

The Global Fund for Women, Inc.

Consolidated Financial Report
June 30, 2024

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Independent Auditor's Report

Board of Directors
The Global Fund for Women, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of The Global Fund for Women, Inc. (the Organization), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, 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 (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2024 and 2023, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 Organization 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 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are issued or 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 GAAS and *Government 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 GAAS and *Government 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 the Organization'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 the Organization'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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2024, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

RSM US LLP

Washington, D.C.
November 14, 2024

The Global Fund for Women, Inc.

Consolidated Statements of Financial Position
June 30, 2024 and 2023

	2024	2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 43,114,773	\$ 23,673,183
Short-term investments	4,500,000	-
Contributions receivable, net	11,343,725	13,503,898
Other receivables	21,735	82,480
Prepaid expenses	240,820	209,270
Total current assets	59,221,053	37,468,831
Noncurrent assets:		
Deposits	109,941	71,195
Investments	38,553,642	55,565,427
Contributions receivable, net of current portion	6,081,567	9,852,103
Beneficial interest in trusts	-	335,379
Deferred compensation asset	234,585	-
Investments restricted for endowments	6,098,744	6,019,404
Total noncurrent assets	51,078,479	71,843,508
Total assets	\$ 110,299,532	\$ 109,312,339
Liabilities and Net Assets		
Current liabilities:		
Grants payable	\$ 7,096,350	\$ 12,656,103
Accounts payable and accrued expenses	937,373	1,246,085
Total current liabilities	8,033,723	13,902,188
Long-term liabilities:		
Deferred compensation obligation	234,585	-
Grants payable, net of current portion	9,122,179	10,617,904
Total long-term liabilities	9,356,764	10,617,904
Total liabilities	17,390,487	24,520,092
Net assets:		
Without donor restrictions:		
Designated	39,297,947	34,955,579
Undesignated	4,327,219	4,590,720
Total without donor restrictions	43,625,166	39,546,299
With donor restrictions	49,283,879	45,245,948
Total net assets	92,909,045	84,792,247
Total liabilities and net assets	\$ 110,299,532	\$ 109,312,339

See notes to consolidated financial statements.

The Global Fund for Women, Inc.

Consolidated Statement of Activities
Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenues			
Contributions:			
Foundations and other organizations	\$ 580,672	\$ 13,573,070	\$ 14,153,742
Corporations	175,263	125,000	300,263
Government/multilateral	4,049,664	2,750,000	6,799,664
Individuals	5,236,472	6,703,065	11,939,537
Nonfinancial contributions	382,911	-	382,911
Program and other revenue	636,697	(279,505)	357,192
Investment income, net	5,841,486	1,739,905	7,581,391
Change in value of beneficial interest in trusts	27,559	-	27,559
Net assets released from restrictions	20,573,604	(20,573,604)	-
Total support and revenues	37,504,328	4,037,931	41,542,259
Expenses:			
Program services:			
Grants and grantee services	18,261,816	-	18,261,816
Fiscal sponsorship programs	6,421,257	-	6,421,257
Communications and engagement	2,058,853	-	2,058,853
Total program services	26,741,926	-	26,741,926
Supporting services:			
Management and general	3,579,036	-	3,579,036
Fundraising	3,104,499	-	3,104,499
Total expenses	33,425,461	-	33,425,461
Change in net assets	4,078,867	4,037,931	8,116,798
Net assets:			
Beginning	39,546,299	45,245,948	84,792,247
Ending	\$ 43,625,166	\$ 49,283,879	\$ 92,909,045

See notes to consolidated financial statements.

The Global Fund for Women, Inc.

Consolidated Statement of Activities
Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenues			
Contributions:			
Foundations and other organizations	\$ 526,119	\$ 13,042,768	\$ 13,568,887
Corporations	211,813	273,276	485,089
Government/multilateral	338	1,846,813	1,847,151
Individuals	8,285,199	12,318,602	20,603,801
Program and other revenue	296,259	(280,485)	15,774
Investment income, net	6,636,568	240,641	6,877,209
Change in value of beneficial interest in trusts	-	11,409	11,409
Net assets released from restrictions	31,336,518	(31,336,518)	-
Total support and revenues	47,292,814	(3,883,494)	43,409,320
Expenses:			
Program services:			
Grants and grantee services	20,070,532	-	20,070,532
Fiscal sponsorship programs	15,827,528	-	15,827,528
Communications and engagement	1,555,612	-	1,555,612
Total program services	37,453,672	-	37,453,672
Supporting services:			
Management and general	3,397,453	-	3,397,453
Fundraising	2,553,528	-	2,553,528
Total expenses	43,404,653	-	43,404,653
Change in net assets	3,888,161	(3,883,494)	4,667
Net assets:			
Beginning	35,658,138	49,129,442	84,787,580
Ending	\$ 39,546,299	\$ 45,245,948	\$ 84,792,247

See notes to consolidated financial statements.

The Global Fund for Women, Inc.

Consolidated Statement of Functional Expenses
Year Ended June 30, 2024

	Program Services				Supporting Services		
	Grants and Grantee Services	Fiscal Sponsorship Programs	Communications and Engagement	Total Program Services	Management and General	Fundraising	Total
Grants awarded	\$ 12,606,468	\$ 1,244,901	\$ -	\$ 13,851,369	\$ -	\$ -	\$ 13,851,369
Other expenses:							
Salaries	2,559,618	799,947	1,152,987	4,512,552	1,569,285	1,827,779	7,909,616
Payroll taxes and benefits	682,322	215,382	284,486	1,182,190	487,442	468,877	2,138,509
Personnel costs	3,241,940	1,015,329	1,437,473	5,694,742	2,056,727	2,296,656	10,048,125
Advertising	62	605	77,778	78,445	741	23,848	103,034
Conferences and meetings	28,587	29,005	11,004	68,596	9,505	-	78,101
Information technology	63,886	40,582	56,289	160,757	88,891	57,942	307,590
Occupancy	7,846	17,607	7,377	32,830	51,196	5,021	89,047
Other	30,176	78,471	26,037	134,684	278,896	6,443	420,023
Outside/professional services	2,028,625	3,324,021	321,164	5,673,810	837,875	412,711	6,924,396
Postage and shipping	68	562	10,945	11,575	8,221	132,047	151,843
Printing and publications	7,667	-	1,903	9,570	2,536	58,666	70,772
Supplies	8,269	13,830	15,842	37,941	14,374	2,716	55,031
Telephone	11,946	11,049	6,940	29,935	7,500	7,552	44,987
Travel and meals	226,276	645,295	86,101	957,672	222,574	100,897	1,281,143
Total other expenses	5,655,348	5,176,356	2,058,853	12,890,557	3,579,036	3,104,499	19,574,092
Total expenses	\$ 18,261,816	\$ 6,421,257	\$ 2,058,853	\$ 26,741,926	\$ 3,579,036	\$ 3,104,499	\$ 33,425,461

See notes to consolidated financial statements.

The Global Fund for Women, Inc.

Consolidated Statement of Functional Expenses
Year Ended June 30, 2023

	Program Services				Supporting Services		
	Grants and Grantee Services	Fiscal Sponsorship Programs	Communications and Engagement	Total Program Services	Management and General	Fundraising	Total
Grants awarded	\$ 13,995,906	\$ 13,061,749	\$ -	\$ 27,057,655	\$ -	\$ -	\$ 27,057,655
Other expenses:							
Salaries	2,221,049	349,959	753,943	3,324,951	1,732,649	1,228,400	6,286,000
Payroll taxes and benefits	512,598	109,070	194,787	816,455	601,351	279,455	1,697,261
Personnel costs	2,733,647	459,029	948,730	4,141,406	2,334,000	1,507,855	7,983,261
Advertising	109,010	4,170	3,081	116,261	2,617	13,484	132,362
Conferences and meetings	3,384	6,956	3,646	13,986	11,371	3,890	29,247
Depreciation and amortization	7,615	1,278	2,643	11,536	6,576	4,200	22,312
Information technology	108,737	25,916	22,584	157,237	79,357	73,985	310,579
Occupancy	105,426	22,936	36,589	164,951	102,192	58,434	325,577
Other	143,281	40,231	96,875	280,387	93,517	81,878	455,782
Outside/professional services	2,342,704	1,975,009	396,822	4,714,535	490,502	600,534	5,805,571
Postage and shipping	5,727	680	534	6,941	3,833	47,373	58,147
Printing and publications	14,026	1,291	900	16,217	213	75,621	92,051
Supplies	40,271	10,213	4,530	55,014	13,698	10,986	79,698
Telephone	13,590	8,904	4,395	26,889	10,848	6,965	44,702
Travel and meals	447,208	209,166	34,283	690,657	248,729	68,323	1,007,709
Total other expenses	6,074,626	2,765,779	1,555,612	10,396,017	3,397,453	2,553,528	16,346,998
Total expenses	\$ 20,070,532	\$ 15,827,528	\$ 1,555,612	\$ 37,453,672	\$ 3,397,453	\$ 2,553,528	\$ 43,404,653

See notes to consolidated financial statements.

The Global Fund for Women, Inc.

Consolidated Statements of Cash Flows
Years Ended June 30, 2024 and 2023

	2024	2023
Cash flows from operating activities:		
Change in net assets	\$ 8,116,798	\$ 4,667
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Realized and unrealized gains on investments	(4,437,141)	(5,053,131)
Change in discount on contributions receivable	(133,346)	422,162
Change in discount on grants payable	(1,481,068)	(1,481,068)
Loss on disposal of assets	-	61,564
Depreciation and amortization	-	22,312
Change in value of beneficial interest in trusts	(27,559)	(11,409)
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Contributions receivable	6,064,055	1,687,932
Other receivables	60,745	491,805
Prepaid expenses	(31,550)	8,803
Deposits	(38,746)	(37,665)
Increase (decrease) in:		
Grants payable	(5,574,410)	6,934,506
Accounts payable and accrued expenses	(308,712)	451,098
Deferred compensation obligation	234,585	-
Net cash provided by operating activities	2,443,651	3,501,576
Cash flows from investing activities		
Purchases of equipment	-	(4,079)
Proceeds from sale of investments	22,478,278	7,434,772
Purchases of investments	(5,843,277)	(3,679,994)
Proceeds from beneficial interest in trusts	362,938	-
Net cash provided by investing activities	16,997,939	3,750,699
Net increase in cash and cash equivalents	19,441,590	7,252,275
Cash and cash equivalents:		
Beginning	23,673,183	16,420,908
Ending	\$ 43,114,773	\$ 23,673,183

See notes to consolidated financial statements.

The Global Fund for Women, Inc.

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies

Nature of activities: The Global Fund for Women, Inc. envisions a world where movements for gender justice have transformed power and privilege for a few into equity and equality for all. Formed as a California nonprofit public benefit corporation organized on June 24, 1987, to fill a critical gap in funding for local women's rights organizations, The Global Fund for Women, Inc., has since invested in nearly 5,644 grassroots organizations in 179 countries. Our funding has supported efforts to win rights for millions of women, girls and marginalized groups around the globe. Today, we are the leading funder of gender justice organization, initiatives and movement worldwide.

Global Fund for Women Fundamental Project LLC (the LLC), a California limited liability company, was formed on October 17, 2017. The Global Fund for Women, Inc. is the sole member of the LLC. The LLC was formed to hold title and rights to the Fundamental docuseries.

The aforementioned entities are collectively referred to as the Organization within these notes to the consolidated financial statements.

A description of the organization's major program services follows:

Grants and grantee services:

Grantee support and grants operations includes activities such as capacity-building and convening to enhance grantee organizations and bring them together, as well as reviewing applications, conducting due diligence and reporting.

Learning and evaluation includes activities that measure the impact and effectiveness of the Organization's grant investments and other programmatic activities; for example, by measuring the social change impact of the Organization's grant making.

Fiscal sponsorship programs: The fiscal sponsorship program is a continuation of the commitment to foster gender justice movements and helps sustain them by allowing US donors to support women's funds directly. This strengthens community-based efforts to advance gender justice movements in other countries.

Communications and engagement: Communications and engagement activities are related to advocacy, partnerships and the mobilization of resources to influence philanthropy to support gender justice movements.

A summary of the Organization's significant accounting policies follows:

Principles of consolidation: The consolidated financial statements include the accounts of The Global Fund for Women, Inc. and Global Fund for Women Fundamental Project LLC. These entities have been consolidated due to the presence of common control and economic interest, as required under generally accepted accounting principles in the United States of America (U.S. GAAP). All significant intercompany balances and transactions have been eliminated in the consolidation.

Basis of accounting: The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with U.S. GAAP applicable to nonprofit organizations. Assets are generally sequenced according to their nearness of conversion to cash, and liabilities according to the nearness of their maturity and resulting use of cash.

The Global Fund for Women, Inc.

Notes to Consolidated Financial Statements

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

Basis of presentation: The consolidated financial statements presentation follows the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). As required by the Non-Profit Entities Topic of the FASB ASC, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

Fair value of financial instruments: Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. U.S. GAAP describes three levels of input that may be used to measure fair value:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1, such as quoted prices for similar assets or liabilities; quoted prices 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.

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.

From time to time, investments will be transferred between levels based on the characteristics of the investments. In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Cash and cash equivalents: For purposes of the consolidated statements of cash flows, cash equivalents include highly liquid debt instruments with an original purchased maturity of three months or less.

Investments: Investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values are reflected at fair value and in the consolidated statements of financial position. Unrealized gains and losses are included in investment return in the accompanying consolidated statements of activities.

Financial risk: The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any such loss in the past and does not believe it is exposed to any significant financial risk on these balances.

The Organization invests funds in professionally managed portfolios that are exposed to various risks, such as interest rate, credit and market value 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 would materially affect investment balances and the amount reported in the consolidated financial statements. As a result, investment balances reported in the accompanying consolidated financial statements may not be reflective of the portfolio's value during subsequent periods.

The Global Fund for Women, Inc.

Notes to Consolidated Financial Statements

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

The fair value of mutual funds is based on quoted market prices. Investments in equity instruments traded on national securities exchanges are stated at the last reported sales price on the day of valuation. These financial instruments are classified as Level 1 in the fair value hierarchy. The fair value of community investment promissory notes is based on its amortized cost at the stated interest rate or cost. Certificates of deposit are recorded at cost.

Contributions receivable: As of June 30, 2024 and 2023, contributions receivable consist of grants and promises to give from grant making foundations, corporations, government agencies or individual donors. As further described in Note 2, these receivables are subject to discount. Contributions with payment terms in excess of one year are currently subject to discounting at rates ranging from 1.45% to 4.36% during the fiscal years 2024 and 2023.

Allowance for doubtful accounts: The allowance for doubtful accounts reflects the Organization's best estimate of probable losses inherent in the Organization's contributions receivable portfolio determined on the basis of historical experience, specific allowances for known troubled accounts, as well as other data. There was no allowance for doubtful accounts for the years ended June 30, 2024 and 2023.

Other receivables: Included in other receivables are receivables from credit card disputes, employee benefit plan charges and fees for service contracts. All receivables are expected to be collected within one year.

Beneficial interest in trusts: The Organization initially records beneficial interest in trusts based on asset value per the trustee and using the life expectancy of the beneficiaries to calculate the net present value of the asset. All unrealized gains and losses included are attributable to assets held at the end of the reporting period and are included in changes in value of beneficial interest in trusts agreements on the consolidated statements of activities. Valuation is reviewed annually by management by updating the life expectancy of the income beneficiary and using the fair market value from the trustee.

Compensated absences: The Organization accrues a liability for vested vacations to which employees are entitled depending on the length of service and other factors. Accrued vacation benefits of \$403,344 and \$403,222 as of June 30, 2024 and 2023, respectively, are included in accounts payable and accrued expenses on the consolidated statements of financial position.

Grants awarded: The Organization accounts for grants awarded in accordance with the contributions made component of Accounting Standards Codification Topic 958, *Not-for-Profit Entities*. Unconditional contributions made are recognized as grants payable in the period made; that is when an oral or written agreement has been entered into.

Net assets: The Organization reports gifts of cash and other assets as restricted support, if they are received with donor stipulations that limit their use. Gifts other than cash are generally sold as soon as practical. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, 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. The Organization's net assets are categorized as follows:

Without donor restrictions: Net assets not subject to donor-imposed restrictions, even though their use may be limited in other respects, such as by board designation. These net assets are intended for use by management and the Board of Directors for general operations. It includes contributions without donor restrictions, income earned on net assets with and without donor restrictions and amounts for which restrictions have expired. Net assets without donor restrictions also includes board designated net assets which represents a quasi-endowment (see Note 6).

The Global Fund for Women, Inc.

Notes to Consolidated Financial Statements

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

With donor restrictions: Net assets with resources restricted by donors for a specific purpose, based on a time restriction, or subject to gift instrument restrictions that require the principal to be invested in perpetuity. The related investment income, expense and realized and unrealized gains and losses of endowment funds are maintained in net assets with donor restrictions until released.

Contribution revenue: Contributions are recognized at fair value as revenue when received or unconditionally promised. An additional discount is added to the present value of contributions, which represents an additional factor in the fair value measurements and are based on management's estimates. The discounts on those promises are computed using an interest rate for the year in which the promise was received and considers market and credit risk as applicable. Amortization of the discount is included in contributed income. All 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, 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. Conditional contributions are those contributions that contain donor-imposed rights of refund/return and barriers (performance obligations and/or controlling stipulations. Conditional contributions are recognized in revenue when conditions are satisfied and then follow the above policies for unconditional contributions. Conditional contributions received in advance of satisfying conditions are recorded as refundable advances. The Organization has conditional contributions of \$250,000 and \$8,000,000 as of June 30, 2024 and 2023, which have not been recognized on the consolidated statements of financial position because the conditions associated with the contribution have not been met.

Contributions of nonfinancial assets: Contributions of nonfinancial assets, including eligible donated services, supplies, property and equipment and other assets are recorded at fair value. 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 the Organization. Contributions of nonfinancial assets for the year ended June 30, 2024 were \$382,911 and consisted of legal services provided to the organization. There were no contributions of nonfinancial assets for the year ended June 30, 2023.

Functional allocation of expenses: Personnel expenses are charged to the Organization's program and supporting services based on periodic time activity reports. Where possible; expenses are directly identified and charged to the function they benefit. Expenses that benefit multiple functions are pooled and allocated on the basis of direct personnel expenses. These expenses include the cost and management of facilities, information technology and human resources.

The Global Fund for Women, Inc.

Notes to Consolidated Financial Statements

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

Program service fees: Program service fee contracts are reciprocal agreements and the Organization recognizes this revenue in accordance with the five-step model under the guidance in ASU 2014 09, *Revenue from Contracts with Customers (Topic 606)*, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers as follows:

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognize revenue when or as performance obligations are satisfied

Program services fees revenue is recognized over time as services are provided by the Organization to its customers. Program services fees subject to ASC 606 were \$647,253 and \$810,730 for the years ended June 30, 2024 and 2023, respectively, and are included in program and other revenue in the consolidated statements of activities. Contract assets at June 30, 2024 and 2023 are approximately \$22,069 and \$86,000, respectively.

Contract balances: The timing of revenue recognition may not align with the right to invoice. The Organization records accounts receivable when it has the unconditional right to issue an invoice and receive payment, regardless of whether revenue has been recognized. If revenue has not yet been recognized, a contract liability (deferred revenue) also is recorded. If revenue is recognized in advance of the right to invoice, a contract asset (unbilled receivable) is recorded. Opening and ending balances relating to exchange transactions, were as follows:

	Balance July 1, 2022	Balance June 30, 2023	Balance June 30, 2024
Accounts receivable	\$ 553,514	\$ 85,856	\$ 4,326

Taxes: The Global Fund for Women, Inc. is a not-for-profit organization, exempt from federal income tax under Section 501(c)(3) of the United States Internal Revenue Code (the Code), and contributions to it are tax deductible as prescribed by the Code. The Global Fund for Women, Inc. is also exempt from California income tax under Section 23701d of the California Revenue and Taxation Code. There is no unrelated business income tax for the years ended June 30, 2024 and 2023; as such, no provision for income taxes has been reflected in the accompanying consolidated financial statements.

The Global Fund for Women, Inc. has been classified as an organization that is not a private foundation under Section 509(a)(1) and has been designated as a publicly supported organization under Section 170(b)(1)(A)(vi) of the Code.

Global Fund for Women Fundamental Project LLC, a California limited liability company, is considered a disregarded entity for federal tax purposes and therefore falls under the exemption of The Global Fund for Women, Inc.

The Global Fund for Women, Inc.

Notes to Consolidated Financial Statements

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

Use of estimates: The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates. Such estimates include present value discounts applied to long-term contributions receivable and beneficial interest in trust, fair value of investments and functional expense allocations.

Reclassifications: Certain reclassifications of amounts previously reported have been made to the accompanying consolidated financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported consolidated net assets.

Subsequent events: The Organization has evaluated events through November 14, 2024, the date on which the consolidated financial statements were available to be issued.

Note 2. Contributions Receivable, Net

Contributions receivable, net, as of June 30, 2024 and 2023, consist of amounts expected be collected in:

	2024	2023
Less than one year	\$ 11,343,725	\$ 13,503,898
One to five years	6,396,218	10,300,100
Gross contributions receivable	<u>17,739,943</u>	<u>23,803,998</u>
Less discount for present value	(314,651)	(447,997)
Net contributions receivable	<u>17,425,292</u>	<u>23,356,001</u>
Less current portion	(11,343,725)	(13,503,898)
Contributions receivable, net of current portion	<u>\$ 6,081,567</u>	<u>\$ 9,852,103</u>

The Global Fund for Women, Inc.

Notes to Consolidated Financial Statements

Note 3. Fair Value of Financial Instruments

The following table sets forth the Organization's assets that are measured at fair value on a recurring basis as of June 30, 2024:

	Level 1	Level 2	Level 3	Total
Investments:				
Equities:				
Common stock:				
Materials	\$ 753,530	\$ -	\$ -	\$ 753,530
Industrial goods	1,744,626	-	-	1,744,626
Consumer discretionary	1,478,958	-	-	1,478,958
Consumer staples	1,183,109	-	-	1,183,109
Health care	2,104,822	-	-	2,104,822
Financial services	1,984,867	-	-	1,984,867
Technology	5,332,569	-	-	5,332,569
Telecommunications	1,507,498	-	-	1,507,498
Utilities	294,426	-	-	294,426
Real estate	500,786	-	-	500,786
Total common stock	16,885,191	-	-	16,885,191
Community investment promissory notes	-	621,523	-	621,523
Mutual funds	6,022,360	-	-	6,022,360
Bond funds	12,794,987	-	-	12,794,987
International funds	8,328,325	-	-	8,328,325
Certificates of deposit	-	4,500,000	-	4,500,000
Total investments	<u>\$ 44,030,863</u>	<u>\$ 5,121,523</u>	<u>\$ -</u>	49,152,386
Investments restricted for endowments				(6,098,744)
				<u>\$ 43,053,642</u>

The Global Fund for Women, Inc.

Notes to Consolidated Financial Statements

Note 3. Fair Value of Financial Instruments (Continued)

The following table sets forth the Organization's assets that are measured at fair value on a recurring basis as of June 30, 2023:

	Level 1	Level 2	Level 3	Total
Investments:				
Equities:				
Common stock:				
Materials	\$ 575,829	\$ -	\$ -	\$ 575,829
Industrial goods	1,982,792	-	-	1,982,792
Consumer discretionary	1,826,851	-	-	1,826,851
Consumer staples	2,035,138	-	-	2,035,138
Health care	3,783,071	-	-	3,783,071
Financial services	2,080,320	-	-	2,080,320
Technology	6,265,702	-	-	6,265,702
Telecommunications	1,145,400	-	-	1,145,400
Utilities	394,300	-	-	394,300
Real estate	792,473	-	-	792,473
Total common stock	20,881,876	-	-	20,881,876
Community investment promissory notes	-	788,983	-	788,983
Mutual funds	9,392,176	-	-	9,392,176
Bond funds	17,236,123	-	-	17,236,123
International funds	13,285,673	-	-	13,285,673
Total investments	60,795,848	788,983	-	61,584,831
Beneficial interest in trusts	-	-	335,379	335,379
Total	\$ 60,795,848	\$ 788,983	\$ 335,379	61,920,210
Investments restricted for endowments				(6,019,404)
				<u>\$ 55,900,806</u>

Note 4. Beneficial Interest in Trusts

The Organization has been named a beneficiary under certain unconditional irrevocable split-interest agreements received from various donors. The split-interest agreements are administered by an outside trustee and generally provide for the payment of distributions to the grantor or other designated beneficiaries over the trust's term (the designated beneficiaries' lifetimes). At the end of the trust term, the remaining assets are available for the Organization's use. The present value of the estimated future payment to be received is calculated using a discount rate of 5.47% and applicable actuarial life tables. The Organization annually revalues the fair value of the remainder interest to be received from each donor, based on the changes since the prior year. The resulting change is recorded as a change in value of beneficial interest in trusts on the consolidated statements of activities. The Organization recognized an increase of \$335,379 and \$11,409 in the value of the beneficial interest in trusts for the years ended June 30, 2024 and 2023, respectively. The Organization received a full distribution of the trust in the amount of \$362,938 during the year ended June 30, 2024.

The Global Fund for Women, Inc.

Notes to Consolidated Financial Statements

Note 5. Grants Payable

Grants with payment terms in excess of one year are currently subject to discounting at rates ranging from 0.66% to 4.36% for fiscal years 2024 and 2023. Grants payable are expected to be disbursed as of June 30, 2024, as follows:

	2024	2023
Years ending June 30:		
2024		\$ 12,656,103
2025	\$ 7,096,350	3,270,000
2026	3,202,490	2,080,000
2027	1,989,650	1,700,000
2028	1,700,000	1,700,000
2029	1,700,000	1,700,000
2030	1,700,000	1,700,000
Grants payable	17,388,490	24,806,103
Discount	(1,169,961)	(1,532,096)
	16,218,529	23,274,007
Current portion	(7,096,350)	(12,656,103)
Grants payable, net of current portion	<u>\$ 9,122,179</u>	<u>\$ 10,617,904</u>

Note 6. Net Assets Without Donor Restrictions

Net assets without donor restrictions include a board-designated Quasi Endowment Future Fund (Future Fund) of \$19,297,947 and \$14,955,579 as of June 30, 2024 and 2023, respectively. This fund is comprised of investments in the consolidated statements of financial position. The Future Fund has been established to provide the Organization with the greatest flexibility in long-term planning, utilization and investment and permits the expenditures of the principal. Also included in net assets without donor restrictions are board-designated reserves of \$20,000,000 as of June 30, 2024 and 2023. These reserves are included in investments in the consolidated statements of financial position.

Note 7. Net Assets With Donor Restrictions

Net assets with donor restrictions were restricted for the following at June 30, 2024 and 2023:

	2024	2023
Time restricted for general support	\$ -	\$ 145,000
Purpose restricted for:		
Thematic grantmaking	7,751,619	7,399,795
Advocacy programs	3,719,177	1,635,230
Access to education	325,000	90,954
Crisis	999,819	1,496,605
Movement	2,233,986	7,501,487
Other restrictions	180,246	719,917
Fiscal sponsorship of women's funds	27,975,288	20,237,556
	43,185,135	39,081,544
Restricted for endowments:		
Access to education	6,098,744	6,019,404
Total net assets with donor restrictions	<u>\$ 49,283,879</u>	<u>\$ 45,245,948</u>

The Global Fund for Women, Inc.

Notes to Consolidated Financial Statements

Note 7. Net Assets With Donor Restrictions (Continued)

Net assets with donor restrictions were released for the following during the years ended June 30, 2024 and 2023:

	2024	2023
Time restricted for general support	\$ 145,000	\$ 4,534,743
Purpose restricted for:		
Thematic grantmaking	2,331,276	2,577,292
Advocacy programs	666,053	106,655
Access to education	90,954	-
Crisis	1,976,941	-
Movement	8,753,564	3,384,752
Other restrictions	764,702	4,654,191
Fiscal sponsorship of women's funds	5,845,114	15,745,733
	<u>20,428,604</u>	<u>26,468,623</u>
Restricted for endowments:		
Access to education	-	333,152
Total net assets with donor restrictions released	<u>\$ 20,573,604</u>	<u>\$ 31,336,518</u>

Note 8. Endowment Fund

The Organization's endowment consists of three funds established for a variety of purposes and includes donor-restricted funds. Net assets associated with this endowment are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Organization has interpreted the California enacted version of UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions: (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment and (c) accumulations or distributions to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation or distribution is added to the fund. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the organization and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the organization
7. The investment policies of the organization

The Global Fund for Women, Inc.

Notes to Consolidated Financial Statements

Note 8. Endowment Fund (Continued)

Return objectives and risk parameters: The Organization has adopted investment and spending policies for endowment assets that attempt to preserve the purchasing power of the endowment fund and at the same time provide a regular and growing distribution of funds for the use of the Organization, consistent with the terms of the Endowment Fund Distribution Policy and the terms governing each of the individual endowment funds. A balanced approach is to be taken between risk, preservation of capital, income and growth.

Strategies: To satisfy its investment policy objectives, the Organization relies on a total return strategy in which investment returns are achieved through capital appreciation (realized and unrealized) of equity-based investments and current yield (interest and dividends) on fixed income investments. The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its return objectives within prudent risk constraints.

Spending policy and how the investment objectives relate to spending policy: The Organization has a policy of appropriating for distribution each year an amount not to exceed 6% of its endowment fund's average asset fair market value over the past 12 quarters. The Board of Directors may request all, a portion, or none of the appropriation be distributed in accordance with the endowment fund's purpose as defined by the endowment agreement or applicable board resolution. Any portion of the distribution not appropriated by the board shall be kept in the endowment fund, be governed by the endowment investment policy and be available for future distribution in accordance with the distribution policy.

Socially-responsible investment policy: The Organization has an investment policy that is directly in line with the philosophy of its work and its organizational values. To prevent a conflict with these values, the Organization seeks to invest in companies whose policies it supports and avoids investment in companies whose behavior it considers reprehensible. The Organization avoids companies that derive revenue from products seen as harmful to the rights of women and girls, in particular their health and freedom from violence. The secondary avoidance screen avoids investing in companies that have business practices that do not uphold the dignity and rights of female workers and consumers. The supportive investment screens include investing in alternative energy and companies that believe in a high quality of products and services, research, being of service to the economically disadvantaged and fostering a sense of community and respect in the workplace. The proactive social investment includes shareholder activism on issues that reflect the Organization's values.

Underwater policy: From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor originally contributed as an endowment fund to the Organization. There were no such deficiencies at June 30, 2024 and 2023.

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

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds:			
The Lewis T. and Patsy P. Preston Fund	\$ -	\$ 6,098,744	\$ 6,098,744
Grace Jackson Fund	-	-	-
Board-designated endowment funds:			
Quasi Endowment Future Fund	19,297,947	-	19,297,947
	<u>\$ 19,297,947</u>	<u>\$ 6,098,744</u>	<u>\$ 25,396,691</u>

The Global Fund for Women, Inc.

Notes to Consolidated Financial Statements

Note 8. Endowment Fund (Continued)

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

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning	\$ 14,955,579	\$ 6,019,404	\$ 20,974,983
Investment return:			
Investment income, net	4,342,368	404,340	4,746,708
Amounts appropriated for expenditure	-	(325,000)	(325,000)
Endowment net assets, ending	<u>\$ 19,297,947</u>	<u>\$ 6,098,744</u>	<u>\$ 25,396,691</u>

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

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds:			
The Lewis T. and Patsy P. Preston Fund	\$ -	\$ 6,005,385	\$ 6,005,385
Grace Jackson Fund	-	14,019	14,019
Board-designated endowment funds:			
Quasi Endowment Future Fund	14,955,579	-	14,955,579
	<u>\$ 14,955,579</u>	<u>\$ 6,019,404</u>	<u>\$ 20,974,983</u>

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

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning	\$ 35,603,044	\$ 6,195,414	\$ 41,798,458
Investment return:			
Investment income, net	1,652,727	157,142	1,809,869
Amounts undesignated by board	(22,300,192)	-	(22,300,192)
Amounts appropriated for expenditure	-	(333,152)	(333,152)
Endowment net assets, ending	<u>\$ 14,955,579</u>	<u>\$ 6,019,404</u>	<u>\$ 20,974,983</u>

Note 9. Retirement Plans

The Organization has a tax-deferred contributory IRC Section 403(b) retirement plan covering all regular employees who work 20 hours or more per week after one year of service. The Organization contributes 5% of the annual salary for all eligible employees.

Effective January 1, 2021, the Organization enacted a 457(b) retirement plan. The plan is open to the executive director and key employees and must be approved by the chief executive officer of the plan sponsor. There is no minimum deferral. Matching and nonelective contributions are allowed and a formula is used to allocate such contributions.

Retirement expense, recorded as part of employee benefits, was \$417,754 and \$380,443 for the years ended June 30, 2024 and 2023, respectively.

The Global Fund for Women, Inc.

Notes to Consolidated Financial Statements

Note 10. Related-Party Transactions

During the years ended June 30, 2024 and 2023, the Organization received contributions from board members in the amounts of \$1,511,726 and \$54,581, respectively. Contributions receivables includes \$1,846,526 and \$720,000 due from board members as of June 30, 2024 and 2023.

During the years ended June 30, 2024 and 2023, the Organization paid grants to organizations of which board members are either presidents or the executive directors. Members of the board who are either the president or the executive director of a grantee organization recuse themselves when the board decides whether to approve these grants. The Organization awarded zero such grants totaling \$0 and three such grants totaling \$59,500 during the years ended June 30, 2024 and 2023, respectively.

Note 11. Liquidity and Funds Available

The following table reflects the Organization's financial assets as of June 30, 2024 and 2023, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year.

Financial assets available to meet cash needs for general expenditures within one year of June 30, 2024 and 2023:

	2024	2023
Financial assets:		
Cash and cash equivalents	\$ 43,114,773	\$ 23,673,183
Short-term investments	4,500,000	-
Contributions receivable, net	11,343,725	13,503,898
Other receivables	21,735	82,480
Total financial assets available	58,980,233	37,259,561
Contributions receivable, net with donor restrictions	(5,422,489)	(5,734,611)
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 53,557,744</u>	<u>\$ 31,524,950</u>

General expenditures include all recurring operating expenses of the Organization including grants. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents and investments, which are available for general expenditures, grants payable, liabilities and other obligations as they come due. Management is focused on sustaining the financial liquidity of the Organization throughout the year. Management is aware of the cyclical nature of the Organization's cash flow related to various funding sources and is therefore able to ensure that there is cash available to meet current liquidity needs. Additionally, the Organization has board-designated net assets that could be available for current operations with board approval, if necessary (see Note 6).

Note 12. Commitments and Contingencies

Commitments: The Organization leased facilities under an operating lease which expired in December 2022. Rental expense was \$233,596 in 2023.

Note 13. Subsequent Events

As of November 14, 2024, the Organization has made the decision to suspend accepting new Model A Fiscal Sponsorship partners. Several of the existing partners will also be transitioning out of the program during the upcoming fiscal year, greatly reducing the activity in this program, and affecting future financial statements.