrictions	1,243,918	(1,243,918)	-	1,054,884	(1,054,884)	-
Total contributions	3,125,883	326,032	3,451,915	2,400,510	520,966	2,921,476
Special events	381,880	-	381,880	574,753	-	574,753
Less special event expense	(112,657)	-	(112,657)	(120,863)	-	(120,863)
Net revenues from special events	269,223	-	269,223	453,890	-	453,890
Total public support	3,395,106	326,032	3,721,138	2,854,400	520,966	3,375,366
Other income:						
Program fees for services	117,958	-	117,958	68,993	-	68,993
Miscellaneous	10,062	-	10,062	244	-	244
Gain on extinguishment of operating lease liability	-	-	-	33,191	-	33,191
Net investment income	22,687	-	22,687	68,555	-	68,555
Total other income	150,707	-	150,707	170,983	-	170,983
Total support and revenue	3,545,813	326,032	3,871,845	3,025,383	520,966	3,546,349
Expenses:						
Program services - Public education and policy	2,488,411	-	2,488,411	2,417,130	-	2,417,130
Supporting services:						
Management and general	603,285	-	603,285	538,305	-	538,305
Fund-raising	317,733	-	317,733	401,040	-	401,040
Total supporting services	921,018	-	921,018	939,345	-	939,345
Total expenses	3,409,429	-	3,409,429	3,356,475	-	3,356,475
Net change in net assets	136,384	326,032	462,416	(331,092)	520,966	189,874
Net assets, beginning of the year	374,516	1,264,788	1,639,304	705,608	743,822	1,449,430
Net assets, end of the year	\$ 510,900	\$ 1,590,820	\$ 2,101,720	\$ 374,516	\$ 1,264,788	\$ 1,639,304

See accompanying notes.

**Women Employed
Statement of Functional Expenses
For the Year Ended June 30, 2024**

	Program Services -		Supporting Services		Total
	Public Education and Policy	Management and General	Fund-raising		
Salaries	\$ 1,474,612	\$ 373,895	\$ 178,768		\$ 2,027,275
Employee benefits	170,331	43,858	14,977		229,166
Payroll taxes	106,443	26,619	13,351		146,413
Workers' compensation and unemployment insurance	8,244	2,065	1,027		11,336
Retirement benefits	27,560	6,581	2,221		36,362
Legal and accounting fees	-	41,810	-		41,810
Purchased services	273,055	40,652	68,007		381,714
Telephone	25,114	9,638	-		34,752
Office supplies and stationery	32,025	8,857	17,077		57,959
Printing	2,848	3,892	-		6,740
Postage and delivery	118	1,863	2,454		4,435
Rent and utilities	3,442	881	522		4,845
General insurance	7,750	1,985	6,044		15,779
Travel and training	91,264	11,247	1,220		103,731
Bank charges	-	-	2,194		2,194
Membership dues and fees	3,537	6,809	119		10,465
Interest	-	11,598	-		11,598
Equipment leases and licenses	3,018	773	565		4,356
Equipment maintenance	339	87	63		489
Advertising	20,540	-	250		20,790
Grants and assistance	215,077	-	-		215,077
Depreciation and amortization	23,094	8,661	4,319		36,074
Bad debt expense	-	-	4,450		4,450
Miscellaneous	-	1,514	105		1,619
Total expenses	\$ 2,488,411	\$ 603,285	\$ 317,733		\$ 3,409,429

See accompanying notes.

**Women Employed
Statement of Functional Expenses
For the Year Ended June 30, 2023**

	Program Services -		Supporting Services		Total
	Public Education and Policy	Management and General	Fund-raising		
Salaries	\$ 1,339,210	\$ 278,366	\$ 254,324	\$ 1,871,900	
Employee benefits	128,281	31,351	13,932	173,564	
Payroll taxes	95,831	19,997	19,166	134,994	
Workers' compensation and unemployment insurance	8,550	1,799	1,661	12,010	
Retirement benefits	20,906	3,714	5,012	29,632	
Legal and accounting fees	-	42,529	-	42,529	
Purchased services	554,129	54,087	56,467	664,683	
Telephone	19,721	6,341	3,994	30,056	
Office supplies and stationery	25,502	16,505	18,161	60,168	
Printing	11,179	10,760	2,930	24,869	
Postage and delivery	824	1,357	1,364	3,545	
Rent and utilities	71,058	18,251	12,513	101,822	
General insurance	7,740	1,799	1,363	10,902	
Travel and training	39,477	11,747	1,089	52,313	
Literature and library	1,217	218	121	1,556	
Bank charges	-	-	1,964	1,964	
Membership dues and fees	4,626	818	605	6,049	
Interest	-	15,413	-	15,413	
Equipment leases and licenses	6,827	1,587	1,202	9,616	
Equipment maintenance	786	820	138	1,744	
Advertising	55,303	-	553	55,856	
Depreciation and amortization	25,449	5,914	4,481	35,844	
Miscellaneous	514	14,932	-	15,446	
Total expenses	\$ 2,417,130	\$ 538,305	\$ 401,040	\$ 3,356,475	

See accompanying notes.

Women Employed
Statement of Cash Flows
For the Year Ended June 30,

	<u>2024</u>	<u>2023</u>
Reconciliation of change in net assets to net cash used in operating activities:		
Change in net assets	\$ 462,416	\$ 189,874
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Gain on investments	(4,338)	(35,138)
Gain on extinguishment of operating lease liability	-	(33,191)
Depreciation and amortization	36,074	35,844
Amortization of operating lease right-of-use asset	-	91,705
Cash provided by (applied to) other operating activities:		
Changes in operating assets and liabilities:		
Grants receivable	(320,450)	(249,993)
Other contributions receivable	24,013	(139,468)
Prepaid expenses	(6,841)	(18,995)
Accounts payable	64,593	(353)
Accrued expenses	(59,262)	46,472
Advance liability	-	(91,365)
Operating lease liability	-	(108,009)
Net cash provided by (used in) operating activities	196,205	(312,617)
Net cash from investing activities:		
Purchase of property and equipment	(7,635)	(7,903)
Purchase of investments	(226,699)	(61,744)
Proceeds from sale of investments	955,343	54,312
Net cash provided by (used in) investing activities	721,009	(15,335)
Net cash provided by financing activities:		
Proceeds from line of credit	60,360	264,877
Repayments of line of credit	(312,158)	(13,079)
Repayments of finance lease liability	(10,169)	(2,746)
Net cash (used in) provided by financing activities	(261,967)	249,052
Net change in cash and cash equivalents	655,247	(78,900)
Cash and cash equivalents, beginning of the year	418,096	496,996
Cash and cash equivalents, end of the year	\$ 1,073,343	\$ 418,096

See accompanying notes.

Women Employed Notes to the Financial Statements

1. Organization and Purpose

Women Employed (Organization) was incorporated under the laws of the District of Columbia on October 19, 1977, pursuant to the General Not-for-profit Corporation Act. The Organization's goal is to improve the economic status of women earning low wages through research, public education, and policy development.

2. Summary of Significant Accounting Policies

Basis of Accounting – These financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the Organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of net assets and transactions into two classes: with donor restrictions and without donor restrictions.

Revenues are reported as increases in net assets without donor restrictions, unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions, unless their use is restricted by explicit donor stipulation or by law. Expiration of donor-imposed restrictions on net assets (i.e., the donor imposed stipulated purpose has been fulfilled or the stipulated time period has elapsed) are reported as reclassifications between net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Contributions, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues without donor restrictions.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Women Employed
Notes to the Financial Statements (cont'd)

2. Summary of Significant Accounting Policies (cont'd)

Cash and Cash Equivalents – The Organization considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents. A portion of cash and cash equivalents has been restricted for grants received in advance of when the donors intend them to be used.

At June 30, 2024, the Organization had deposits of approximately \$551,000 with financial institutions and brokerages recorded as cash and cash equivalents that were not insured by the Federal Deposit Insurance Corporation, Securities Investor Protection Corporation, or private insurance.

Investments – The Organization's securities are accounted for at fair value with unrealized gains and losses reported in the statement of activities. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are reported in a three-level valuation hierarchy based on the reliability of observable and unobservable inputs as follows:

Level 1 – Valuations are based on quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.

Level 2 – Valuations are based on the quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and model-derived valuations whose significant inputs are observable.

Level 3 – Valuations are based on unobservable inputs for the asset or liability that reflect the reporting entity's own data and assumptions that market participants would use in pricing the asset or liability.

The Organization's investment securities consist primarily of publicly traded stocks, mutual funds and exchange-traded funds valued based on quoted market prices and classified in Level 1 of the hierarchy.

A portion of investments has been restricted for grants received in advance of when the donors intend them to be used.

Office Furniture and Equipment – Replacement of major assets of property are capitalized at historical cost. In-kind donations are capitalized at their fair value at the date of donation. Maintenance, repairs and minor replacements are expensed. The book value of property sold or retired is removed from the related property and accumulated depreciation accounts. Depreciation is provided on the straight-line method at rates based on estimated lives of three, five, seven or ten years.

Women Employed
Notes to the Financial Statements (cont'd)

2. Summary of Significant Accounting Policies (cont'd)

Finance Lease Right-of-Use Asset – Right-of-use assets associated with finance lease obligations are capitalized at the net present value of future lease payments less any lease incentives. Amortization is provided on the straight-line method at rates based on the shorter of the useful life of the underlying asset or the lease term. Currently, the asset recorded as a finance lease right-of-use asset is being amortized over the remaining lease term.

Functional Allocation of Expenses – The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Certain expenses, including salaries, benefits, rent and utilities are allocated to more than one program or supporting function based on an estimate of time and effort incurred by each program.

Revenue Recognition – The Organization recognizes certain revenues in accordance with Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers*. The Organization's revenues that are subject to ASC Topic 606 are program fees for services, which are generally fees charged to individuals and corporate entities for workshops on mission critical topics. These revenues can be affected by current events, economic conditions and also impacted by disposable income levels and spending habits of those that would attend these workshops.

Revenue from contracts with the individuals and corporate entities is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing instruction and other related services. The transaction price due from individuals and corporate entities is based on standard charges for good and services provided. The Organization has applied the practical expedient to account for revenues with similar characteristics as a collective group, rather than individually.

The Organization receives contract revenue at the time of the related performance obligation(s) or after such performance obligations are met. The Organization has elected the practical expedient that allows it not to recognize a significant financing component as it anticipates payment will be received within one year for services rendered. The performance obligation of delivering services is satisfied once the related workshop has been completed. Workshops typically are one-day events. Therefore, the revenue is recognized at the point in time when the workshop has been completed. Generally, the Organization bills workshop attendees on the date of the workshop or shortly thereafter. If consideration for these services are received in advance of the of the workshop, they are recorded as unearned income on the statement of financial position.

Women Employed
Notes to the Financial Statements (cont'd)

2. Summary of Significant Accounting Policies (cont'd)

Revenue Recognition (cont'd) – Since all of its performance obligations relate to contracts with a duration of less than one year, the Organization has elected not to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period, which are primarily related to providing instruction at workshops. The performance obligations are generally completed when the workshop is completed.

Total revenues recognized at a point in time and over time were as follows for the year ended June 30,:

	2024	2023
Revenues recognized over time	\$ -	\$ -
Revenues recognized at a point in time	117,958	68,993
	\$ 117,958	\$ 68,993

Public support – Contributions and special event revenue are all considered to be contribution revenue and are accounted for under ASC Topic 958-605 and are not subject to ASC Topic 606. Likewise, investment income and miscellaneous revenue is also outside the scope of ASC Topic 606 and are not included in the table above.

There were no contract assets or contract liabilities at June 30, 2022, 2023, or 2024.

Income and Excise Taxes – The Organization is tax-exempt under Section 501(c)(3) of the Internal Revenue Code and has been classified as an organization other than a private foundation. As such, it is not subject to federal income taxes, except for taxes on unrelated business income and excise taxes on certain other activities. There was no taxable unrelated business income in 2024 or 2023. The Organization is registered as a lobbyist under Section 501(h) of the Internal Revenue Code. The Organization’s lobbying expenditures did not exceed the permitted amounts in 2024 or 2023 that would require payment of excise tax. Accordingly, no provision for income taxes has been included in the accompanying financial statements.

The Organization has not been examined by the Internal Revenue Service or the Illinois Department of Revenue. Accordingly, all years under the statute of limitations (years ended June 30, 2021 through 2023) are open for examination.

Women Employed
Notes to the Financial Statements (cont'd)

2. Summary of Significant Accounting Policies (cont'd)

Lease Accounting – Management evaluates the Organization’s contracts at their inception to determine if an arrangement contains a lease based on whether the Organization has the right to control the asset during the contract period and other facts and circumstances. Leases are classified as either financing or operating, with classification affecting the pattern of expense recognition on the statement of activities. As a lessee, the Organization records a right-of-use (“ROU”) asset and a lease liability on the statement of financial position for all leases with terms longer than 12 months. For leases with a term of less than 12 months (short-term leases), the Organization does not record a ROU asset and lease liability and the payments will be recognized in results of operations over the lease term. ROU assets and lease liabilities are recognized at commencement date based on the present value of the future lease payments over the lease term. The Organization includes lease extensions in the lease term when it is reasonably certain that it will exercise the extension. The discount rates used to determine the ROU asset and liability are the lease’s implied rate, if readily determinable. If the implied rate is not readily determinable, the discount rate used is the Organization’s incremental borrowing rate unless the Organization elects to elect the practical expedient to use the risk-free rate as the lease’s discount rate.

For lease agreements with both lease and non-lease components, the Organization elected the practical expedient to account for them as a single lease component. The ROU asset also includes initial direct costs and prepaid lease payments made less lease incentives, if any. The Organization’s lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Subsequent Events – Subsequent events have been evaluated through October 24, 2024, which is the date the financial statements were available to be issued.

3. Investments

Investment securities at June 30, 2023, were as follows:

Description	Level 1	Level 2	Level 3	Total
Money market funds	\$ 2,174	\$ -	\$ -	\$ 2,174
Bond mutual funds:				
Intermediate-term	140,551	-	-	140,551
Global	142,362	-	-	142,362
Equities	205,083	-	-	205,083
ETFs:				
International	101,641	-	-	101,641
Emerging markets	132,495	-	-	132,495
	<u>\$ 724,306</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 724,306</u>

Women Employed
Notes to the Financial Statements (cont'd)

3. Investments (cont'd)

Net investment income (loss) consisted of the following for the year ended June 30,:

	2024	2023
Interest and dividends	\$ 18,349	\$ 38,271
Investment fees	-	(4,854)
Gain on investments	4,338	35,138
Net investment income	\$ 22,687	\$ 68,555

Investments measured at fair value are subject to various risks, including interest rate, market, and credit risks. Due to these risks, it is at least reasonably possible that subsequent changes to the value of individual investments may occur and materially affect the fair value of investments and net assets reported on the statement of financial position.

4. Trust Beneficiary

During 2007, the Organization was named a beneficiary of a fund that is administered by The Chicago Community Trust (CCT). The Organization is to receive quarterly distributions of up to 5.5% of the fair market value of the fund, net of administrative fees, subject to administrative review. In fiscal 2024, the last two distributions from the trust were more than normal distributions historically received from the trust. Total distributions received for the year ended June 30, 2024, were \$545,840 (\$238,827 for the year ended June 30, 2023) and are recorded as public support – contributions on the statement of activities. The fair value of the fund at June 30, 2024, was \$6,155,550 (\$6,020,308 at June 30, 2023).

5. Grants Receivable

Unconditional grants receivable at June 30, 2024, by grantor and expected period of receipt, are as follows:

	Less Than One Year	One to Five Years
Restricted for future programs:		
Caring Across Generations	\$ 50,000	-
Crown Family Foundation	40,000	\$ -
ECMC Foundation	355,443	-
Family Values @ Work	78,000	-
Lloyd A. Fry Foundation	55,000	-
Michael Reese Health Trust	50,000	-
Paul M. Angell Family Foundation	75,000	-
Wood Fund Chicago	50,000	100,000
Total	\$ 753,443	\$ 100,000

Women Employed
Notes to the Financial Statements (cont'd)

5. Grants Receivable (cont'd)

Unconditional grants receivable at June 30, 2023, by grantor and expected period of receipt, are as follows:

	Less Than One Year	One to Five Years
Restricted for future programs:		
Crown Family Foundation	\$ 80,000	\$ -
ECMC Foundation	355,443	-
Illinois Department of Labor	97,550	-
Total	\$ 532,993	\$ -

No provision has been made to provide for doubtful accounts, as all grants receivable are deemed collectible.

6. Line of Credit

The Organization has a line of credit with an investment broker that allows for borrowings collateralized by cash equivalents in brokerage accounts with a carrying value of \$274,013 at June 30, 2024 (\$916,290 at June 30, 2023). The Organization can borrow money using their brokerage accounts as collateral. Maximum borrowings under the line are a factor of the fair value of the assets in the accounts and generally range up to 40% of the fair value of the brokerage accounts' assets without further approval by the lender depending on the type of assets held in those accounts. The line of credit had borrowings of \$250,000 at June 30, 2023, and there was no balance at June 30, 2024. Borrowings under the line of credit bear interest at the broker's prime rate plus 50 basis points (8.75% at June 30, 2024 and 2023). Interest paid and expensed for the year ended June 30, 2024, was \$10,432 (\$14,877 for the year ended June 30, 2023).

Women Employed
Notes to the Financial Statements (cont'd)

7. Restrictions and Limitations on Net Assets

Net assets with donor restrictions at June 30, consist of grants receivable, pledges receivable, unexpended grant funds and unexpended contributions for the Champions for Equity Fund, which is intended to fund future initiatives, available as follows:

	<u>2024</u>	<u>2023</u>
Future operations	\$ 461,250	\$ 101,350
Public education and policy	1,108,120	1,163,438
Champions for Equity Fund	<u>21,450</u>	<u>-</u>
	<u>\$ 1,590,820</u>	<u>\$ 1,264,788</u>

The sources of net assets released from donor restrictions by incurring expenses satisfying the restricted purposes, or by the occurrence of events specified by the donor, were as follows:

	<u>2024</u>	<u>2023</u>
Future operations	\$ 187,599	\$ 202,526
Public education and policy	1,056,319	852,358
Champions for Equity Fund	<u>-</u>	<u>-</u>
	<u>\$ 1,243,918</u>	<u>\$ 1,054,884</u>

8. Liquidity and Availability

Assets available to meet cash needs for general expenditures within one year, without contractual or donor restrictions, consist of the following at June 30:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 1,073,343	\$ 418,096
Investments	-	724,306
Contributions receivable:		
Grants receivable	853,443	532,993
Other contributions	174,212	198,225
Less:		
Advance liability - conditional grants	-	-
Board-designated net assets without donor restrictions	(255,000)	(255,000)
Net assets with donor restrictions	<u>(1,590,820)</u>	<u>(1,353,288)</u>
	<u>\$ 255,178</u>	<u>\$ 265,332</u>

Women Employed
Notes to the Financial Statements (cont'd)

8. Liquidity and Availability (cont'd)

The Organization is generally supported by contributions, many of which are donor-restricted. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization maintains an investment portfolio that could be drawn upon if needed. A line of credit is also available to supplement cash requirements. The Organization hosts a major fund-raising event each year and registration fees charged to attendees and contributions cover the cost of events and provide additional contributions to cover cash needs.

Board-designated net assets are not considered to be available to fund near term general cash flows, as it is not the expectation or intent for the Organization to use such funds. This designation could be lifted with appropriate Board action.

9. Leases

Operating Lease

Effective July 1, 2021, the Organization entered into leases for office and storage space at a new location. Rent under the leases was abated for the first two months of the office lease, and in fiscal 2022, the lessor provided a \$43,600 tenant improvement allowance to reimburse costs to build out and furnish the space. Monthly base rental payments under the leases ranged between approximately \$9,200 and \$10,600. The lease term ends December 31, 2024, for both leases. In June 2023, the Organization modified its lease, whereby the Organization agreed to move to a different suite in the same building. As a part of the lease modification, the landlord agreed to abate rent for the remaining term of the lease. The operating lease right-of-use asset and the operating lease liability immediately prior to the modification were \$140,712 and \$173,903, respectively. The lease modification required the Organization to remeasure the operating lease liability and adjust the operating lease right-of-use asset, both of which were adjusted to be zero due to the abatement and led to recognition of a gain on the extinguishment of the lease liability of \$33,191.

Rent expense is recognized on a straight-line basis over the leases' terms. Rent and utilities expense associated with the lease was \$4,845 for the year ended June 30, 2024 (\$101,822 for the year ended June 30, 2023). The decrease in rent and utilities expense was due to the lease modification that required remeasurement of the lease and the associated rent abatement.

Women Employed
Notes to the Financial Statements (cont'd)

9. Leases (cont'd)

Finance Leases

In fiscal 2023, the Organization recognized finance lease right-of-use assets and finance lease liabilities of \$28,488 for office equipment. The lease requires monthly payments ranging from \$1,023 and \$1,352 and expires in August 2025. Amortization expense associated with the finance lease right-of-use assets was \$10,857 and \$8,996 in fiscal 2024 and 2023, respectively and imputed interest expense associated with the finance lease was \$3,394 and \$536 in fiscal 2024 and 2023, respectively. The future rental payments and imputed interest, using a discount rate of 1.75%, due under the lease are as follows:

<u>Years ending June 30,</u>	<u>Total Rentals</u>
2025	15,876
2026	<u>3,705</u>
	19,581
Less imputed interest	<u>(4,008)</u>
	<u>\$ 15,573</u>

10. Retirement Plan

The Organization maintains a qualified defined contribution retirement plan. All employees who have completed one year of service are allocated a discretionary employer contribution. In fiscal 2024 and fiscal 2023, the contribution totaled \$36,362 and \$29,632, respectively, which was 2% of eligible compensation.

11. Concentration

For the year ended June 30, 2024, one foundation accounted for more than 10% of total support and revenue, which in the aggregate was approximately \$500,000 of total public support. For the year ended June 30, 2023, one foundation accounted for more than 10% of total support and revenue, which in the aggregate was approximately \$750,000 of total public support.

12. Contingencies, Risks and Uncertainties

The Organization has received significant financial assistance from the U.S. Small Business Administration in the form of a Paycheck Protection Program loan, various foundations, and government entities under grant agreements. The disbursement of funds received under these agreements generally requires compliance with terms and conditions specified in Paycheck Protection Program guidance and grant agreements. Such items may be subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability. The Organization's management believes that the Organization is in compliance with the terms and conditions of the grant awards.

Women Employed
Notes to the Financial Statements (cont'd)

12. Contingencies, Risks and Uncertainties (cont'd)

The Organization has been named beneficiary in potential donors' wills. The ultimate amount to be received is undeterminable at this time.