

Council on Foundations, Inc. and Affiliate

Consolidated Audited Financial Statements

and Supplemental Information

Years ended December 31, 2023 and 2022
with Report of Independent Auditors

Council on Foundations, Inc. and Affiliate

Audited Financial Statements

Years ended December 31, 2023 and 2022

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Report of Independent Auditors

Board of Directors
Council on Foundations, Inc. and Affiliate

Opinion

We have audited the consolidated financial statements of Council on Foundations, Inc. and Affiliate (collectively, the Council), which comprise the consolidated statements of financial position as of December 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 accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Council as of December 31, 2023 and 2022, 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Council and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for 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 GAAS 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 GAAS, 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 the Council's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council'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.

Other Matter - Consolidating Financial Statements

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedule of financial position as of December 31, 2023 and consolidating schedule of activities for the year then ended are presented for the purpose of additional analysis and are 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 subject to auditing procedures applied in the audit of the consolidated financial statement and certain additional procedures applied, 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.

A handwritten signature in black ink that reads "Johnson Lambert LLP". The signature is written in a cursive, flowing style.

Vienna, Virginia
August 1, 2024

Council on Foundations, Inc. and Affiliate
Consolidated Statements of Financial Position

As of December 31, 2023 and 2022

	2023	2022
Assets		
Cash and cash equivalents	\$ 10,709,274	\$ 10,008,304
Investments	5,353,501	4,980,568
Accounts receivable	364,594	332,796
Grants receivable, net	1,391,390	843,556
Prepaid expenses	265,453	225,671
Investment in Norwest Venture Partners FVCI-Mauritius	17,837,538	16,513,103
Equipment and leasehold improvements, net	795,934	958,665
Deferred compensation assets	553,323	499,451
Deposits	188,855	187,556
Right of use (ROU) assets - operating leases	3,462,698	3,975,332
Total assets	\$ 40,922,560	\$ 38,525,002
Liabilities and net assets		
Liabilities		
Accounts payable and accrued expenses	\$ 657,458	\$ 592,610
Deferred membership dues	523,446	292,500
Deferred registration and other fees	315,210	229,993
Deferred accreditation and subscription fees	26,000	57,250
Deposits	12,547	12,397
Deferred compensation liability	534,410	482,193
Lease liabilities - operating leases	4,888,193	5,557,707
Total liabilities	6,957,264	7,224,650
Net assets		
Without donor restrictions	13,549,945	12,223,625
With donor restrictions	20,415,351	19,076,727
Total net assets	33,965,296	31,300,352
Total liabilities and net assets	\$ 40,922,560	\$ 38,525,002

See accompanying notes to the consolidated financial statements.

Council on Foundations, Inc. and Affiliate

Consolidated Statements of Activities

Years ended December 31, 2023 and 2022

	2023			2022		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
Revenue and support						
Membership dues	\$ 6,765,189	\$ -	\$ 6,765,189	\$ 6,946,187	\$ -	\$ 6,946,187
Total membership dues and contributions	6,765,189	-	6,765,189	6,946,187	-	6,946,187
Grants and contributions	2,881,395	963,070	3,844,465	2,673,473	647,928	3,321,401
Conference registrations, exhibit income and sponsorship income	1,615,720	-	1,615,720	540,891	-	540,891
Accreditation deposits and fees	494,000	-	494,000	458,250	-	458,250
Other	145,557	-	145,557	104,242	-	104,242
Publications	162,638	-	162,638	156,316	-	156,316
Operating investment income, net	406,687	-	406,687	113,521	-	113,521
Consulting income	60,120	-	60,120	120,607	1,616	122,223
Release from restrictions:						
Satisfaction of time restrictions - grants and contributions	948,881	(948,881)	-	758,881	(758,881)	-
Total revenue and support	13,480,187	14,189	13,494,376	11,751,761	(110,953)	11,640,808
Expenses						
Program services	8,411,832	-	8,411,832	6,242,512	-	6,242,512
Supporting services	3,951,523	-	3,951,523	4,587,609	-	4,587,609
Total expenses	12,363,355	-	12,363,355	10,830,121	-	10,830,121
Change in net assets before non-operating activities	1,116,832	14,189	1,131,021	921,640	(110,953)	810,687
Non-operating activities:						
Investment gain (loss), net	209,488	-	209,488	(298,104)	-	(298,104)
Unrealized gain on Norwest	-	1,324,435	1,324,435	-	4,486,505	4,486,505
Other	-	-	-	56,790	-	56,790
Total non-operating activities	209,488	1,324,435	1,533,923	(241,314)	4,486,505	4,245,191
Change in net assets	1,326,320	1,338,624	2,664,944	680,326	4,375,552	5,055,878
Net assets, beginning of year	12,223,625	19,076,727	31,300,352	11,543,299	14,701,175	26,244,474
Net assets, end of year	\$ 13,549,945	\$ 20,415,351	\$ 33,965,296	\$ 12,223,625	\$ 19,076,727	\$ 31,300,352

See accompanying notes to the consolidated financial statements.

Council on Foundations, Inc. and Affiliate
Consolidated Statement of Functional Expenses

Year ended December 31, 2023

	Program services				Supporting services			2023 Total
	Member services	Strategic communications	Government relations	Total program services	Management and general	Fundraising	Total supporting services	
Salaries and benefits	\$ 3,404,846	\$ 682,457	\$ 791,496	\$ 4,878,799	\$ 2,189,549	\$ 379,972	\$ 2,569,521	\$ 7,448,320
Consultants and contract services	741,105	299,678	341,951	1,382,734	784,620	14,545	799,165	2,181,899
Occupancy	270,369	54,192	62,850	387,411	173,865	30,172	204,037	591,448
Software, subscriptions, and office expenses	415,331	55,386	70,375	541,092	176,621	30,720	207,341	748,433
Depreciation and amortization	74,389	14,911	17,293	106,593	47,837	8,302	56,139	162,732
Travel	136,588	9,839	43,404	189,831	21,991	13,221	35,212	225,043
Printing and production	13,244	222	13,126	26,592	714	124	838	27,430
Insurance and maintenance	32,509	5,533	6,418	44,460	17,754	3,081	20,835	65,295
Conferences and meetings	611,365	9,176	11,955	632,496	5,099	1,094	6,193	638,689
Authors and speakers	56,231	-	-	56,231	-	-	-	56,231
Grants, awards, and contributions	59,859	100	1,000	60,959	-	-	-	60,959
Bank and other processing fees	46,634	9,581	11,111	67,326	30,736	5,334	36,070	103,396
Telephone and internet fees	18,774	3,763	4,394	26,931	12,073	2,095	14,168	41,099
Taxes and registrations	9,226	532	619	10,377	1,708	296	2,004	12,381
Total functional expenses	<u>\$ 5,890,470</u>	<u>\$ 1,145,370</u>	<u>\$ 1,375,992</u>	<u>\$ 8,411,832</u>	<u>\$ 3,462,567</u>	<u>\$ 488,956</u>	<u>\$ 3,951,523</u>	<u>\$ 12,363,355</u>

See accompanying notes to the consolidated financial statements.

Council on Foundations, Inc. and Affiliate
Consolidated Statement of Functional Expenses
Year ended December 31, 2022

	Program services				Supporting services			2022 Total
	Member services	Strategic communications	Government relations	Total program services	Management and general	Fundraising	Total supporting services	
Salaries and benefits	\$ 2,286,867	\$ 526,686	\$ 812,929	\$ 3,626,482	\$ 2,688,883	\$ 341,999	\$ 3,030,882	\$ 6,657,364
Consultants and contract services	678,931	280,951	377,885	1,337,767	742,526	23,779	766,305	2,104,072
Occupancy	207,817	47,862	73,875	329,554	244,351	31,079	275,430	604,984
Software, subscriptions, and office expenses	347,803	59,086	81,326	488,215	266,812	33,936	300,748	788,963
Depreciation and amortization	62,802	14,464	22,325	99,591	73,844	9,392	83,236	182,827
Travel	33,965	9,627	8,425	52,017	19,196	6,777	25,973	77,990
Printing and production	30,936	10,473	951	42,360	3,146	401	3,547	45,907
Insurance and maintenance	21,581	4,970	7,671	34,222	25,374	3,227	28,601	62,823
Conferences and meetings	43,761	8,311	3,352	55,424	6,841	870	7,711	63,135
Authors and speakers	26,228	-	-	26,228	-	-	-	26,228
Grants, awards, and contributions	61,875	-	1,500	63,375	-	-	-	63,375
Bank and other processing fees	29,825	6,516	10,057	46,398	33,266	4,231	37,497	83,895
Telephone and internet fees	15,084	3,474	5,362	23,920	17,736	2,256	19,992	43,912
Taxes and registrations	13,561	1,336	2,062	16,959	6,820	867	7,687	24,646
Total functional expenses	<u>\$ 3,861,036</u>	<u>\$ 973,756</u>	<u>\$ 1,407,720</u>	<u>\$ 6,242,512</u>	<u>\$ 4,128,795</u>	<u>\$ 458,814</u>	<u>\$ 4,587,609</u>	<u>\$ 10,830,121</u>

See accompanying notes to the consolidated financial statements.

Council on Foundations, Inc. and Affiliate

Consolidated Statements of Cash Flows

Years ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities		
Change in net assets	\$ 2,664,944	\$ 5,055,878
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Realized and unrealized (gain) loss on investments	(209,488)	298,104
Unrealized gain on Norwest	(1,324,435)	(4,486,505)
Depreciation and amortization	162,730	182,827
Loss on disposal of equipment	-	21,094
Noncash lease expense	512,633	502,496
Changes in assets and liabilities:		
Accounts receivable	(31,798)	971
Grants receivable	(547,834)	333,718
Prepaid expenses	(39,782)	(89,325)
Deposits	(1,299)	(47)
Accounts payable and accrued expenses	64,848	129,676
Deferred revenue	105,114	301,004
Deposits	150	1,900
Deferred compensation liability	52,217	(50,874)
Lease liability	<u>(669,514)</u>	<u>(641,016)</u>
Net cash flows from operating activities	738,486	1,559,901
Cash flows from investing activities		
Purchases of equipment and leasehold improvements	-	(189,253)
Cash and cash equivalents acquired in acquisition	179,799	-
Proceeds from the sale of investments	85,558	32,842
Purchases of investments	<u>(302,873)</u>	<u>(1,520,756)</u>
Net cash flows from investing activities	(37,516)	(1,677,167)
Net increase (decrease) in cash and cash equivalents	700,970	(117,266)
Cash and cash equivalents, beginning of year	<u>10,008,304</u>	<u>10,125,570</u>
Cash and cash equivalents, end of year	<u>\$ 10,709,274</u>	<u>\$ 10,008,304</u>

See accompanying notes to the consolidated financial statements.

Council on Foundations, Inc. and Affiliate
Notes to Consolidated Financial Statements

Years ended December 31, 2023 and 2022

Note 1 - Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities

The Council on Foundations, Inc. and Affiliate (collectively, the Council) is a nonprofit membership association that serves as a guide for philanthropies as they advance the greater good. Building on the almost 75-year history, the Council supports over 800 member organizations in the United States and around the world to build trust in philanthropy, expand pathways to giving, engage broader perspectives, and co-create solutions that will lead to a better future for all.

The activities of the Council are funded primarily through membership dues from foundations and grant makers.

The Council was incorporated in 1957 under the laws of the state of New York as a nonprofit public charity. The Council's mission is to foster an environment where philanthropy can thrive and cultivate a community of diverse and skilled philanthropic professionals and organizations who lead with integrity, serve as ethical stewards and advocate for progress.

Effective September 1, 2023 the Council entered into an agreement with Candid wherein Candid transferred to the Council all rights, interests, and assets of Candid's CF Insights (CFI) business. CFI is an annual survey, database, and resource hub for community foundations. These consolidated financial statements include revenues recognized subsequent to the acquisition date. See Note 14 for further details regarding the acquisition.

To achieve the Council's mission and vision, three important priorities have guided its work during the years ended December 31, 2023 and 2022. These priorities embrace the dramatic changes taking place in philanthropy and, at the same time, build on the Council's distinctive competencies in a growing and varied field. They are as follows:

Member services

The Council ensures that foundations are connected to high-quality services across a broad range of needs. To this end, the Council provides educational expertise and networking opportunities related to core field-wide issues (e.g., educational expertise that supports the field's ability to achieve standards of strong governance and effectiveness in grant makers). Additionally, the Council seeks opportunities to partner with the broader network of philanthropic infrastructure organizations to co-create and deliver educational offerings.

Strategic communications

The Council helps to increase outreach and communications to members, infrastructure partners, the field and the media through multiple communications platforms. The Council capitalizes on networking and knowledge management, incorporating innovative technology.

Council on Foundations, Inc. and Affiliate

Notes to Consolidated Financial Statements (Continued)

Note 1 - Nature of Activities and Summary of Significant Accounting Policies (Continued)

Government relations

The Council promotes a positive vision for philanthropy, making philanthropy consequential and conveying to influential public leaders and policy makers a case for enabling philanthropy. The Council strives to ensure a positive legislative and regulatory environment for philanthropy, as well as highlight for lawmakers the critical work being done by foundations in communities across the country. These efforts entail advancing public policies on key issues, including tax policy.

The Council is affiliated with the Community Foundations National Standards Board (CFNSB, or Affiliate). CFNSB was incorporated in April 2009 under the laws of the Commonwealth of Virginia as a nonprofit public charity that is a Type I supporting organization to the Council under Internal Revenue Code (IRC) Section 509(a)(3). CFNSB was incorporated as a separate entity in order to foster greater independence of the National Standards for U.S. Community Foundations accreditation program.

A summary of the significant accounting policies are follows:

Basis of accounting

The accompanying consolidated financial statements are presented in accordance with the accrual basis of accounting, whereby unconditional support and promises to give are recognized when received, revenue is recognized when earned and expenses are recognized when incurred.

Adoption of Accounting Standard

The Council adopted Accounting Standards Update (ASU) 2016-13 and subsequent amendments, Financial Instruments - Credit Losses (Topic 326) (the guidance) on January 1, 2023. The guidance replaces the incurred loss impairment model with an expected loss model, also referred to as the current expected credit loss (CECL) model. The model requires the Council to measure expected credit losses on financial assets measured at amortized cost and record an allowance for credit loss against those assets. The Council adopted the guidance using the modified retrospective approach. There was no impact to the Council from adopting the standard as of January 1, 2023.

Credit Losses

The Council measures expected credit losses on financial assets held at amortized cost, and records an allowance for credit loss when management determines a credit loss exists. Allowances for credit losses are recorded as contra-assets that reduce the corresponding financial assets on the consolidated statements of financial position, with the offset recorded as credit loss income (expense) in the consolidated statements of activities. As the estimate of expected credit losses changes with subsequent evaluations, those increases and decreases are recognized in the consolidated statement of activities. The Council writes off uncollectible amounts against the allowance for credit losses when it determines that a financial asset is partially or fully uncollectable.

Council on Foundations, Inc. and Affiliate

Notes to Consolidated Financial Statements (Continued)

Note 1 - Nature of Activities and Summary of Significant Accounting Policies (Continued)

Credit Losses (continued)

Prior to the adoption of the credit loss standard on January 1, 2023, financial assets reported at amortized cost were reviewed for impairment using an incurred loss model.

Leases

The Council determines if an arrangement is a lease or contains a lease at inception of a contract and classifies each lease as an operating or finance lease. A contract is determined to be or contain a lease if the contract conveys the right to control the use of identified property, plant, or equipment (an identified asset) in exchange for consideration. The Council records a right-of-use (ROU) asset for the right to use an underlying asset for the lease term and a lease liability, on a discounted basis, for the obligation to make lease payments arising from the lease. The Council has elected the risk free rate as the discount rate for all its underlying leased assets. The lease term includes options to extend or to terminate the lease that the Council is reasonably certain to exercise. ROU assets are subject to review for impairment.

For operating leases, lease expense relating to fixed payments is recognized on a straight-line basis over the lease term and lease expense relating to variable payments is expensed as incurred. The Council has elected as an accounting policy not to record ROU assets and lease liabilities that arise from short-term leases for any class of underlying asset.

Principles of consolidation

The accompanying consolidated financial statements include the accounts of the Council and CFNSB. Significant intercompany accounts and transactions have been eliminated in consolidation. The Council and its affiliate, CFNSB are collectively hereafter referred to as the Council.

Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Non-operating activities

The Council considers the investment income from its cash and cash equivalents and one specific investment fund to be operating in nature. Additionally, all allocable interest and dividends, net of investment fees, treated as donor restricted in accordance with donor specifications is considered to be operating in nature. All other investment returns including unrealized and realized gains and losses are considered to be non-operating in nature.

Council on Foundations, Inc. and Affiliate

Notes to Consolidated Financial Statements (Continued)

Note 1 - Nature of Activities and Summary of Significant Accounting Policies (Continued)

Cash and cash equivalents

The Council considers cash and cash equivalents to include only demand deposits and savings accounts. The Council maintains cash in bank deposit accounts which, at times, may exceed federally insured limits. The Federal Deposit Insurance Corporation (FDIC) insures amounts on deposit with each financial institution up to limits prescribed by law. The Council may hold funds with financial institutions in excess of the FDIC insured amounts; however, the Council has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk on cash and cash equivalents.

Investments and fair value measurement

Investments, including deferred compensation investments, are carried at fair value. To adjust the carrying value of these investments, the change in fair value of investments is recorded as a component of investment income, net of fees, in the consolidated statements of activities as non-operating revenue.

In accordance with GAAP, the Council prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The levels of the hierarchy are as follows:

Level 1 – Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities traded in active markets that the Council has the ability to access.

Level 2 – Inputs to the valuation methodology include 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, inputs other than quoted prices that are observable for the assets or liabilities for substantially the entire period and market-corroborated inputs.

Level 3 – Inputs to the valuation methodology are unobservable for the asset or liability and are significant to the fair value measurement.

Investment in common stock of Norwest Venture Partners FVCI-Mauritius

The Council is accounting for its investment in Norwest Venture Partners FVCI-Mauritius (Norwest), a 40.33% owned affiliate based on total shares, at fair value. The Council's investment is recorded at fair value as of December 31, 2023 and 2022, based on the audited financial statements of Norwest for the same period that reflect the investment in the underlying entity at fair value. The unrealized gain or loss on fair value changes for the year ended December 31, 2023 and 2022, is recognized in the Council's consolidated statements of activities. See Note 5 for further information.

Council on Foundations, Inc. and Affiliate

Notes to Consolidated Financial Statements (Continued)

Note 1 - Nature of Activities and Summary of Significant Accounting Policies (Continued)

Risks and uncertainties

The Council's investments include various types of securities that are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term could materially affect investment balances and the amounts reported in the consolidated financial statements.

Accounts receivable

Accounts receivable are carried at gross amount less an estimate made for allowance for credit losses based on a review of all outstanding amounts on an annual basis. The Council measures the allowance for credit loss on a collective basis through review of aging schedules, or on an individual basis when more relevant. An expected credit loss is calculated based on the Council's ongoing review of amounts outstanding, historical loss data including delinquencies and write offs, and is then adjusted for current conditions, and reasonable and supportable forecasts. Changes in the allowance for credit loss on receivables are recorded as credit loss income (expense) on the consolidated statements of activities. There was no allowance for credit loss on receivables as of December 31, 2023.

Grants receivable

Grants to be received in a future period are discounted to their net present value at the time the revenue is recorded. The Council's grants are generally receivable over a two-year period and are discounted using a risk-adjusted interest rate applicable to the year in which the grant was received. Amortization of the discounts is included in grants and contributions revenue. See Grants and Contributions below for more information.

Equipment and leasehold improvements

Equipment and leasehold improvements are stated at cost less accumulated depreciation. Depreciation is principally provided on a straight-line basis over the estimated useful lives of the respective assets, which range from 3 to 10 years. Leasehold improvements are amortized over the shorter of the lease period or estimated useful lives of the improvements. Maintenance and repairs are charged to expense when incurred; major improvements in excess of \$5,000 are capitalized. Upon the retirement or disposal of assets, the accounts are relieved of the cost and accumulated depreciation with any resulting gain or loss included in revenue or expense.

Council on Foundations, Inc. and Affiliate

Notes to Consolidated Financial Statements (Continued)

Note 1 - Nature of Activities and Summary of Significant Accounting Policies (Continued)

Net assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor 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. The board has designated, from net assets without donor restrictions, certain net assets as board-designated funds. Appropriations of the funds can only be made with board approval. See Note 11 for further information.

Net Assets With Donor Restrictions - Net assets subject to donor, or 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. The Council reports assets restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increased in net assets with donor restrictions, depending on the nature of the restrictions. Donor-imposed restrictions are released when a restriction expires. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

Revenue recognition

Membership dues:

Membership dues, limited to the estimated fair value of the benefits provided, are recognized as revenue over time throughout the membership cycle. Members have continuous access to discounted registrations to conferences, free access to webinars, the opportunity to work with the Council and advocate to policy makers, the ability to interact online on Philanthropy Exchange, and the opportunity to engage with the Council's legal team for on-demand support during the membership period. Amounts equal to the estimated fair value of benefits received in advance of a given membership period are recognized over time, as deferred revenue when received and recognized as revenue over the course of the applicable membership period. Payment is due at the beginning of the membership period. Membership dues are not refundable and non-transferable. For the years ended December 31, 2023 and 2022, Council recognized \$998,006 and \$828,010, respectively, in revenue from exchange benefits provided to members, which is included under membership dues in the consolidated statements of activities.

Council on Foundations, Inc. and Affiliate

Notes to Consolidated Financial Statements (Continued)

Note 1 - Nature of Activities and Summary of Significant Accounting Policies (Continued)

Revenue recognition (continued)

Membership dues (continued):

Membership dues paid in excess of the benefits received (excess dues) are considered an unconditional contribution and are recorded as revenue without donor restriction if received in the year to which the dues pertain. Excess dues are recognized as an unconditional contribution with donor imposed restriction if collected in advance of the year to which the dues pertain. The implied time restriction is met in the year the member intends the excess dues to be available to the Council. For the years ended December 31, 2023 and 2022, Council received and recognized \$5,681,043 and \$6,118,177 in contributions from members, respectively.

CF insights (CFI) membership dues are recognized as revenue over time throughout the membership cycle. Members have continuous access to technical support in entering data and using the CF insights software and database to create peer groups and analyze reports, an annual peer benchmarking dashboard and ongoing guidance from the CF insights team in accessing and interpreting CF insights' data. Amounts equal to the estimated fair value of benefits received in advance of a given membership period are recognized over time, as deferred revenue when received and recognized as revenue over the course of the applicable membership period. Payment is due at the beginning of the membership period. Membership dues are not refundable and non-transferable. For the year ended December 31, 2023, Council recognized \$90,962 in revenue from exchange benefits provided to members, which is included under membership dues in the consolidated statements of activities.

Grants and contributions:

Grants and contributions are recognized when the intent to give is received. Conditional promises to give, with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. The Council did not receive any conditional promises to give for the years ended December 31, 2023 and 2022. The Council reports gifts of cash and other assets as donor restricted if they are received with stipulations that limit the use of the donated asset. When a stipulated time restriction ends or purpose restriction is accomplished, donor restricted net assets are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. Contributions without donor restrictions are reported as revenue in the year in which payments are received and/or unconditional promises are made.

Council on Foundations, Inc. and Affiliate

Notes to Consolidated Financial Statements (Continued)

Note 1 - Nature of Activities and Summary of Significant Accounting Policies (Continued)

Revenue recognition (continued)

Conference registrations, exhibit income and sponsorship income:

The proceeds from registration, exhibition, and sponsorship of conferences are recognized as revenue at a point in time, when the conference or event is held, when goods, services or benefits related to the conference or event are provided. Amounts received in advance for conferences or events held in future years are recorded as deferred revenue when received and recognized as revenue when the conference or event takes place. Payment is due upon registration or when a contract is signed. The Council has a refund policy that allows for refunds up to a certain date before the conference takes place. The Council has determined a refund liability is not necessary as of December 31, 2023 and 2022.

Publications:

The proceeds from publication revenue is recorded at a point in time, when the publication is downloaded and is reported net of any discounts in the consolidated statements of activities. Payment is due at the point of sale. No refunds are permitted once the publication has been released.

Accreditation deposits and fees:

Deposits received from community foundations are recognized as revenue at the point in time when the Council issues certification or recertification decision. As such, deposits are nonrefundable to the community foundations but will be applied to the certification process. Accreditation fees are recognized as revenue at a point in time upon performance of the certification or recertification services. The Council offers a three-year payment plan but recommends that the fees are paid at the point of sale.

Functional allocation of expenses

The costs of programs and supporting services activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present the natural classification detail of expenses by function. Certain categories of expenses are attributed to more than one program or supporting function, and therefore, require allocation on a reasonable basis that is consistently applied. Accordingly, certain costs such as salaries and benefits, occupancy, office expenses and supplies, depreciation and amortization, telephone and internet fees have been allocated among the programs and supporting services benefited. Such allocations are determined by management based on actual time and effort. All other expenses are directly allocated based on the nature of the expenditure.

Income taxes

The Council and CFNSB are exempt from income taxes under Section 501(c)(3) of the IRC. In addition, the Council and CFNSB qualify for charitable contribution deductions and have been classified as organizations that are not a private foundation. Income that is not related to exempt purposes, less applicable deductions, is subject to federal and state corporate income taxes.

Council on Foundations, Inc. and Affiliate

Notes to Consolidated Financial Statements (Continued)

Note 1 - Nature of Activities and Summary of Significant Accounting Policies (Continued)

Income taxes (continued)

Management evaluated the Council's and CFNSB's tax positions and concluded that the Council and CFNSB had taken no uncertain tax positions that require adjustment to the consolidated financial statements. For the years ended December 31, 2023 and 2022, no provision for income taxes was made for the Council or CFNSB, as neither organization had any significant net unrelated business income and did not identify any uncertain tax positions requiring recognition or disclosure in the consolidated financial statements.

Subsequent events

The Council has evaluated subsequent events through August 1, 2024, the date the consolidated financial statements were available to be issued.

Note 2 - Liquidity and Availability of Financial Assets

The Council regularly monitors liquidity required to meet its annual operating needs and other contractual commitments while also striving to maximize the return on investment of its funds not required for annual operations. The Council has various sources of liquidity at its disposal, including cash, receivables and investments. As of December 31, 2023 and 2022 the following financial assets are available for general expenditures within one year of the consolidated statements of financial position date:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 10,709,270	\$ 10,008,304
Accounts receivable	364,594	332,796
Grants receivable, net	1,391,390	843,556
Investments	<u>5,353,501</u>	<u>4,980,568</u>
Total financial assets	17,818,755	16,165,224
Less board-designated reserve funds	(5,353,501)	(4,980,572)
Less donor restrictions (excludes investment in Norwest)	(1,897,013)	(2,517,824)
Less grants receivable, long term	<u>(680,800)</u>	<u>(45,800)</u>
Available to meet general expenditures within one year	<u>\$ 9,887,441</u>	<u>\$ 8,621,028</u>

The Council manages its cash available to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability
- Maintaining a sufficient level of asset liquidity
- Monitoring and maintaining reserves to provide reasonable assurance that long-term commitments and obligations related to donor restrictions will continue to be met

Council on Foundations, Inc. and Affiliate

Notes to Consolidated Financial Statements (Continued)

Note 2 - Liquidity and Availability of Financial Assets (Continued)

The Council has established a board-designated reserve fund to designate a portion of net assets for future operating activities. The Council receives time restricted promises to give and purpose restricted contributions from time to time, which are not available for general expenditures.

Note 3 - Investments

The following table presents the Council's investments measured at fair value within the GAAP fair value hierarchy at December 31, 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>N/A</u>	<u>Total</u>
Investments					
Mutual funds	\$ 5,353,501	\$ -	\$ -	\$ -	\$ 5,353,501
Common stock - Norwest	-	-	17,837,538	-	17,837,538
Deferred compensation plan					
Money market funds*	-	-	-	43,958	43,958
Mutual funds	<u>509,365</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>509,365</u>
Total investments	<u>\$ 5,862,866</u>	<u>\$ -</u>	<u>\$ 17,837,538</u>	<u>\$ 43,958</u>	<u>\$ 23,744,362</u>

The following table presents the Council's investments measured at fair value within the GAAP fair value hierarchy at December 31, 2022:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>N/A</u>	<u>Total</u>
Investments					
Mutual funds	\$ 4,980,568	\$ -	\$ -	\$ -	\$ 4,980,568
Common stock - Norwest	-	-	16,513,103	-	16,513,103
Deferred compensation plan					
Money market funds*	-	-	-	36,646	36,646
Mutual funds	<u>462,805</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>462,805</u>
Total investments	<u>\$ 5,443,373</u>	<u>\$ -</u>	<u>\$ 16,513,103</u>	<u>\$ 36,646</u>	<u>\$ 21,993,122</u>

* Money market funds have been excluded from the fair value level disclosures in the table above, in accordance with GAAP.

The Council's mutual funds are actively traded for identical assets and are considered Level 1 investments.

Council on Foundations, Inc. and Affiliate

Notes to Consolidated Financial Statements (Continued)

Note 3 - Investments (Continued)

The valuation of the Council's investment in Norwest is based on the fair value of the underlying investment by Norwest in Sulekha.com New Media Pvt Ltd and is not an observable input corroborated by market data. The underlying investments of Norwest are generally valued annually. Valuation policies are audited by a third-party firm, but do not necessarily reflect the price at which each asset would be sold, since market valuations can only ultimately be determined through negotiation between a willing buyer and seller. The primary investment objective is to sell the investment in Norwest as soon as feasibly possible to be able to use the proceeds for community development purposes. There are no unfunded commitments or established redemption terms. Activity of the level 3 investment for the years ended December 31, 2023 and 2022 is disclosed in Note 5.

Note 4 - Grants Receivable

Grants receivable at December 31, 2023 and 2022, are due to be received as follows:

	<u>2023</u>	<u>2022</u>
Within one year	\$ 739,511	\$ 826,677
One to two years	<u>680,800</u>	<u>45,800</u>
	1,420,311	872,477
Less present value discount	<u>(28,921)</u>	<u>(28,921)</u>
Grants receivable, net	<u>\$ 1,391,390</u>	<u>\$ 843,556</u>

Amounts due beyond one year are discounted at a rate of 2.04% per annum.

Note 5 - Investment in Common Stock of Norwest Venture Partners FVCI-Mauritius

In June 2018, the Council received an unconditional stock donation from a third-party. The entity is Norwest, which is a private company, and the Council was gifted a 47% interest in voting shares and 40.33% of total shares. The sole purpose of Norwest is to own shares of Sulekha.com New Media Limited, a for-profit Indian entity, of which it holds a 1.27% ownership on a diluted basis as of December 31, 2023 and 2022. The Council plans to sell its interest in Norwest as soon as feasibly possible. The Council plans to use the funds received in line with the terms of the donor agreement.

The investment in Norwest is calculated as follows for 2023:

Value of investment in Norwest as of January 1, 2023	\$ 16,513,103
Unrealized gain on fair value investment	<u>1,324,435</u>
Investment in common stock of Norwest as of December 31, 2023	<u>\$ 17,837,538</u>

Council on Foundations, Inc. and Affiliate

Notes to Consolidated Financial Statements (Continued)

Note 5 - Investment in Common Stock of Norwest Venture Partners FVCI-Mauritius (Continued)

The investment in Norwest is calculated as follows for 2022:

Value of investment in Norwest as of January 1, 2022	\$ 12,026,598
Unrealized gain on fair value investment	<u>4,486,505</u>
Investment in common stock of Norwest as of December 31, 2022	<u><u>\$ 16,513,103</u></u>

There were no purchases of level 3 investments during the years ended December 31, 2023 and 2022. There were no transfers into or out of level 3 investments, including the sale of securities during the years ended December 31, 2023 and 2022.

The investment in Norwest was recorded at fair value when received in accordance with the Non-Profit Entities topic of GAAP, and is considered to be net assets with donor restrictions for purpose.

The audited financial statements for Norwest present the investment in Sulekha.com New Media Pvt Ltd at fair value as of December 31, 2023 and 2022 and therefore, management also reports its investment in Norwest at fair value. The unrealized gain (loss) on fair value is included in the consolidated statements of activities for the years ended December 31, 2023 and 2022. There were no interest or dividends received from Norwest during the years ended December 31, 2023 and 2022.

Note 6 - Equipment and Leasehold Improvements

Equipment and leasehold improvements consisted of the following at December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Furniture and equipment, including software	\$ 1,138,689	\$ 1,138,689
Leasehold improvements	914,310	914,310
Website development	10,500	10,500
Work in progress	51,400	51,400
Computer and equipment	<u>60,052</u>	<u>60,052</u>
	2,174,951	2,174,951
Less accumulated depreciation and amortization	<u>(1,379,017)</u>	<u>(1,216,286)</u>
Equipment and leasehold improvements, net	<u><u>\$ 795,934</u></u>	<u><u>\$ 958,665</u></u>

Depreciation expense for the years ended December 31, 2023 and 2022, was \$162,732 and \$182,827, respectively.

Council on Foundations, Inc. and Affiliate

Notes to Consolidated Financial Statements (Continued)

Note 7 - Donor Restricted Net Assets

Donor restricted net assets as of December 31, 2023 and 2022, consist of the following:

	<u>2023</u>	<u>2022</u>
Time and purpose:		
Dues support of future activities	\$ 431,013	\$ 292,500
Time restricted for 2024	1,170,000	988,881
Time restricted for 2025	180,000	190,000
Community development (Note 5)	17,837,538	16,513,103
Narrative Shift	132,000	215,472
Government relations	20,800	50,000
Global Philanthropy	218,000	173,881
Fund the Strategy	175,000	634,000
Career Pathways	50,000	-
Values Aligned Philanthropy	46,000	18,890
Building Common Ground	155,000	-
Total net assets with donor restrictions	<u>\$ 20,415,351</u>	<u>\$ 19,076,727</u>

Note 8 - Leases

In February 2018, the Council entered into a noncancelable operating lease for its headquarters in Washington, D.C. The lease is for the period from February 2019 through March 2030. The lease provides for 14 months of rent abatement, an annual fixed escalation of rent, and required the Council to maintain a security deposit with a local financial institution. Additionally, under the terms of this lease, the Council received from the landlord an allowance of \$1,227,060 for leasehold improvements as an incentive to enter into the lease agreement.

The Council has a letter of credit in the amount of \$170,425 to maintain the lease security deposit. During the years ended December 31, 2023 and 2022 there were no drawdowns.

Rent expense for the years ended December 31, 2023 and 2022, including pass-through costs, was \$591,448 and \$604,984, respectively, and is included in occupancy expense in the consolidated statements of functional expenses.

Council on Foundations, Inc. and Affiliate

Notes to Consolidated Financial Statements (Continued)

Note 8 - Leases (Continued)

The Council's lease costs, terms and discount rates are as follows for the year ending December 31, 2023:

	<u>2023</u>	<u>2022</u>
Operating lease cost:		
Lease cost	\$ 594,096	\$ 594,046
Total lease cost	<u>\$ 594,096</u>	<u>\$ 594,046</u>
<u>Other Information</u>		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 750,927	\$ 732,566
ROU assets obtained in exchange for new operating lease liabilities	\$ -	\$ 6,198,724
Weighted-average remaining lease term - operating leases	6 years	7 years
Weighted-average discount rate - operating leases	1.55 %	1.55 %

Future minimum lease payments and reconciliation to the consolidated statement of financial position as of December 31, 2023 are as follows:

	<u>Operating</u>
2024	\$ 769,707
2025	788,897
2026	808,621
2027	828,890
2028	849,580
Thereafter	<u>1,092,583</u>
Total undiscounted future lease payments	5,138,278
Less: present value adjustment	<u>(250,085)</u>
Lease liability	<u>\$ 4,888,193</u>

Council on Foundations, Inc. and Affiliate

Notes to Consolidated Financial Statements (Continued)

Note 9 - Commitments

Employee agreement

In March 2019, the Council entered into an employment agreement with its President, which expired in March 2023. The employment agreement between the Council and its President automatically renews annually, upon the same terms and conditions of the original agreement, for successive periods of one year, unless terminated by either party. In the event of termination without cause, the agreement provides for severance payments for nine months after the date of termination.

Hotel commitments

The Council has entered into agreements with hotels for future meetings. These agreements indicate that the Council is liable for liquidated damages in the event of cancellation. The potential liability at December 31, 2023 in the event of cancellations is approximately \$963,032. The Council has sufficient assets available to cover losses from any remaining hotel commitments.

Note 10 - Retirement Plans

Defined contribution plan

The Council sponsors and maintains a defined contribution plan under Section 403(b) of the IRC, known as the Council's Tax Deferred Annuity Retirement Plan (403(b) Plan). Under the 403(b) Plan, eligible employees may elect to contribute up to the federal tax limitation. As approved by the Board of Directors, the employer contribution was a fixed contribution equal to 7% of eligible compensation for the years ended December 31, 2023 and 2022. Contribution expense, net of forfeitures, for the years ended December 31, 2023 and 2022, was \$388,634 and \$347,456, respectively.

Supplemental executive retirement plans

The Council sponsors and maintains an executive deferred compensation plan under Sections 457(b) and 457(f) of the IRC for the benefit of certain employees who constitute a select group of management or highly compensated employees known as the Council on Foundations Executive Deferred Compensation Plan (Executive Plan).

Pursuant to the Section 457(b) component part of the Executive Plan, eligible executives are provided the opportunity to defer compensation to supplement such executives' retirement benefits under the 403(b) Plan. Executives are fully vested when plan contributions are made. Pursuant to the Section 457(f) component part of the Executive Plan, the Board of Directors had only designated the President and CEO of the Council as being eligible to participate. The cumulative contributions and investment income (loss) for both deferred compensation plans totaled \$121,222 and \$(56,434) at December 31, 2023 and 2022, respectively. The consolidated statements of financial position reflect an asset and corresponding liability, with the investment income and an offsetting expense recorded in the consolidated statements of activities.

Council on Foundations, Inc. and Affiliate

Notes to Consolidated Financial Statements (Continued)

Note 11 - Board-Designated Net Assets

Additions to board-designated assets during the years ended December 31, 2023 and 2022 totaled \$372,933 and \$1,086,436, respectively, and are comprised of dividends, interest and appreciation in the underlying investments. The ending balances of board designated net assets are \$5,353,501 and \$4,980,572 as of December 31, 2023 and 2022, respectively.

The board-designated funds are to be used to ensure the stability of the mission, employment, and ongoing operations of the Council and to provide a source of internal funds for priorities such as projects, program, activities and initiatives that enable the Council to full its mission. Appropriations from board-designated funds require approval from the Board of Directors of the Council.

Note 12 - Related Party Transactions

The Board of Directors includes individuals who are employed by organizations who pay membership dues and make contributions to the Council. For the years ended December 31, 2023 and 2022, the Council recognized approximately \$2,185,000 and \$1,483,000 in such membership dues and contributions, respectively.

Note 13 - Contract Balances

The Council's contract assets and liabilities consist of the following:

	2023		2022	
	Opening Balance	Closing Balance	Opening Balance	Closing Balance
Receivables, net	<u>\$ 332,796</u>	<u>\$ 364,594</u>	<u>\$ 333,767</u>	<u>\$ 332,796</u>
Contract liabilities	<u>\$ 579,743</u>	<u>\$ 864,656</u>	<u>\$ 278,739</u>	<u>\$ 579,743</u>

Note 14 - Acquisition

Listed below is the non-profit activity acquired by the Council during the year ended December 31, 2023, along with the effective date of the acquisition. The acquisition was approved by the Board of Directors of the Council and did not have a formal purchase price.

- CF Insights (CFI) - Effective September 1, 2023

Council on Foundations, Inc. and Affiliate

Notes to Consolidated Financial Statements (Continued)

Note 14 - Acquisition (Continued)

In accordance with GAAP, the Council evaluated the need to record an inherent contribution in the consolidated financial statements for the year ended December 31, 2023. As the excess of assets over liabilities was \$0, the Council determined no inherent contribution needed to be recorded in the consolidated financial statements. The assets and liabilities of the acquired non-profit activity are listed below:

	<u>CF Insights</u>
Assets:	
Cash and cash equivalents	\$ 179,799
Liabilities:	
Deferred revenue	<u>179,799</u>
Inherent contribution	<u><u>\$ 0</u></u>

Council on Foundations, Inc. and Affiliate
Consolidating Schedule of Financial Position

As of December 31, 2023
(with summarized comparative totals for 2022)

	2023				2022
	Council	CFNSB	Eliminations	Total	Total
Assets					
Cash and cash equivalents	\$ 10,031,576	\$ 677,698	\$ -	\$ 10,709,274	\$ 10,008,304
Investments	5,353,501	-	-	5,353,501	4,980,568
Accounts receivable	63,578	301,016	-	364,594	332,796
Grants receivable, net	1,391,390	-	-	1,391,390	843,556
Prepaid expenses	245,203	20,250	-	265,453	225,671
Investment in common stock of Norwest Venture Partners FVCI-Mauritius	17,837,538	-	-	17,837,538	16,513,103
Equipment and leasehold improvements, net	795,934	-	-	795,934	958,665
Deferred compensation assets	553,323	-	-	553,323	499,451
Deposits	188,855	-	-	188,855	187,556
ROU assets - operating leases	3,462,698	-	-	3,462,698	3,975,332
Total assets	<u>\$ 39,923,596</u>	<u>\$ 998,964</u>	<u>\$ -</u>	<u>\$ 40,922,560</u>	<u>\$ 38,525,002</u>
Liabilities and net assets					
Liabilities:					
Accounts payable and accrued expenses	\$ 661,061	\$ (3,603)	\$ -	\$ 657,458	\$ 592,610
Deferred membership dues	523,446	-	-	523,446	292,500
Deferred registration and other fees	315,210	-	-	315,210	229,993
Deferred accreditation and subscription fees	-	26,000	-	26,000	57,250
Deposits	12,547	-	-	12,547	12,397
Deferred compensation liability	534,410	-	-	534,410	482,193
Lease liabilities - operating leases	4,888,193	-	-	4,888,193	5,557,707
Total liabilities	6,934,867	22,397	-	6,957,264	7,224,650
Net assets:					
Without donor restrictions	12,573,378	976,567	-	13,549,945	12,223,625
With donor restrictions	20,415,351	-	-	20,415,351	19,076,727
Total net assets	<u>32,988,729</u>	<u>976,567</u>	<u>-</u>	<u>33,965,296</u>	<u>31,300,352</u>
Total liabilities and net assets	<u>\$ 39,923,596</u>	<u>\$ 998,964</u>	<u>\$ -</u>	<u>\$ 40,922,560</u>	<u>\$ 38,525,002</u>

Council on Foundations, Inc. and Affiliate

Consolidating Schedule of Activities

Year ended December 31, 2023
(with summarized comparative totals for 2022)

	2023									2022 Total
	Council			CFNSB			Subtotal	Eliminations	Total	
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total				
Revenue and support:										
Membership dues	\$ 6,765,189	\$ -	\$ 6,765,189	\$ -	\$ -	\$ -	\$ 6,765,189	\$ -	\$ 6,765,189	\$ 6,946,187
Total membership dues and contributions	6,765,189	-	6,765,189	-	-	-	6,765,189	-	6,765,189	6,946,187
Grants and contributions	2,881,395	963,070	3,844,465	-	-	-	3,844,465	-	3,844,465	3,321,401
Conference registrations, exhibit income and sponsorship income	1,615,720	-	1,615,720	-	-	-	1,615,720	-	1,615,720	540,891
Accreditation deposits and fees	-	-	-	494,000	-	494,000	494,000	-	494,000	458,250
Other	425,557	-	425,557	-	-	-	425,557	(280,000)	145,557	104,242
Publications	162,638	-	162,638	-	-	-	162,638	-	162,638	156,316
Operational investment income, net	406,687	-	406,687	-	-	-	406,687	-	406,687	113,521
Consulting income	60,120	-	60,120	-	-	-	60,120	-	60,120	-
Release from restrictions										
Satisfaction of time restrictions - grants and contributions	948,881	(948,881)	-	-	-	-	-	-	-	-
Total revenue and support	13,266,187	14,189	13,280,376	494,000	-	494,000	13,774,376	(280,000)	13,494,376	11,640,808
Expenses:										
Program services	8,320,094	-	8,320,094	371,738	-	371,738	8,691,832	(280,000)	8,411,832	6,242,512
Supporting services	3,951,523	-	3,951,523	-	-	-	3,951,523	-	3,951,523	4,587,609
Total expenses	12,271,617	-	12,271,617	371,738	-	371,738	12,643,355	(280,000)	12,363,355	10,830,121
Change in net assets before non-operating activities	994,570	14,189	1,008,759	122,262	-	122,262	1,131,021	-	1,131,021	810,687
Non-operating activities:										
Investment gain (loss), net	209,488	-	209,488	-	-	-	209,488	-	209,488	(298,104)
Unrealized gain on Norwest	-	1,324,435	1,324,435	-	-	-	1,324,435	-	1,324,435	4,486,505
Other	-	-	-	-	-	-	-	-	-	56,790
Total revenue and support	209,488	1,324,435	1,533,923	-	-	-	1,533,923	-	1,533,923	4,245,191
Change in net assets	1,204,058	1,338,624	2,542,682	122,262	-	122,262	2,664,944	-	2,664,944	5,055,878
Net assets:										
Beginning of year	11,369,320	19,076,727	30,446,047	854,305	-	854,305	31,300,352	-	31,300,352	24,069,825
End of year	\$ 12,573,378	\$ 20,415,351	\$ 32,988,729	\$ 976,567	\$ -	\$ 976,567	\$ 33,965,296	\$ -	\$ 33,965,296	\$ 31,300,352