

**ASIAN UNIVERSITY FOR WOMEN (AUW)
SUPPORT FOUNDATION**

FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022



LUTZ AND GARR

CERTIFIED PUBLIC ACCOUNTANTS, LLP

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Asian University for Women (AUW) Support Foundation

Opinion

We have audited the accompanying financial statements of Asian University for Women (AUW) Support Foundation (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Asian University for Women (AUW) Support Foundation as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Asian University for Women (AUW) Support Foundation 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 Asian University for Women (AUW) Support Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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 Asian University for Women (AUW) Support Foundation'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 Asian University for Women (AUW) Support Foundation'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.

Lotz + Carr, LLP

New York, New York
March 29, 2024

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Assets		
Cash and cash equivalents (Notes 1b and 10a)	\$ 352,031	\$ 648,467
Unconditional promises to give (Notes 1c, 4a and 10c)		
Without donor restrictions	-	50,000
With donor restrictions	3,812,120	6,679,756
Prepaid expenses and other current assets	15,524	10,449
Investments (Notes 1d and 5)	26,660,289	22,982,482
Interest receivable	7,464	6,752
Property and equipment, at cost (net of accumulated depreciation) (Notes 1e and 7)	-	6,799
	<u> </u>	<u> </u>
Total Assets	<u><u>\$30,847,428</u></u>	<u><u>\$30,384,705</u></u>
 Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 101,235	\$ 106,262
Refundable advances (Note 4b)	290,705	-
Total Liabilities	<u>391,940</u>	<u>106,262</u>
Commitment and Contingency (Note 9)		
Net Assets		
Without Donor Restrictions	<u>10,746,306</u>	<u>7,380,541</u>
With Donor Restrictions (Note 3)		
Subject to time and purpose restrictions	16,087,302	19,276,022
Perpetual in nature	3,621,880	3,621,880
Total With Donor Restrictions	<u>19,709,182</u>	<u>22,897,902</u>
Total Net Assets	<u>30,455,488</u>	<u>30,278,443</u>
	<u> </u>	<u> </u>
Total Liabilities and Net Assets	<u><u>\$30,847,428</u></u>	<u><u>\$30,384,705</u></u>

See notes to financial statements.

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION

STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2023 AND 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue						
Contributions (Note 10b)	\$ 4,940,322	\$ 2,765,095	\$ 7,705,417	\$ 1,959,840	\$ 8,419,864	\$10,379,704
Donated goods and services (Note 8)	8,728,557	-	8,728,557	3,274,818	-	3,274,818
Net investment income (loss) (Note 5)	1,023,441	122,085	1,145,526	(420,810)	(174,457)	(595,267)
Miscellaneous income	3,204	-	3,204	1,951	-	1,951
Foreign exchange loss	-	(107,179)	(107,179)	-	(22,258)	(22,258)
Unfulfilled pledge write-offs	-	(20,000)	(20,000)	-	(439,994)	(439,994)
Net assets released from restrictions	5,948,721	(5,948,721)	-	3,838,256	(3,838,256)	-
Total Revenue	20,644,245	(3,188,720)	17,455,525	8,654,055	3,944,899	12,598,954
Expenses						
Program Services	16,120,143	-	16,120,143	6,751,695	-	6,751,695
Supporting Services						
Management and general	508,709	-	508,709	307,139	-	307,139
Fundraising	649,628	-	649,628	458,282	-	458,282
Total Supporting Services	1,158,337	-	1,158,337	765,421	-	765,421
Total Expenses	17,278,480	-	17,278,480	7,517,116	-	7,517,116
Increase (decrease) in net assets	3,365,765	(3,188,720)	177,045	1,136,939	3,944,899	5,081,838
Net assets, beginning of year	7,380,541	22,897,902	30,278,443	6,243,602	18,953,003	25,196,605
Net Assets, End of Year	\$10,746,306	\$19,709,182	\$30,455,488	\$ 7,380,541	\$22,897,902	\$30,278,443

See notes to financial statements.

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION

STATEMENTS OF FUNCTIONAL EXPENSES

YEARS ENDED JUNE 30, 2023 AND 2022

	2023				2022					
	Program Services	Supporting Services			Total Expenses	Program Services	Supporting Services			Total Expenses
Management and General		Fundraising	Total	Management and General			Fundraising	Total		
Salaries, payroll taxes and employee benefits	\$ 290,200	\$ 118,388	\$ 199,915	\$ 318,303	\$ 608,503	\$ 277,264	\$ 142,542	\$ 287,818	\$430,360	\$ 707,624
Local and temporary staff/consulting fees	7,000	7,838	196,518	204,356	211,356	37,702	628	58,383	59,011	96,713
Advertising and promotion	-	-	796	796	796	-	1,421	2,775	4,196	4,196
Grants to AUW	15,822,943	-	-	-	15,822,943	6,436,729	-	-	-	6,436,729
Professional fees	-	97,027	24,463	121,490	121,490	-	60,065	28,268	88,333	88,333
Donated legal	-	227,355	-	227,355	227,355	-	62,995	-	62,995	62,995
Storage	-	5,992	-	5,992	5,992	-	4,755	-	4,755	4,755
Conferences, travel and meetings	-	11,649	217,334	228,983	228,983	-	2,137	69,587	71,724	71,724
Office supplies and expenses	-	4,723	31	4,754	4,754	-	4,370	-	4,370	4,370
Printing	-	-	1,410	1,410	1,410	-	-	431	431	431
Postage	-	1,864	213	2,077	2,077	-	1,318	240	1,558	1,558
Dues and subscription	-	4,122	1,205	5,327	5,327	-	1,212	6,960	8,172	8,172
Insurance	-	6,218	-	6,218	6,218	-	5,212	-	5,212	5,212
Telephone	-	6,622	-	6,622	6,622	-	9,286	104	9,390	9,390
Merchant charges	-	7,837	7,684	15,521	15,521	-	795	3,616	4,411	4,411
Miscellaneous	-	2,275	59	2,334	2,334	-	2,788	100	2,888	2,888
Total expenses before depreciation	16,120,143	501,910	649,628	1,151,538	17,271,681	6,751,695	299,524	458,282	757,806	7,509,501
Depreciation	-	6,799	-	6,799	6,799	-	7,615	-	7,615	7,615
Total Expenses	<u>\$16,120,143</u>	<u>\$ 508,709</u>	<u>\$ 649,628</u>	<u>\$1,158,337</u>	<u>\$17,278,480</u>	<u>\$6,751,695</u>	<u>\$ 307,139</u>	<u>\$ 458,282</u>	<u>\$765,421</u>	<u>\$7,517,116</u>

See notes to financial statements.

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
Cash Flows From Operating Activities		
Increase in net assets	\$ 177,045	\$5,081,838
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	6,799	7,615
Realized and unrealized (gain) loss on investments	(397,388)	757,373
Foreign exchange loss	107,179	22,258
Unfulfilled pledges	20,000	439,994
(Increase) decrease in:		
Unconditional promises to give	2,790,457	(1,732,505)
Interest receivable	(712)	1,997
Prepaid expenses and other current assets	(5,075)	1,751
Increase (decrease) in:		
Accounts payable and accrued expenses	(5,027)	21,556
Refundable advances	290,705	-
Net Cash Provided By Operating Activities	2,983,983	4,601,877
 Cash Flows From Investing Activities		
Purchase of investments	(11,478,598)	(4,588,135)
Sale of investments	8,198,179	-
Purchase of property and equipment	-	(7,492)
Net Cash Used By Investing Activities	(3,280,419)	(4,595,627)
Net increase (decrease) in cash and cash equivalents	(296,436)	6,250
Cash and cash equivalents, beginning of year	648,467	642,217
 Cash and Cash Equivalents, End of Year	\$ 352,031	\$648,467

See notes to financial statements.

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION**NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2023 AND 2022****Note 1 - Organization and Summary of Significant Accounting Policies****a - Organization**

Asian University for Women (AUW) Support Foundation (the "Organization") is a 501(c)(3) United States nonprofit located in Cambridge, Massachusetts. Incorporated in 2001, the Organization is the principal agency responsible for long-term strategy, planning and mobilization of resources for the Asian University for Women (the "University"). The University is a liberal arts university located in Chittagong, Bangladesh, which educates talented women from across Asia and the Middle East to be the region's next generation of women leaders. As the majority of its students are on full scholarship, the University requires significant philanthropic support, which the Organization provides. More information on the Organization can be found here: www.asian-university.org

b - Cash and Cash Equivalents

The Organization considers all short-term highly-liquid investments, such as money market funds and highly-liquid debt instruments, purchased with a maturity of three months or less, to be cash equivalents, except for cash and short-term investments managed by the Organization as part of their long-term investment strategies.

c - Contributions and Unconditional Promises to Give

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. 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 met.

Contributions are recognized when the donor makes a promise to give to the Organization, that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contribution 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.

The Organization uses the allowance method to determine uncollectible promises to give. The allowance, when necessary, is based on prior years' experience and management's analysis of specific promises made.

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION**NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2023 AND 2022****Note 1 - Organization and Summary of Significant Accounting Policies (continued)****d - Investments and Fair Value Measurements**

The Organization reflects investments at fair value in the statement of financial position. Interest, dividends, and gains and losses on investments are reflected in the statement of activities as increases and decreases in net assets without donor restrictions unless their use is restricted by donor stipulation or by law. Gains and other investment income that are limited to specific uses by donor-imposed restrictions are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which gains and other investment income are recognized. All other donor restricted gains and other investment income are reported as increases in net assets with donor restrictions. When a net asset expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Fair value is an estimate of the exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants (i.e., the exit price at the measurement date). The Organization is required to use a fair value hierarchy that prioritizes inputs to valuation techniques used to measure fair value into three levels.

Unadjusted quoted prices in active markets for identical assets and liabilities are referred to as Level 1 inputs. Inputs other than quoted market prices that are observable, either directly or indirectly and reasonably available are referred to as Level 2 inputs. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability and are developed based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the assumptions developed based on available information about what market participants would use in valuing the asset or liability and are referred to as Level 3 inputs.

An asset or liability's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Availability of observable inputs can vary and is affected by a variety of factors.

Investments in money market mutual funds are classified within Level 1 of the fair value hierarchy. Fair value is determined using quoted market values.

e - Property and Equipment

Property and equipment acquired are recorded at cost and are being depreciated using the straight-line method over the useful life of the assets. Property and equipment purchased for the benefit of the University have been expensed.

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION**NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2023 AND 2022****Note 1 - Organization and Summary of Significant Accounting Policies (continued)****f - Financial Statement Presentation**

The financial statements of the Organization have been prepared in accordance with accepted accounting principles generally accepted in the United States of America ("U.S. GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and Board of Directors.

Net Assets With Donor Restrictions

Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

g - Estimates

The preparation of 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 those estimates.

h - Tax Status

Asian University for Women (AUW) Support Foundation is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been designated as an organization which is not a private foundation.

i - Functional Expenses

The financial statements include certain categories of expenses that are attributable to more than one program or supporting function. Expenses are applied directly to programs where applicable or allocated on a reasonable and consistent basis. The expenses of the Organization that are allocated include salaries, payroll taxes and benefits, insurance, occupancy, professional fees and other administrative costs which are allocated based upon estimates of time and effort. A substantial amount of the Organization's expenses represents grants to the University and are directly related to its program activities which are made up of undergraduate, access and pre-access academy programs. Program service expenses as provided herein do not include other expenditures funded directly by the University from (i) tuition income and (ii) contributions directly received from entities other than the Organization. The University's program expenses include salaries including related taxes and benefits, occupancy and maintenance costs, costs directly related to student affairs including food expenditures, insurance and professional fees, and other general and administrative expenses.

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

j - Subsequent Events

The Organization has evaluated subsequent events through March 29, 2024, the date that the financial statements are considered available to be issued.

Note 2 - Information Regarding Liquidity and Availability

The Organization operates with a balanced budget for each fiscal year based on the revenues expected to be available to fund anticipated expenses. A substantial amount of annual revenue is comprised of contributions and grants with donor restrictions. The Organization considers general expenditures to consist of all expenses related to ongoing program activities, and the expenses related to management and general activities undertaken to support those services.

The Organization regularly monitors liquidity to meet its operating needs and other commitments and obligations while seeking to maximize the investment of its available funds. Management prepares regular cash flow projections to determine liquidity needs and has a policy to maintain liquid financial assets on an ongoing basis sufficient to cover ninety days of general expenditures.

The Organization's financial assets of as of June 30, 2023 and 2022 available to meet cash needs for general expenditures within one year are summarized as follows:

	<u>2023</u>	<u>2022</u>
Financial Assets at Year End:		
Cash and cash equivalents	\$ 352,031	\$ 648,467
Unconditional promises to give	3,812,120	6,729,756
Investments	26,660,289	22,982,482
Interest receivable	<u>7,464</u>	<u>6,752</u>
Total Financial Assets	30,831,904	30,367,457
Less: Amounts not Available to be Used within One Year:		
Net assets with donor restrictions, subject to expenditure for specific purposes or passage of time	(15,501,277)	(18,812,082)
Plus: Net assets with restrictions to be met in less than one year	8,615,000	8,040,352
Net assets with donor restrictions for endowment, subject to spending policy and appropriation	<u>(4,207,905)</u>	<u>(4,085,820)</u>
Financial Assets Available to Meet General Expenditures within One Year	<u>\$19,737,722</u>	<u>\$15,509,907</u>

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

Note 3 - Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes as of June 30:

	2023	2022
Subject to expenditure for future programs and periods		
Asian University operational support	\$11,551,515	\$13,606,342
New campus fund	<u>3,949,762</u>	<u>5,205,740</u>
	<u>15,501,277</u>	<u>18,812,082</u>
Endowments subject to spending policy and appropriation:		
Investment income above original gift amount	586,025	463,940
Investment in perpetuity	<u>3,621,880</u>	<u>3,621,880</u>
Total Endowments	<u>4,207,905</u>	<u>4,085,820</u>
Total Net Assets With Donor Restrictions	<u>\$19,709,182</u>	<u>\$22,897,902</u>

Note 4 - Promises to Give

a - Unconditional Promises to Give

Unconditional promises to give as of June 30 are due as follows:

	2023	2022
Due within one year	\$1,790,000	\$2,999,240
Due in one to five years	<u>2,190,000</u>	<u>4,120,793</u>
	3,980,000	7,120,033
Less: Discount	<u>(167,880)</u>	<u>(390,277)</u>
Total	<u>\$3,812,120</u>	<u>\$6,729,756</u>

Uncollectible promises are expected to be insignificant. Unconditional promises to give are discounted to present value using a discount rate of 3%.

b - Conditional Promises to Give and Refundable Advances

As of June 30, 2023, the Organization has been awarded cost-reimbursable federal grants totaling approximately \$1,341,000 which have not yet been recognized as revenue as they are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. The Organization has received cash advances towards these grants totaling \$290,705 as of June 30, 2023, which have been recognized as refundable advances in the accompanying statements of financial position.

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

Note 4 - Promises to Give (continued)

b - Conditional Promises to Give and Refundable Advances (continued)

During fiscal year 2024, the Organization was awarded additional cost-reimbursable federal grants totaling \$4,573,600.

Note 5 - Investments

Investments, all of which are Level 1 within the fair value hierarchy used to measure their respective fair values, consist of the following as of June 30:

	<u>2023</u>		<u>2022</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Money market funds	\$14,068,197	\$14,068,197	\$16,806,188	\$16,806,188
Certificates of deposit	1,016,000	1,016,000	1,920,000	1,920,000
Mutual funds:				
Equities	2,945,451	3,077,127	3,392,377	3,225,802
Fixed income	<u>8,506,518</u>	<u>8,498,965</u>	<u>1,137,182</u>	<u>1,030,492</u>
Total	<u>\$26,536,166</u>	<u>\$26,660,289</u>	<u>\$23,255,747</u>	<u>\$22,982,482</u>

Certificates of deposit consist of multiple deposits with varying maturities. Cost approximates fair value.

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

	<u>2023</u>	<u>2022</u>
Dividend and interest income	\$ 748,138	\$ 162,106
Net realized and unrealized gains (losses)	<u>397,388</u>	<u>(757,373)</u>
	<u>\$1,145,526</u>	<u>\$(595,267)</u>

Note 6 - Endowment Funds

Consistent with Massachusetts Not-For-Profit Corporation Law and the Massachusetts Uniform Prudent Management of Institutional Funds Act ("MA UPMIFA"), the Organization classifies as net assets with donor restrictions, perpetual in nature (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts donated to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of any applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as perpetual in nature is classified as subject to spending policy and appropriation until those amounts are appropriated for expenditure by the Organization.

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

Note 6 - Endowment Funds (continued)

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (i) the duration and preservation of the endowment fund;
- (ii) the purposes of the Organization and the endowment fund;
- (iii) general economic conditions;
- (iv) the possible effect of inflation or deflation;
- (v) the expected total return from income and the appreciation of investments
- (vi) other resources of the Organization;
- (vii) where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on the Organization; and
- (viii) the investment policy of the Organization

The composition of the Organization's invested endowment funds, by type of fund and classification, are summarized as follows as of June 30, 2023 and 2022:

	<u>With Donor Restrictions</u>		
	<u>Investment Income Above Original Gift Amount</u>	<u>Investment in Perpetuity</u>	<u>Total</u>
Donor-restricted endowment funds, 2023	<u>\$586,025</u>	<u>\$3,621,880</u>	<u>\$4,207,905</u>
Donor-restricted endowment funds, 2022	<u>\$463,940</u>	<u>\$3,621,880</u>	<u>\$4,085,820</u>

Changes in the invested endowment funds for the year ended June 30, 2023 and 2022 are summarized as follows:

	<u>2023</u>		
	<u>With Donor Restrictions</u>		
	<u>Investment Income Above Original Gift Amount</u>	<u>Investment in Perpetuity</u>	<u>Total</u>
Endowment funds, beginning of year	\$463,940	\$3,621,880	\$4,085,820
Net investment income	<u>122,085</u>	<u>-</u>	<u>122,085</u>
Endowment Funds, End of Year	<u>\$586,025</u>	<u>\$3,621,880</u>	<u>\$4,207,905</u>

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

Note 6 - Endowment Funds (continued)

	2022		
	With Donor Restrictions		
	Investment Income Above Original Gift Amount	Investment in Perpetuity	Total
Endowment funds, beginning of year	\$638,397	\$3,621,880	\$4,260,277
Net investment loss	<u>(174,457)</u>	<u>-</u>	<u>(174,457)</u>
Endowment Funds, End of Year	<u>\$463,940</u>	<u>\$3,621,880</u>	<u>\$4,085,820</u>

There were no endowment net assets without restriction at June 30, 2023 and 2022.

The Organization has investment and spending policies for endowment assets that endeavor to provide a stream of funding for the Organization's operations while seeking to enhance the purchasing power of the endowment's assets.

The Organization has a policy to make available during each fiscal year an amount equal to 5% of the rolling average of the market value for the preceding twelve quarters, and to provide for any net investment return in excess of amounts appropriated to be retained as part of the endowment fund as net assets with donor restrictions available for expenditure in future years.

Note 7 - Property and Equipment

Property and equipment consist of the following as of June 30, 2023 and 2022:

	Life	2023	2022
Computer equipment and software	3-5 years	\$18,459	\$18,459
Less: Accumulated depreciation		<u>(18,459)</u>	<u>(11,660)</u>
Total		<u>\$ -</u>	<u>\$ 6,799</u>

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

Note 8 - Donated Goods and Services

During the years ended June 30, 2023 and 2022, the Organization received the following donated services:

	<u>2023</u>	<u>2022</u>
Legal services	\$227,355	\$62,995
Accounting	<u>29,000</u>	<u>-</u>
Total	<u>\$256,355</u>	<u>\$62,995</u>

In addition, in August 2021 the Organization organized the evacuation of 148 Afghan students of the University out of Kabul by U.S. military planes. The Organization obtained legal counsel to assist with the U.S. residency status adjustment of these 148 students on a pro bono basis. The legal counsel directly aided the Organization and the students in providing the required legal services. The following summarizes the value of these services in addition to other goods and services received by the Organization on the University's behalf during the years ended June 30, 2023 and 2022, which are reported as Grants to AUW in the accompanying financial statements:

	<u>2023</u>	<u>2022</u>
Legal services	\$8,414,311	\$2,992,759
Medical supplies	-	13,721
Advertising	57,891	34,724
Faculty classes	-	140,619
Books and journals	<u>-</u>	<u>30,000</u>
Total	<u>\$8,472,202</u>	<u>\$3,211,823</u>

The value of donated goods and services are provided by the respective donors, based on rates typically charged for the goods and services.

Note 9 - Commitment and Contingency

a - The Organization sponsors a defined contribution plan covering substantially all of its employees who meet certain eligibility requirements. The Organization, contributes a fixed percentage, as defined in various agreements, of salaries for all participants. During the years ended June 30, 2023 and 2022, the Organization made contributions to the plan of approximately \$39,567 and \$42,707, respectively.

b - Government supported programs are subject to audit by the applicable granting agency.

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION**NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2023 AND 2022****Note 10 - Concentrations**

- a - The Organization maintains its cash and certain of its investment balances in financial institutions located in Massachusetts. The balances, at times, may exceed federally insured limits.
- b - For the years ended June 30, 2023 and 2022, approximately 48% and 37% of contributions were from one foundation and one government agency, and one individual and one foundation, respectively.
- c - As of June 30, 2023 and 2022, 68% and 53% of unconditional promises to give were due from one foundation.