



Chicago Foundation for Women

Financial Statements

Years Ended June 30, 2024 and 2023

THE CHICAGO FOUNDATION FOR WOMEN
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Chicago Foundation for Women

Opinion

We have audited the accompanying financial statements of Chicago Foundation for Women (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Chicago Foundation for Women as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

The June 30, 2023 financial statements were audited by other auditors. That auditor issued an unmodified opinion on those financial statements dated December 15, 2023.

Basis for Opinion

We conducted our audit 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 Chicago Foundation for Women and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Chicago Foundation for Women'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 Chicago Foundation for Women'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 Chicago Foundation for Women'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.

Sassetti LLC

Oak Brook, Illinois
January 31, 2025

CHICAGO FOUNDATION FOR WOMEN
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023

	2024	2023
ASSETS		
Cash and cash equivalents	\$ 4,303,472	\$ 2,705,458
Investments	20,087,510	19,173,758
Unconditional promises to give, net	878,558	1,363,476
Prepaid expenses and other assets	142,313	156,794
Property and equipment, net	21,269	23,978
Right-of-use asset - operating lease, net	183,884	300,445
	\$ 25,617,006	\$ 23,723,909
LIABILITIES		
Accounts payable	\$ 62,758	\$ 73,876
Grants payable	1,647,520	1,695,600
Accrued expenses	30,660	31,535
Deferred revenue	112,972	17,500
Operating lease liability	236,129	364,441
	2,090,039	2,182,952
NET ASSETS		
Without donor restrictions:		
Undesignated	4,302,503	3,909,842
Board-designated reserve fund	1,000,000	1,000,000
Board-designated named fund	60,933	60,933
	5,363,436	4,970,775
With donor restrictions	18,163,531	16,570,182
	\$ 25,617,006	\$ 23,723,909

The accompanying notes are an integral part of the financial statements.

CHICAGO FOUNDATION FOR WOMEN
STATEMENTS OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT			
Contributions and grants	\$ 1,107,861	\$ 4,337,500	\$ 5,445,361
Special events, net of direct benefit to donors of \$181,706	599,299	-	599,299
In-kind contributions	33,860	-	33,860
Other income	675	-	675
Investment return, net	459,183	1,240,631	1,699,814
Net assets released from restrictions	<u>3,984,782</u>	<u>(3,984,782)</u>	<u>-</u>
Total revenues and other support	6,185,660	1,593,349	7,779,009
EXPENSES			
Program services:			
Grantmaking	3,130,089	-	3,130,089
Strategic initiatives	397,391	-	397,391
Capacity building	552,394	-	552,394
Outreach	<u>437,460</u>	<u>-</u>	<u>437,460</u>
Total program service expense	4,517,334	-	4,517,334
Supporting services:			
Management and general	511,909	-	511,909
Fundraising	<u>763,756</u>	<u>-</u>	<u>763,756</u>
Total supporting services	<u>1,275,665</u>	<u>-</u>	<u>1,275,665</u>
Total expenses	<u>5,792,999</u>	<u>-</u>	<u>5,792,999</u>
Total change in net assets	392,661	1,593,349	1,986,010
Net assets, beginning of year	<u>4,970,775</u>	<u>16,570,182</u>	<u>21,540,957</u>
Net assets, end of year	<u>\$ 5,363,436</u>	<u>\$ 18,163,531</u>	<u>\$ 23,526,967</u>

The accompanying notes are an integral part of the financial statements.

CHICAGO FOUNDATION FOR WOMEN
STATEMENTS OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES AND OTHER SUPPORT			
Contributions and grants	\$ 2,012,853	\$ 4,206,229	\$ 6,219,082
Special events, net of direct benefit to donors of \$242,963	853,250	-	853,250
In-kind contributions	74,400	-	74,400
Other income	7,741	-	7,741
Investment return, net	307,836	595,506	903,342
Net assets released from restrictions	<u>1,987,928</u>	<u>(1,987,928)</u>	<u>-</u>
Total revenues and other support	5,244,008	2,813,807	8,057,815
EXPENSES			
Program services:			
Grantmaking	3,747,136	-	3,747,136
Strategic initiatives	485,778	-	485,778
Capacity building	592,899	-	592,899
Outreach	<u>706,067</u>	<u>-</u>	<u>706,067</u>
Total program service expense	5,531,880	-	5,531,880
Supporting services:			
Management and general	195,662	-	195,662
Fundraising	<u>805,854</u>	<u>-</u>	<u>805,854</u>
Total supporting services	<u>1,001,516</u>	<u>-</u>	<u>1,001,516</u>
Total expenses	<u>6,533,396</u>	<u>-</u>	<u>6,533,396</u>
Total change in net assets	(1,289,388)	2,813,807	1,524,419
Net assets, beginning of year	<u>6,260,163</u>	<u>13,756,375</u>	<u>20,016,538</u>
Net assets, end of year	<u>\$ 4,970,775</u>	<u>\$ 16,570,182</u>	<u>\$ 21,540,957</u>

The accompanying notes are an integral part of the financial statements.

CHICAGO FOUNDATION FOR WOMEN
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2024

	Program Services				Total Program Services	Supporting Services			Total Expenses
	Grantmaking	Strategic Initiatives	Capacity Building	Outreach		Management and General	Fundraising	Total Supporting Services	
Grants	\$ 2,787,515	\$ -	\$ -	\$ -	\$ 2,787,515	\$ -	\$ -	\$ -	\$ 2,787,515
Compensation	139,229	159,101	318,860	241,245	858,435	148,311	429,391	577,702	1,436,137
Professional fees	168,177	197,600	100,552	140,259	606,588	251,248	68,515	319,763	926,351
Bank fees	-	-	-	-	-	18,752	2	18,754	18,754
Occupancy	13,428	14,286	30,226	22,258	80,198	15,312	38,634	53,946	134,144
Telephone and internet	1,403	1,554	3,171	2,502	8,630	1,537	4,151	5,688	14,318
Delivery, postage and mailing	543	577	1,222	899	3,241	1,322	1,741	3,063	6,304
Web hosting	-	6,114	10,000	231	16,345	6,540	2,840	9,380	25,725
Equipment	1,577	1,755	3,634	2,751	9,717	3,042	5,216	8,258	17,975
Tech support	6,866	8,204	368	17,890	33,328	32,476	17,970	50,446	83,774
Printing and photography	16	16	32	4,773	4,837	295	11,411	11,706	16,543
Dues and subscriptions	4,554	1,144	2,449	1,787	9,934	9,738	4,085	13,823	23,757
Supplies	658	700	1,481	1,090	3,929	1,415	2,069	3,484	7,413
Travel	623	336	1,973	389	3,321	2,257	912	3,169	6,490
Special events expense	-	-	-	-	-	3,152	322,070	325,222	325,222
Conference and meetings	243	1,784	27,903	-	29,930	-	195	195	30,125
Insurance	-	-	-	-	-	6,150	-	6,150	6,150
Depreciation and amortization	-	-	-	-	-	8,734	-	8,734	8,734
Miscellaneous	837	890	1,883	1,386	4,996	1,628	2,400	4,028	9,024
In-kind donated goods	-	-	-	-	-	-	33,860	33,860	33,860
Other program expenses	4,420	3,330	48,640	-	56,390	-	-	-	56,390
Total expenses	3,130,089	397,391	552,394	437,460	4,517,334	511,909	945,462	1,457,371	5,974,705
Less expenses included with revenues and other support on the statement of activities: Cost of direct benefit to donors	-	-	-	-	-	-	(181,706)	(181,706)	(181,706)
Total expenses included in the expense section on the statement of activities	\$ 3,130,089	\$ 397,391	\$ 552,394	\$ 437,460	\$ 4,517,334	\$ 511,909	\$ 763,756	\$ 1,275,665	\$ 5,792,999

The accompanying notes are an integral part of the financial statements.

CHICAGO FOUNDATION FOR WOMEN
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023

	Program Services				Supporting Services				Total Expenses
	Grantmaking	Strategic Initiatives	Capacity Building	Outreach	Total Program Services	Management and General	Fundraising	Total Supporting Services	
Grants	\$ 3,419,600	\$ -	\$ -	\$ -	\$ 3,419,600	\$ -	\$ -	\$ -	\$ 3,419,600
Compensation	239,488	188,470	339,077	434,945	1,201,980	66,888	459,174	526,062	1,728,042
Professional fees	38,404	147,227	136,548	169,959	492,138	108,244	73,613	181,857	673,995
Bank fees	1,722	1,355	2,436	3,127	8,640	414	3,300	3,714	12,354
Promotional materials	-	-	-	1,228	1,228	2,500	-	2,500	3,728
Occupancy	19,150	15,070	27,099	34,771	96,090	260	36,706	36,966	133,056
Telephone and internet	2,000	1,574	2,830	3,632	10,036	481	3,834	4,315	14,351
Delivery, postage and mailing	336	265	476	611	1,688	81	645	726	2,414
Web hosting	-	104,638	-	-	104,638	39	-	39	104,677
Equipment	1,828	1,439	2,587	3,319	9,173	790	3,999	4,789	13,962
Tech support	9,520	6,730	6,019	19,768	42,037	872	23,035	23,907	65,944
Printing and photography	146	115	207	265	733	227	8,356	8,583	9,316
Dues and subscriptions	6,333	5,082	9,264	11,498	32,177	1,523	12,137	13,660	45,837
Supplies	1,091	859	2,210	1,982	6,142	263	2,170	2,433	8,575
Travel	409	322	757	743	2,231	98	808	906	3,137
Special events expense	-	-	-	-	-	-	412,080	412,080	412,080
Conference and meetings	1,440	5,896	30,219	3,034	40,589	3,839	2,759	6,598	47,187
Insurance	619	487	876	1,123	3,105	149	1,186	1,335	4,440
Depreciation and amortization	-	-	-	-	-	8,272	-	8,272	8,272
Public events	-	454	-	341	795	-	-	-	795
Miscellaneous	2,450	1,927	3,466	4,448	12,291	693	4,745	5,438	17,729
Other program expenses	2,600	3,868	28,828	11,273	46,569	29	-	29	46,598
Total expenses	3,747,136	485,778	592,899	706,067	5,531,880	195,662	1,048,547	1,244,209	6,776,089
Less expenses included with revenues and other support on the statement of activities:									
Cost of direct benefit to donors	-	-	-	-	-	-	(242,693)	(242,693)	(242,693)
Total expenses included in the expense section on the statement of activities	\$ 3,747,136	\$ 485,778	\$ 592,899	\$ 706,067	\$ 5,531,880	\$ 195,662	\$ 805,854	\$ 1,001,516	\$ 6,533,396

The accompanying notes are an integral part of the financial statements.

CHICAGO FOUNDATION FOR WOMEN
STATEMENTS OF FINANCIAL POSITION
YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,986,010	\$ 1,524,419
Adjustment to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	8,734	8,272
Net realized and unrealized gains on investments	(1,113,055)	(373,428)
Contributions restricted for long-term purposes	(3,000,000)	(3,000,000)
Non-cash lease expense	116,561	102,468
Decrease (increase) in assets		
Unconditional promises to give, net	484,918	(368,476)
Prepaid expenses and other assets	14,481	(68,536)
Increase (decrease) in liabilities		
Accounts payable	(11,118)	13,761
Grants payable	(48,080)	1,475,850
Accrued expenses	(875)	12,174
Deferred revenue	95,472	(101,500)
Operating lease liability	(128,312)	(119,817)
Net cash used in operating activities	(1,595,264)	(894,813)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(6,025)	-
Proceeds from the sale of investments	12,532,466	18,634,410
Purchases of investments	(12,333,163)	(22,546,214)
Net cash provided by (used in) investing activities	193,278	(3,911,804)
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions restricted for long-term purposes	3,000,000	3,000,000
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,598,014	(1,806,617)
CASH AND CASH EQUIVALENTS -		
Beginning of year	2,705,458	4,512,075
End of year	\$ 4,303,472	\$ 2,705,458
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	\$ -	\$ -
Supplemental disclosure of noncash information:		
Lease liabilities resulting from obtaining right-of-use asset	\$ -	\$ 475,380

The accompanying notes are an integral part of the financial statements.

CHICAGO FOUNDATION FOR WOMEN

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

1. NATURE OF OPERATIONS

Chicago Foundation for Women (CFW or the Foundation) is a not-for-profit organization that raises money to fund and support organizations that help women, girls, and gender-expansive individuals. CFW primarily earns revenue through contributions and grants.

Since its inception in 1985, CFW has been a leading voice in the effort to achieve basic rights and equal opportunities for women and girls. Today, 39 years later, CFW has grown significantly to be a critical partner in the global women's funding movement and the only organization in its region taking a comprehensive approach to addressing the issues facing Chicago's women and girls through every stage of their lives.

CFW works with a community of socially-minded investors who share its passion for improving the lives of women, girls, and gender-expansive individuals and ensures that every dollar they give achieves maximum impact. CFW holds itself and its grantees to a high standard, conducting rigorous evaluation, careful monitoring, and are results-oriented. CFW invests in the future of organizations through leadership development and building sustainable not-for-profit infrastructure.

CFW takes a three-pronged approach to achieve its mission: 1) advocating for gender equity; 2) providing grant support to both emerging and established organizations; and 3) offering an innovative array of leadership development and capacity building programming. Serving as a backbone organization, CFW convenes and coordinates the efforts of diverse groups and organizations working to better the lives of women and girls. Through collective impact, CFW seeks to achieve large-scale systemic change.

CFW has a bold long-term vision of achieving gender and racial equity in our lifetime through increased impact by effectively empowering communities to address these challenges collectively. During these uncertain times, CFW has never been more certain about what it will take to rebuild its city, and its region, on a foundation of justice, equity, and opportunity.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The accounting records and the accompanying financial statements have been maintained and prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Basis of Presentation - The Foundation follows generally accepted accounting principles for not-for-profits. These principles require the Foundation to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

CHICAGO FOUNDATION FOR WOMEN

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

Use of Accounting Estimates - The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents - For purposes of the statements of cash flows, CFW considers all highly liquid instruments with an original maturity of three months or less to be cash equivalents.

Financial Instruments - Financial instruments, other than investments, included in CFW's statements of financial position as of June 30, 2024 and 2023, are not required to be measured at fair value on a recurring basis. The carrying amounts of the assets and liabilities approximate fair value unless otherwise noted.

Investments - Investments are reported at fair value in the statements of financial position. Investment income or loss (including realized and unrealized gains and losses, interest, and dividends) is reported net of external and direct internal investment expenses and is included in the statements of activities as increases or decreases in net assets without donor restrictions unless the income or loss is restricted by donor or law.

Property and Equipment - Property and equipment have been recorded at cost if purchased or at fair value at the time of donation if received as a gift. CFW capitalizes property and equipment over \$1,000 that have a useful life of more than one year. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, CFW reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Depreciation and amortization of property and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed as incurred.

Classification of Net Assets - Net assets of the Foundation are classified as with or without donor restrictions depending on the presence and characteristics of donor-imposed restrictions limiting the Foundation's ability to use or dispose of contributed assets or the economic benefits embodied in those assets.

Net assets without donor restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Items that affect this net asset category principally consist of gifts without restrictions, including those designated by the

CHICAGO FOUNDATION FOR WOMEN

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JUNE 30, 2024 AND 2023

Board of Trustees (the Board), fees for service and related expenses associated with the core activities of the Foundation.

Net assets with donor restrictions - These include net assets subject to donor-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. CFW reports contributions 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 increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Revenues and Other Support Recognition

Contributions and Grants - CFW recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, 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 statements of activities and changes in net assets as net assets released from restrictions. Earnings, gains and losses on restricted net assets are classified as without donor restriction unless specifically restricted by the donor or by applicable state law.

Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. There were no conditional promises to give as of June 30, 2024 or 2023.

Special Events Revenue - Special event ticket revenue consists of both a contribution and an exchange transaction. The portion of the ticket price that corresponds to the value of the goods and services received by the attendee is considered an exchange transaction and is approximately equal to the direct costs of the event and is earned at a point in time when the

CHICAGO FOUNDATION FOR WOMEN

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event occurs. The contribution portion of the ticket price and sponsorship income is conditional on the event occurring and is included in deferred revenue.

CFW occasionally provides services for other organizations and the fees for these services are recorded as revenue at the time the services are performed. Amounts received in advance are reported as deferred revenue in the statements of financial position. There were no fees for service revenues received during the years ended June 30, 2024 or 2023.

CFW has elected to use the portfolio approach practical expedient. CFW's contracts with customers contain similar terms and as a result, CFW has elected to apply its revenue recognition policies to a portfolio of contracts with similar characteristics. CFW does not expect the results of doing so to differ materially from applying the guidance to individual contracts.

The timing of revenue recognition, billings, and cash collections results in accounts receivable deferred revenue on the statements of financial position. The beginning and ending contract balances were as follows:

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>July 1, 2022</u>
Deferred revenue	\$ 112,972	\$ 17,500	\$ 119,000

Donor Advised Funds - The Donor Advised Funds (DAF) consist of contributions without donor restrictions, which are reported within investments and are recorded at fair value (see Note 13). CFW recognizes revenue when assets are contributed to the DAF.

In-Kind Contributions - CFW receives in-kind contributions from members of the community and volunteers related to program operations, special events, and fundraising activities. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by CFW.

CFW recognizes in-kind contribution revenue and a corresponding expense in an amount approximating the estimated fair value at the time of the donation. CFW's policy related to in-kind contributions is to utilize the assets given to carry out the mission of CFW. If an asset is provided that does not allow CFW to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset. Donated securities are recorded at fair value as of the date of the contribution. Gains or losses on sale of donated securities converted to cash nearly immediately upon receipt are recorded as other income on the statements of activities and change in net assets since the donated securities are not investments but are considered cash flows from operating

CHICAGO FOUNDATION FOR WOMEN

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activities. See Note 11 for a description of the valuation techniques utilized for CFW's in-kind contributions.

Leases - CFW leases office space for the main operations of the organization. The determination of whether an arrangement is a lease is made at the lease's inception. Under U.S. GAAP, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

Right-of-use (ROU) assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. CFW uses the implicit rate when it is readily determinable. Since CFW's lease does not provide an implicit rate to determine the present value of lease payments, management uses the risk-free rate based on the information available at lease commencement. Operating lease ROU assets also includes any lease payments made and excludes any lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term. CFW's lease term may include options to extend or terminate the lease when it is reasonably certain that it will exercise the option.

CFW's lease agreement has lease and non-lease components, which are generally accounted for separately with amounts allocated to the lease and non-lease components based on stand-alone prices.

Grants Payable – Grant obligations are recognized as a liability when a grant contribution is made to an organization that is, in substance, unconditional. Grant obligations payable within one year are recorded as current liabilities, and grant obligations payable beyond one year are recorded as long-term liabilities.

Functional Allocation of Expenses – The costs of program and supporting service 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. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. All expenses are allocated on the basis of estimates of time

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and effort, except grants expense, which is 100% program, and depreciation and amortization, which is 100% management and general.

Risks and Uncertainties - The Foundation's financial instruments that are potentially exposed to concentrations of credit risk consist of cash and cash equivalents and investments. The Foundation places its cash and cash equivalents with what it believes to be quality financial institutions. Investments are exposed to various risks such as interest rate, market, credit and liquidity. Due to the level of uncertainty related to changes in interest rates, market volatility, credit risks and liquidity, it is reasonably possible that changes in these risks could materially affect the fair value of the investments reported in the statement of financial position at June 30, 2024.

Income Taxes - CFW has been determined to be exempt from income tax under Section 501(c)(3) of the Internal Revenue Code, and accordingly, no provision has been made for either federal or state income taxes.

CFW has evaluated the tax positions taken for all open tax years. Currently, the returns for the prior three fiscal years are open and subject to examination by the Internal Revenue Service; however, CFW is not currently under audit nor has CFW been contacted by this jurisdiction.

Based on the evaluation of CFW's tax positions, management believes all positions would be upheld under an examination; therefore, no provision for the effects of uncertain tax positions has been recorded for the years ended June 30, 2024 and 2023.

Reclassifications – Certain amounts from the prior year financial statements have been reclassified to conform to current year presentation.

Adoption of New Accounting Standard – CECL - In June 2016, the FASB issued guidance to change the accounting for credit losses. The guidance requires an entity to utilize a new impairment model known as the current expected credit loss (CECL) model to estimate its lifetime "expected credit losses" and record an allowance that presents the net amount expected to be collected on the financial assets. The CECL framework is expected to result in earlier recognition of credit losses. The standard was adopted on July 1, 2023 and did not have a material impact on the financial statements.

Subsequent Events - The Foundation has evaluated subsequent events through January 31, 2025, which is the date the financial statements were available to be issued.

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3. FINANCIAL ASSETS AND LIQUIDITY RESOURCES

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, including board-approved spending policy limitations, within one year of the date of the statements of financial position, comprise the following:

	2024	2023
Financial assets, at year-end:		
Cash and cash equivalents	\$ 4,303,472	\$ 2,705,458
Investments	20,087,510	19,173,758
Unconditional promises to give, net	878,558	1,363,476
Total financial assets, at year-end	<u>25,269,540</u>	<u>23,242,692</u>
Less: amounts not available for general expenditures within one year, due to		
Net assets with time restrictions to be met in more than one year	200,000	300,000
Donor-restricted for a specific purpose	465,174	1,122,456
Invested operating capital fund (IOCF)	4,742,281	3,925,421
Board-designated reserve fund	1,000,000	1,000,000
Board-designated named fund	60,933	60,933
Perpetual restrictions	16,924,104	13,924,104
Total amounts not available for general expenditures within one year	<u>23,392,492</u>	<u>20,332,914</u>
Financial assets available to meet cash need for general expenditures within one year	<u>\$ 1,877,048</u>	<u>\$ 2,909,778</u>

CFW's endowment funds consist of donor-restricted contributions that are perpetual in nature. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. As of June 30, 2024 and 2023, there was \$274,253 and \$708,622 in accumulated investment gains on CFW's endowment, which are available for general use subject to appropriation by the Board. CFW's spending policy related to the endowment is described in Note 9.

As part of the CFW's liquidity management plan, cash in excess of daily requirements is invested in various funds. A portion of CFW's investments is maintained in the invested operating capital fund (IOCF), which has a spending policy of 5% of the three-year rolling average market value and may be changed at the board's discretion. Additionally, the Board may designate a portion of any operating surplus to its reserve fund, which was \$1,000,000 as of June 30, 2024 and 2023.

CFW's goal is to maintain available financial assets sufficient to meet up to six months of general operating expenditures. CFW also maintains a revolving line of credit in the event of an unexpected liquidity need.

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4. FAIR VALUE MEASUREMENTS

Fair value refers to the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The fair value hierarchy gives the highest priority to quoted prices in active markets and the lowest priority to unobservable data. Fair value measurements are required to be separately disclosed by level within the fair value hierarchy. The three levels of inputs used to measure fair value are as follows:

Level 1	quoted prices in active markets for identical assets or liabilities;
Level 2	inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; or
Level 3	unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2024 and 2023.

Mutual funds and equities: Valued at the closing price as reported on the active market on which the individual securities are traded.

Corporate and government bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

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

The following tables set forth by level, within the fair value hierarchy, the CFW's assets at fair value as of June 30, 2024 and 2023:

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June 30, 2024				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 8,943,834	\$ -	\$ -	\$ 8,943,834
Equities	6,839,676	-	-	6,839,676
Corporate and governmental bonds		3,506,835	-	3,506,835
	<u>\$ 15,783,510</u>	<u>\$ 3,506,835</u>	<u>\$ -</u>	<u>\$ 19,290,345</u>
Assets measures at NAV				797,165
Total assets at fair value				<u>20,087,510</u>
June 30, 2023				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 8,808,314	\$ -	\$ -	\$ 8,808,314
Equities	6,138,705	-	-	6,138,705
Corporate and governmental bonds	-	3,353,197	-	3,353,197
	<u>\$ 14,947,019</u>	<u>\$ 3,353,197</u>	<u>\$ -</u>	<u>\$ 18,300,216</u>
Assets measures at NAV				873,542
Total assets at fair value				<u>19,173,758</u>

For the years ended June 30, 2024 and 2023, there were no significant transfers into or out of Level 3.

Investments Measured Using the Net Asset Value per Share Practical Expedient

The following table summarizes investments measured at fair value based on the NAV per share practical expedient as of June 30, 2024 and 2023:

June 30, 2024	Fair Value	Unfunded Commitments	Redemption Frequency (if current eligible)	Redemption Notice Period
Offshore fund*	\$ 797,165	N/A	N/A	N/A

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<u>June 30, 2023</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if current eligible)</u>	<u>Redemption Notice Period</u>
Offshore fund*	\$ 873,542	N/A	N/A	N/A

* The fund holds an interest in a fund with direct investments in various financial instruments. These financial instruments are typically exchanged traded, liquid securities with readily available market prices. The investment objective is to achieve an above average long-term return from a portfolio invested primarily in equity securities of small and mid-sized companies located outside of the United States.

Net investment return for the years ended June 30, 2024 and 2023 were as follows:

	<u>2024</u>	<u>2023</u>
Interest and dividend income	\$ 716,879	\$ 637,746
Net realized gain on investments	72,851	376,483
Net unrealized gain (loss) on investments	1,040,204	(3,055)
Investment expenses	(130,120)	(107,832)
Investment return, net	<u>\$ 1,699,814</u>	<u>\$ 903,342</u>

5. UNCONDITIONAL PROMISES TO GIVE

CFW has received the following unconditional promises to give which are recognized as assets in the statements of financial position. The net present value (NPV) of outstanding promises was discounted using an interest rate of 8.25% applicable to the year the unconditional promises were made.

Unconditional promises are expected to be collected in the following periods:

	<u>2024</u>	<u>2023</u>
Less than one year	\$ 700,841	\$ 840,000
One to two years	200,000	599,356
Less:		
Discount for NPV	(22,283)	(75,880)
Total unconditional promises to give	<u>\$ 878,558</u>	<u>\$ 1,363,476</u>

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6. PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2024 and 2023 consisted of the following:

	<u>2024</u>	<u>2023</u>
Office furniture and equipment	\$ 98,277	\$ 92,252
Leasehold improvements	<u>8,023</u>	<u>8,023</u>
Less:		
Accumulated depreciation and amortization	<u>(85,031)</u>	<u>(76,297)</u>
Property and equipment, net	<u>\$ 21,269</u>	<u>\$ 23,978</u>

7. LINE OF CREDIT

CFW had a \$75,000 unsecured line of credit agreement with a financial institution. The agreement expired on July 19, 2023 and was renewed through July 2025. No balance was owed as of June 30, 2024 or 2023.

8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods for the years ended June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Time restricted for general operating	\$ 500,000	\$ 815,000
Domestic violence	-	78,347
Capacity building	8,750	50,000
Englewood initiative	250,000	625,000
Girl's summit	25,000	20,000
Grantmaking	-	197,109
Reproductive Justice Champions	96,424	-
Giving Council	10,000	-
Wille T. Barros fund	75,000	150,000
Women's march	-	2,000
Endowment return available for future expenditures	274,253	708,622
Perpetual endowment	<u>16,924,104</u>	<u>13,924,104</u>
Total net assets with donor restrictions	<u>\$ 18,163,531</u>	<u>\$ 16,570,182</u>

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9. ENDOWMENT

CFW's endowment consists of funds established for the purpose of providing an ongoing source of income to CFW. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The State of Illinois adopted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) on June 30, 2009. The board of directors has adopted a spending policy that requires the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary.

As a result of this policy, CFW retains in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of any discounts or an allowance for uncollectible pledges) donated to the endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by CFW in a manner consistent with the standard of prudence described by UPMIFA. CFW considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of CFW and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of CFW
- The investment policies of CFW

Strategies Employed for Achieving Objectives

To satisfy its long-term rate of return objectives, CFW relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

Spending Policy and How the Investment Objectives Relate to Spending Policy

CFW has a policy of appropriating annually no more than 5% of the prior three-year average of the fair market value of the endowment, including any capital appreciation and/or current yield.

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In establishing this policy, CFW considered the long-term expected return on its endowments. This is consistent with CFW's objective to maintain the fair value of the endowment assets held in perpetuity for a specified term as well as to provide additional real growth through new gifts and investment return. Donor-restricted endowments are spent in accordance with the donors' requirements; distributions are made for purposes that conform to the donors' stated intentions.

Funds with Deficiencies

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments).

There were no such deficiencies at June 30, 2024 and 2023.

Endowment net asset composition by type of fund as of June 30, 2024:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by the donor	\$ -	\$ 16,924,104	\$ 16,924,104
Accumulated investment gains	-	274,253	274,253
Total endowment net assets	<u>-</u>	<u>17,198,357</u>	<u>17,198,357</u>

Changes in endowment net assets for the year ended June 30, 2024:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, June 30, 2023	\$ -	\$ 14,632,726	\$ 14,632,726
Investment return, net	-	1,139,653	1,139,653
Appropriation of endowment assets for expenditures	-	(1,675,000)	(1,675,000)
Contributions	-	3,100,978	3,100,978
Endowment net assets, June 30, 2024	<u>\$ -</u>	<u>\$ 17,198,357</u>	<u>\$ 17,198,357</u>

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Endowment net asset composition by type of fund as of June 30, 2023:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by the donor	\$ -	\$ 13,924,104	\$ 13,924,104
Accumulated investment gains	-	708,622	708,622
Total endowment net assets	<u>\$ -</u>	<u>\$ 14,632,726</u>	<u>\$ 14,632,726</u>

Changes in endowment net assets for the year ended June 30, 2023:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, June 30, 2022	\$ -	\$ 6,940,876	\$ 6,940,876
Investment return, net	-	595,506	595,506
Appropriation of endowment assets for expenditures	-	(330,000)	(330,000)
Contributions	-	7,426,344	7,426,344
Endowment net assets, June 30, 2023	<u>\$ -</u>	<u>\$ 14,632,726</u>	<u>\$ 14,632,726</u>

10. LEASES

CFW has an operating lease agreement that requires monthly payments which escalate annually and a lease maturity date of March 2026.

The lease includes an optional renewal period. When it is reasonably certain that a renewal option will be exercised, that renewal period is included in the lease term, and the related payments are reflected in the ROU asset and lease liability. The lease includes fixed rental payments plus additional rent for operating expenses and real estate taxes, which are subject to annual adjustment.

CFW elects to apply the short-term lease measurement and recognition exemption to leases that meet the criteria. As of June 30, 2024, CFW has not entered into any leases that qualify for the short-term lease measurement and recognition exemption.

Lease expense, which is included in occupancy expense in the statement of functional expenses, for the year ended June 30, 2024 and 2023 was \$105,076 and \$114,724, respectively.

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Aggregate future minimum lease payments and the present value of net future minimum payments at June 30, 2024 are as follows:

	2025	\$ 138,759
	2026	<u>105,354</u>
Total undiscounted cash flows		244,113
Less: present value discount		<u>(7,984)</u>
Total lease liabilities		<u>\$ 236,129</u>

Because CFW generally does not have access to the rate implicit in the lease, CFW utilizes the risk-free rate as the discount rate. The discount rate associated with the operating lease as of June 30, 2024 is 4.00%. The weighted-average remaining lease term at June 30, 2024 is 1.75 years.

11. IN-KIND CONTRIBUTIONS

During the year ended June 30, 2024, the Foundation received various donations of goods to be used as part of events and fundraising in the amount of \$33,860. CFW was provided consulting services for strategic planning at no cost. Based on current market rates for consulting services, CFW would have paid \$74,400 for the year ended June 30, 2023. Valuation based on estimated market value of the goods donated.

All in-kind contributions received by the CFW for the years ended June 30, 2024 and 2023 were considered to be without donor restrictions and are able to be used by the CFW as determined by the board of directors and management.

In addition, CFW received shares of marketable securities with fair values at the date of contribution totaling \$242,430 and \$1,023,619 for the years ended June 30, 2024 and 2023, respectively.

12. RETIREMENT PLAN

CFW provides a 403(b) retirement plan (Plan) for eligible full-time employees who have completed three months of service. CFW contributes a discretionary amount of eligible employees' salaries, as determined by the Board, which ranges from 1% to 3%. CFW contributed 3% of eligible salaries for the years ended June 30, 2024 and 2023, respectively. The Plan also allows for employee salary deferral contributions.

CFW expenses contributions to the Plan as incurred. Contributions for the years ended June 30, 2024 and 2023 totaled \$33,081 and \$39,578, respectively. Employees are immediately fully vested in all contributions and are entitled to accumulated contributions plus investment earnings upon termination or retirement.

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13. DONOR ADVISED FUNDS

CFW has received contributions to be held in DAF. Although the donor may submit recommendations with respect to the use of the funds, such recommendations are solely advisory and CFW is not bound by such recommendations. Accordingly, these contributions are included in revenue and earnings without donor restrictions and DAF assets are included in net assets without donor restrictions.

Activity in DAF for the years ended June 30, 2024 and 2023 was as follows:

	<u>2024</u>	<u>2023</u>
Assets, beginning of year	\$ 1,206,285	\$ 1,229,610
Contributions received	1,000	26,500
Investment return, net of advisor fees	108,000	57,275
Grants and program expenditures	(76,595)	(102,000)
Administrative charges	<u>(3,830)</u>	<u>(5,100)</u>
Assets, end of year	<u>\$ 1,234,860</u>	<u>\$ 1,206,285</u>

