



**LEAGUE OF WOMEN VOTERS
EDUCATION FUND**

FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

**LEAGUE OF WOMEN VOTERS
EDUCATION FUND**

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Independent Auditors' Report

The Board of Trustees of
League of Women Voters Education Fund

Opinion

We have audited the financial statements of League of Women Voters Education Fund (the "Education Fund"), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Education Fund as of June 30, 2025 and 2024, 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 ("GAAS"). 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 the Education Fund 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 the Education Fund's ability to continue as a going concern for 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 Education Fund'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 Education Fund'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.

CBIZ CPAs P.C.

Washington, DC
January 26, 2026

**LEAGUE OF WOMEN VOTERS
EDUCATION FUND**

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2025 AND 2024

	2025	2024
Assets		
Cash and cash equivalents	\$ 2,082,112	\$ 3,295,343
Investments	5,578,888	7,620,863
Investments restricted for endowments	1,016,771	810,932
Sublease income receivable	--	6,426
Contributions receivable, net	1,128,872	1,396,023
Amount due from LWVUS	144,979	--
Prepaid expenses	92,425	88,649
Right-of-use asset	--	74,321
Property and equipment	22,000	33,000
Total Assets	\$ 10,066,047	\$ 13,325,557
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 957,886	\$ 1,840,340
Amount due to LWVUS	--	1,452,446
Contract liabilities	62,226	106,215
Amounts held on behalf of state and local leagues	662,841	640,464
Lease liability – operating	--	72,511
Loss on sublease	--	24,883
Total Liabilities	1,682,953	4,136,859
Net Assets		
Without donor restrictions	6,061,356	6,654,255
With donor restrictions	2,321,738	2,534,443
Total Net Assets	8,383,094	9,188,698
Total Liabilities and Net Assets	\$ 10,066,047	\$ 13,325,557

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

**LEAGUE OF WOMEN VOTERS
EDUCATION FUND**

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
Activities Without Donor Restrictions		
Revenue and support		
Contributions	\$ 8,334,517	\$ 5,802,150
Contributions of nonfinancial assets	5,368,572	6,617,950
Interest and dividends, net of fees	193,384	188,893
Publication sales and other income	175,788	211,529
Council and convention	139,175	--
Sublease income	43,129	182,226
Contributions in lieu of per-member payments	33,094	48,483
Net assets released from restrictions:		
Satisfaction of time restrictions	717,500	551,261
Satisfaction of program restrictions	701,844	919,166
Total Revenue and Support	15,707,003	14,521,658
Expenses		
Program Services		
Advocacy	5,649,704	6,823,944
Mission impact	5,119,886	3,983,632
Communications	2,004,333	1,438,227
External affairs	492,815	440,570
Council and convention	226,852	840,430
Outcome and evaluation	148,048	203,684
Member services	117,862	244,009
Total Program Services	13,759,500	13,974,496
Supporting Services		
Fundraising	1,641,886	1,146,586
General and administrative	1,302,559	1,274,675
Total Supporting Services	2,944,445	2,421,261
Total Expenses	16,703,945	16,395,757
Change in Net Assets Without Donor Restrictions Before Other Items		
	(996,942)	(1,874,099)
Net realized and unrealized gain on investments	404,043	623,063
Change in Net Assets Without Donor Restrictions	(592,899)	(1,251,036)
Activities With Donor Restrictions		
Contributions	974,307	1,519,248
Interest and dividends, net of fees	75,204	53,277
Net realized and unrealized gain on investments	157,128	175,736
Net assets released from restrictions:		
Satisfaction of time restrictions	(717,500)	(551,261)
Satisfaction of program restrictions	(701,844)	(919,166)
Change in Net Assets With Donor Restrictions	(212,705)	277,834
Change in Net Assets	(805,604)	(973,202)
Net Assets, Beginning of Year	9,188,698	10,161,900
Net Assets, End of Year	\$ 8,383,094	\$ 9,188,698

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

LEAGUE OF WOMEN VOTERS EDUCATION FUND

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2025

	Program Services							Supporting Services			Total Expenses	
	Advocacy	Mission Impact	Communications	External Affairs	Council and Convention	Outcome and Evaluation	Member Services	Total Program Services	Fundraising	General and Administrative		Total Supporting Services
Contributions of nonfinancial assets	\$ 4,915,360	\$ 453,212	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 5,368,572	\$ --	\$ --	\$ --	\$ 5,368,572
Salaries and benefits	553,868	1,387,587	793,350	356,952	--	124,175	100,668	3,316,600	457,360	1,040,963	1,498,323	4,814,923
Contracted services	8,721	888,211	901,882	30,309	43,296	3,930	1,601	1,877,950	727,402	15,944	743,346	2,621,296
Postage and printing	29	865,786	121,796	368	6,262	--	71	994,312	361,114	1,287	362,401	1,356,713
Grants	--	829,725	--	--	--	--	--	829,725	--	--	--	829,725
Software and licensing	19,793	191,602	57,254	11,584	48,585	4,407	3,081	336,306	19,949	35,898	55,847	392,153
Professional services	85,347	127,159	22,412	22,193	--	3,399	2,749	263,259	12,363	28,819	41,182	304,441
Occupancy	34,393	85,570	49,318	22,272	--	7,810	6,316	205,679	28,407	62,880	91,287	296,966
Travel	11,973	144,999	21,163	16,120	968	487	394	196,104	4,833	66,312	71,145	267,249
Conferences and training	2,650	62,657	11,000	17,595	123,246	--	--	217,148	9,896	14,638	24,534	241,682
Other expense	17,570	83,378	26,158	15,422	4,495	3,840	2,982	153,845	20,562	35,818	56,380	210,225
	<u>\$ 5,649,704</u>	<u>\$ 5,119,886</u>	<u>\$ 2,004,333</u>	<u>\$ 492,815</u>	<u>\$ 226,852</u>	<u>\$ 148,048</u>	<u>\$ 117,862</u>	<u>\$ 13,759,500</u>	<u>\$ 1,641,886</u>	<u>\$ 1,302,559</u>	<u>\$ 2,944,445</u>	<u>\$ 16,703,945</u>

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

LEAGUE OF WOMEN VOTERS EDUCATION FUND

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2024

	Program Services							Supporting Services			Total Expenses	
	Advocacy	Mission Impact	Communications	Council and Convention	External Affairs	Member Services	Outcome and Evaluation	Total Program Services	Fundraising	General and Administrative		Total Supporting Services
Contributions of nonfinancial assets	\$ 6,153,306	\$ 464,644	\$ --	\$ --		\$ --	\$ --	\$ 6,617,950	\$ --	\$ --	\$ --	\$ 6,617,950
Salaries and benefits	516,176	1,342,235	739,431	--	306,786	188,255	151,410	3,244,293	310,163	995,517	1,305,680	4,549,973
Contracted services	58,553	708,707	471,032	393,852	46,252	21,632	18,602	1,718,630	484,186	93,490	577,676	2,296,306
Grants	--	655,300	--	--		--	200	655,500	--	--	--	655,500
Postage and printing	--	162,625	8,134	16,605	66	34	--	187,464	285,214	270	285,484	472,948
Conferences and training	30	93,150	2,414	323,613	7,351	--	--	426,558	2,121	11,135	13,256	439,814
Occupancy	45,652	117,849	65,836	926	28,209	16,895	14,528	289,895	28,709	70,112	98,821	388,716
Software and licensing	18,101	142,255	62,577	39,766	10,996	6,447	5,771	285,913	10,955	26,755	37,710	323,623
Travel	1,111	125,349	2,612	63,250	11,184	--	--	203,506	895	28,127	29,022	232,528
Other expense	20,631	83,927	27,989	2,418	23,310	6,903	6,658	171,836	17,733	32,946	50,679	222,515
Professional services	10,384	87,591	58,202	--	6,416	3,843	6,515	172,951	6,610	16,323	22,933	195,884
	<u>\$ 6,823,944</u>	<u>\$ 3,983,632</u>	<u>\$ 1,438,227</u>	<u>\$ 840,430</u>	<u>\$ 440,570</u>	<u>\$ 244,009</u>	<u>\$ 203,684</u>	<u>\$ 13,974,496</u>	<u>\$ 1,146,586</u>	<u>\$ 1,274,675</u>	<u>\$ 2,421,261</u>	<u>\$ 16,395,757</u>

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

**LEAGUE OF WOMEN VOTERS
EDUCATION FUND**

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
Cash Flows From Operating Activities		
Change in net assets	\$ (805,604)	\$ (973,202)
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities		
Net realized and unrealized gain on investments	(561,171)	(798,799)
Change in discount to net present value	27,747	(4,465)
Depreciation and amortization	11,000	--
Amortization of right-of-use asset	74,321	217,540
Loss on sublease	(24,883)	(99,534)
Changes in assets and liabilities		
Amount due from LWVUS	(144,979)	--
Sublease income receivable	6,426	28,137
Contributions receivable, net	239,404	59,012
Prepaid expenses	(3,776)	(69,297)
Accounts payable and accrued expenses	(882,454)	1,222,898
Amount due to LWVUS	(1,452,446)	1,419,893
Contract liabilities	(43,989)	34,153
Lease liability – operating	(72,511)	(283,187)
Amounts held on behalf of state and local Leagues	22,377	(614)
Net Cash (Used in) Provided by Operating Activities	(3,610,538)	752,535
Cash Flows From Investing Activities		
Proceeds from sales of investments	9,938,285	11,073,996
Purchases of investments	(7,540,978)	(11,111,244)
Purchases of property and equipment	--	(33,000)
Net Cash Provided by (Used in) Investing Activities	2,397,307	(70,248)
Net (Decrease) Increase in Cash and Cash Equivalents	(1,213,231)	682,287
Cash and Cash Equivalents, Beginning of Year	3,295,343	2,613,056
Cash and Cash Equivalents, End of Year	\$ 2,082,112	\$ 3,295,343
Supplemental Disclosure of Cash Flow Information		
Donated investments liquidated to cash	\$ 92,051	\$ 56,134

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

**LEAGUE OF WOMEN VOTERS
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NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

NATURE OF ACTIVITIES

League of Women Voters Education Fund (the Education Fund) was established in 1957 by League of Women Voters of the United States (LWVUS) as a charitable trust dedicated to strengthening citizen knowledge of, and involvement in, government. The Education Fund works to register voters, provide voters with election information through voter guides as well as candidate forums and debates.

The Education Fund's program and supporting services include the following:

Advocacy

The advocacy function includes lobbying and other activities to promote political responsibility through informed and active participation of citizens in government, and to promote action on selected issues.

Mission Impact

The mission impact function includes activities that are devoted to informing the public about voter registration and the importance of voting and providing candidate information.

Outcome and Evaluation

The outcome and evaluation function includes collecting and analyzing data to measure the Education Fund's impact and ensure refinement of programs to improve that impact.

Communications

The communications function includes activities to maintain the Education Fund's website, prepare and disseminate materials and publications which promote political awareness and responsibility and which address selected issues.

Member Services

The member services function includes activities to assist state and local Leagues with various programs.

Council and Convention

The council and convention function includes activities related to meetings and other events, such as the biennial council meeting.

External Affairs

The external affairs function, includes facilitating partnerships and thought leadership opportunities to expand the reach of League of Women Voters and increase its recognition.

**LEAGUE OF WOMEN VOTERS
EDUCATION FUND**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NATURE OF ACTIVITIES (CONTINUED)

Fundraising

The fundraising function includes activities that encourage and secure financial support for the Education Fund.

General and Administrative

The general and administrative function includes activities necessary for the administrative processes of the Education Fund, such as managing its operating, governance and financial responsibilities.

A summary of the Education Fund's significant accounting policies is as follows:

BASIS OF PRESENTATION

The Education Fund follows the accounting requirements of the Not-for-Profit Entities topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Under the FASB ASC, the Education Fund is required to report information regarding its net assets and its activities according to two categories: (1) net assets without donor restrictions and (2) net assets with donor restrictions.

Without Donor Restrictions

Net assets without donor restrictions include those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by board designation. However, the Education Fund has no board-designated net assets.

With Donor Restrictions

Net assets with donor restrictions include those net assets whose use is subject to donor-imposed restrictions. Donor restrictions may be for a specified time or purpose limitation, or the donor may specify that the corpus of their original and certain subsequent gifts be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

USE OF ESTIMATES

The preparation of the financial statements in conformity with generally accepted accounting principles in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**LEAGUE OF WOMEN VOTERS
EDUCATION FUND**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CASH AND CASH EQUIVALENTS

The Education Fund considers demand deposits, including excess cash invested in overnight repurchase agreements, all highly liquid investments purchased with original maturities of three months or less, and money market funds not held in the investment portfolio, to be cash and cash equivalents.

INVESTMENTS

Investments with readily determinable fair values are reflected at fair value. Fair value is 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.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Investment expenses, such as advisory fees, are netted against investment return in the financial statements. Realized gains and losses are determined by a comparison of average costs at the investment's acquisition to the proceeds at the time of its sale. Unrealized gains or losses are determined by comparison of the investment's acquisition cost to its fair value at year-end.

FINANCIAL RISK

The Education Fund maintains demand deposits with commercial banks and money market funds with financial institutions. At times, certain balances held within these accounts may not be fully guaranteed or insured by the U.S. federal government. The uninsured portions of cash and money market accounts are backed solely by the assets of the underlying institution. Therefore, the failure of an underlying institution could result in financial loss to the Education Fund. However, the Education Fund has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk on its cash and cash equivalents.

The Education Fund invests in a professionally managed portfolio of marketable debt and equity securities. Such investments are exposed to market and credit risks and may be subject to fluctuations in fair value. As a result, the investment balances reported in the accompanying financial statements may not be reflective of the portfolio's value during subsequent periods.

**LEAGUE OF WOMEN VOTERS
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NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FAIR VALUE MEASUREMENT

Accounting standards define fair value and establish a framework for measuring fair value in accordance with GAAP. Accounting standards emphasize that fair value is a market-based measurement, not an entity-specific measurement, and therefore a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurement, accounting standards established a fair value hierarchy based upon the transparency of the inputs to the valuation of an asset or liability. These inputs may be observable, whereby the market participant assumptions are developed based on market data obtained from independent sources, and unobservable, whereby assumptions about market participant assumptions are developed by the reporting entity based on the best information available in the circumstances. The three levels of the fair value hierarchy according to fair value measurement standards are described as follows:

Level 1: Observable inputs that reflect quoted prices for identical assets or liabilities in active markets, such as stock quotes.

Level 2: Includes inputs other than Level 1 inputs that are directly or indirectly observable in the marketplace, such as yield curves or other market data.

Level 3: Unobservable inputs which reflect the reporting entity's assessment of the assumptions that market participants would use in pricing the asset or liability including assumptions about risk, such as bid/ask spreads and liquidity discounts.

As of June 30, 2024 and 2025, only the Education Fund's investments, as described in Note 3, were measured at fair value on a recurring basis.

SUBLEASE INCOME RECEIVABLES

The Education Fund provides an allowance for sublease income receivables deemed uncollectible. The allowance is based on management's analysis of historical collectability as well as expected future losses. As of June 30, 2024, all amounts are due within one year and are considered to be fully collectible. There was no sub-lease income receivable as of June 30, 2025.

**LEAGUE OF WOMEN VOTERS
EDUCATION FUND**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CONTRIBUTIONS RECEIVABLE

Contributions receivable are made up of unconditional promises to give which are expected to be collected over multiple years. Promises to give due in one year or less are recorded at net realizable value. At June 30, 2025 and 2024, promises to give due in more than one year are recorded at the net present value of estimated future cash flows using a discount rate ranging from 2.35% - 3.65%.

Contributions receivable are presented at the gross, or face, amount due to the Education Fund, less a discount to net present value and less an allowance for doubtful accounts. Management periodically reviews the status of all receivable balances for collectability. Each contribution receivable balance is assessed based on management's knowledge of and relationship with the donor and the age of the receivable balance. As a result of these reviews, contributions receivable balances for which collection is deemed doubtful are charged to bad debt expense and an allowance is recorded. Management deemed contributions receivable to be fully collectable for the years ended June 30, 2025 and 2024. Bad debt expense totaled \$9,000 for the year ended June 30, 2025. There was no bad debt expense for the year ended June 30, 2024.

RIGHT-OF-USE ASSET AND LEASE LIABILITY

At inception of an agreement, the Education Fund determines whether the agreement meets the criteria for a lease. A right-of-use asset and lease liability are recognized at the commencement date of the lease agreement based on the present value of lease payments over the lease term using a risk-free rate of return that coincides with the date and term of the lease and is adjusted for lease incentives. The asset is amortized over the lease term and is reflected in occupancy expense in the accompanying financial statements. The lease liability is reduced as cash payments are made under the terms of the lease. Short-term operating leases, which have an initial term of 12 months or less, are not recorded on the accompanying statements of financial position. Instead, the lease payments of those leases are reported as rent expense on a straight-line basis over the term.

PROPERTY AND EQUIPMENT

Acquisitions of property and equipment greater than \$5,000 are recorded at cost and depreciated or amortized using the straight-line method over the following useful lives: furniture and equipment – three to five years. For the years ended June 30, 2025 and 2024, depreciation and amortization expense totaled \$11,000 and zero, respectively, and is included

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NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PROPERTY AND EQUIPMENT (CONTINUED)

in occupancy on the accompanying financial statements. The cost of property and equipment retired or disposed of is removed from the accounts along with the related accumulated depreciation or amortization, and any gain or loss is reflected in revenue and support or expenses in the accompanying statement of activities. Major additions are capitalized, while replacements, maintenance and repairs that do not improve or extend the lives of the respective assets are expensed as incurred.

CONTRACT LIABILITIES

Contract liabilities consist of licensing fees related to the online interactive voter guide. The Education Fund signed a licensure agreement which licenses the online interactive voter guide to the Education Fund for use by the local Leagues. The licensing fees are received in advance of the period in which they are earned and the revenue is recognized ratably over the period of service in accordance with the underlying agreements. The licensing fees have been included in publication sales and other income on the accompanying statements of activities. Contract liabilities at July 1, 2023 totaled \$72,062.

AMOUNTS HELD ON BEHALF OF STATE AND LOCAL LEAGUES

The Education Fund receives and disburses cash on behalf of its affiliated state and local Leagues, which are noncontrolled stand-alone entities that have been granted affiliation status. Therefore, amounts held on behalf of state and local Leagues represent the aggregate liability, which is equal to the cash held on behalf of state and local Leagues.

LOSS ON SUBLEASE

The Education Fund recorded a loss on sublease during the year ended June 30, 2021, equal to the difference between the payments due under the old office lease, less the payments expected to be received under the sublease.

REVENUE RECOGNITION

Contributions include bequests, grants and amounts received from members. Unconditional contributions are recognized when donors make promises to give or when gifts of cash or other assets are received that lack barriers and rights of return. Unconditional contributions are classified within activities without donor restrictions or within activities with donor

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NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REVENUE RECOGNITION (CONTINUED)

restrictions, depending upon the existence and/or nature of any donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions when either the purpose restriction is satisfied, or the time restriction expires. Unconditional contributions with donor restrictions received and released in the same accounting period are classified as without donor restrictions in the accompanying statements of activities. Conditional promises to give are not recognized until such time as the conditions are substantially met, that is, when the barrier(s) in the agreement are met. There were no conditional contributions at June 30, 2025 and 2024.

Contributions of nonfinancial assets, such as donated advertising and legal support, are recognized at the estimated fair value provided by the donor. The contributions received are not monetized and do not have any donor restrictions.

Publication sales and other income include license fees for the online voter guide and sales of publications. Revenue from licensing fees are recognized ratably over the period of service in accordance with the underlying agreements. Sublease income is recognized as revenue on a straight-line basis over the life of the sublease.

Council and convention includes registration fees from participants attending meetings and is recognized in the period in which the events take place.

ALLOCATION OF NET INVESTMENT GAIN (LOSS)

Net assets include various funds, several of which include an allocation of net investment gain (loss). The beginning of year net asset balance of each of the funds is the basis upon which the net investment gain (loss) is allocated among the various funds.

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various program and supporting activities have been summarized on a functional basis in the accompanying financial statements. Costs related to a specific functional activity are charged directly to that activity. However, other indirect costs are allocated among the program and supporting services benefited based on management's best estimates of employee time and effort. In particular, salaries and benefits, along with other shared costs, such as occupancy and software and licensing, are allocated based on the proportional share of the salaries of each program or supporting function which benefited from the shared costs.

**LEAGUE OF WOMEN VOTERS
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NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASURE OF OPERATIONS

Operating revenue and expenses generally reflect those revenue and expenses that arise from the Education Fund’s activities and exclude all realized and unrealized gains and losses from investments.

NOTE 2 – INVESTMENTS

Investments consisted of the following at June 30, 2025 and 2024:

	2025	2024
Investments at fair value:		
Mutual funds – equities:		
U.S. large cap	\$ 2,658,047	\$ 2,365,597
U.S. small/mid cap	268,357	601,740
Developed non-U.S.	--	1,674,378
Emerging markets	1,447,198	812,658
Mutual funds – fixed income:		
Bonds	750,950	789,813
Exchange-traded	1,471,107	1,747,200
Money market funds	--	30,409
Certificates of deposit	--	410,000
	\$ 6,595,659	\$ 8,431,795

Investments noted above are recorded as follows on the statements of financial position at June 30, 2025 and 2024:

	2025	2024
Investments	\$ 5,578,888	\$ 7,620,863
Investments restricted for endowments	1,016,771	810,932
	\$ 6,595,659	\$ 8,431,795

**LEAGUE OF WOMEN VOTERS
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NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE 2 – INVESTMENTS (CONTINUED)

Net investment gain (loss) consisted of the following for the years ended June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Without donor restrictions:		
Interest and dividends	\$ 214,964	\$ 213,571
Investment management fees	(21,580)	(24,678)
Net realized and unrealized gain	<u>404,043</u>	<u>623,063</u>
Subtotal Without Donor Restrictions	<u>597,427</u>	<u>811,956</u>
With donor restrictions:		
Interest and dividends	83,597	60,238
Investment management fees	(8,393)	(6,961)
Net realized and unrealized gain	<u>157,128</u>	<u>175,736</u>
Subtotal With Donor Restrictions	<u>232,332</u>	<u>229,013</u>
Total	<u>\$ 829,759</u>	<u>\$ 1,040,969</u>

**LEAGUE OF WOMEN VOTERS
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NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE 3 – FAIR VALUE MEASUREMENTS

The following assets were measured at fair value on a recurring basis using the following input levels at June 30, 2025:

	Fair Value	Quoted Prices in Active Markets for Identical Assets/ Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments at fair value				
Mutual funds – equities:				
U.S. large cap	\$ 2,658,047	\$ 2,658,047	\$ --	\$ --
U.S. small/mid cap	268,357	268,357	--	--
Emerging markets	1,447,198	1,447,198	--	--
Mutual funds – fixed income:				
Bonds	750,950	750,950	--	--
Exchange-traded	<u>1,471,107</u>	<u>1,471,107</u>	<u>--</u>	<u>--</u>
Total Investments	6,595,659	<u>\$ 6,595,659</u>	<u>\$ --</u>	<u>\$ --</u>
Cash equivalents at fair value				
Money market funds	<u>1,537,469</u>			
Total Assets at Fair Value	<u>\$ 8,133,128</u>			

**LEAGUE OF WOMEN VOTERS
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NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE 3 – FAIR VALUE MEASUREMENTS (CONTINUED)

The following assets were measured at fair value on a recurring basis using the following input levels at June 30, 2024:

	Fair Value	Quoted Prices in Active Markets for Identical Assets/ Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments at fair value				
Mutual funds – equities:				
U.S. large cap	\$ 2,365,597	\$ 2,365,597	\$ --	\$ --
U.S. small/mid cap	601,740	601,740	--	--
Developed non-U.S.	1,674,378	1,674,378	--	--
Emerging markets	812,658	812,658	--	--
Mutual funds – fixed income:				
Bonds	789,813	789,813	--	--
Exchange-traded	1,747,200	1,747,200	--	--
Money market funds	30,409	30,409	--	--
Certificates of deposit	<u>410,000</u>	<u>--</u>	<u>410,000</u>	<u>--</u>
 Total Investments	 8,431,795	 <u>\$ 8,021,795</u>	 <u>\$ 410,000</u>	 <u>\$ --</u>
 Cash equivalents at fair value				
Money market funds	<u>1,273,953</u>			
 Total Assets at Fair Value	 <u>\$ 9,705,748</u>			

The fair values of mutual funds, exchange-traded funds (ETFs) and money market funds were determined using Level 1 inputs, which were based on quoted prices for identical assets in active markets. The fair values of certificates of deposit were determined using Level 2 inputs, which were valued by the financial institution based on interest rates and maturities. Management believes the fair values of investments to be a reasonable approximation of their exit price.

**LEAGUE OF WOMEN VOTERS
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NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE 4 – CONTRIBUTIONS RECEIVABLE

Contributions receivables consisted of the following at June 30, 2025 and 2024:

	2025	2024
Contributions receivable	\$ 1,149,016	\$ 1,375,520
Per-member payments and membership dues receivable	15,000	27,900
	1,164,016	1,403,420
Less discount to net present value	(35,144)	(7,397)
Total	\$ 1,128,872	\$ 1,396,023

Contributions receivable are expected to be collected as follows at June 30, 2025 and 2024:

	2025	2024
Amounts due in less than one year	\$ 633,941	\$ 1,375,400
Amounts due in one to five years	530,075	28,020
	1,164,016	1,403,420
Less discount to net present value	(35,144)	(7,397)
Total	\$ 1,128,872	\$ 1,396,023

NOTE 5 – RIGHT-OF-USE ASSET AND LEASE LIABILITY

LWVUS and the Education Fund were both named as lessees in the operating lease for the old office space at 1730 M Street, which expired on September 30, 2024. LWVUS and the Education Fund were jointly and severally liable under the terms of this office lease. In August 2020, LWVUS and the Education Fund both signed an operating sublease agreement with a third party related to the office space at 1730 M Street. The sublease commenced on November 1, 2020 and terminated on September 30, 2024. The future expected rental receipts under the sublease were less than the future rental payments due to the landlord under the old office lease. Thus, LWVUS and the Education Fund both recorded a liability for the loss on the sublease which was equal to the difference between the base rent due and the rental income expected.

**LEAGUE OF WOMEN VOTERS
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NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE 5 – RIGHT-OF-USE ASSET AND LEASE LIABILITY (CONTINUED)

The Education Fund's portion of the liability for the loss on sublease has been included in loss on sublease in the accompanying statements of financial position, and totaled \$24,883 at June 30, 2024. Due to the expiration of the lease for the office space at 1730 M Street on September 30, 2024, the carrying amount of the ROU asset and lease liability were zero at June 30, 2025.

Operating lease expense totaled \$208,517 and \$384,173 for the years ended June 30, 2025 and 2024, respectively, and is included in occupancy expenses on the accompanying statements of functional expenses. Sublease income totaled \$43,129 and \$182,226 for the years ended June 30, 2025 and 2024, respectively. Cash paid under the operating lease totaled \$72,854 and \$289,641 for the years ended June 30, 2025 and 2024.

NOTE 6 – LIQUIDITY AND AVAILABILITY OF RESOURCES

The Education Fund receives contributions with donor restrictions to be used in accordance with the associated purpose restrictions. Contributions may include gifts to establish endowments that will exist in perpetuity; the income generated from such endowments is used to fund programs or to be used to support operations. In addition, the Education Fund receives contributions without donor restrictions; such support has historically represented approximately 70% of annual operations, with the remainder funded by other revenue streams, including investment income without donor restrictions and appropriated earnings from investment income with donor restrictions (i.e., endowment funds).

The Education Fund considers investment income without donor restrictions, appropriated earnings from donor-restricted endowments, contributions without donor restrictions and contributions with donor restrictions for use in programs that are ongoing, major and central to its annual operations as available to meet cash needs for general expenditures. General expenditures include general and administrative expenses, fundraising expenses and grant commitments expected to be paid in the subsequent year. Annual operations are defined as total expenses related to both program services and supporting services activities.

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NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE 6 – LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)

The Education Fund manages its cash available to meet general expenditures through the following three guiding principles:

- Operating within a prudent range of financial soundness and stability.
- Maintaining adequate liquid assets.
- Maintaining sufficient reserves to provide reasonable assurance that long term agreements or other commitments and obligations under endowments with donor restrictions will continue to be met, thereby ensuring the sustainability of the Education Fund.

The Education Fund operates on a biennial budget cycle. The Board of Trustees meets several times each year to review the financial statements and to approve unbudgeted expenses.

Financial assets available for general expenditures within one year consisted of the following as of June 30:

	2025	2024
Cash and cash equivalents	\$ 2,082,112	\$ 3,295,343
Investments	6,595,659	8,431,795
Receivables, net	1,128,872	1,402,449
Subtotal Financial Assets	9,806,643	13,129,587
Amounts not available for general expenditures within one year:		
Amounts held on behalf of state and local Leagues	(662,841)	(640,464)
Net assets with donor restrictions	(2,321,738)	(2,534,443)
Total	\$ 6,822,064	\$ 9,954,680

NOTE 7 – RELATED-PARTY TRANSACTIONS

League of Women Voters of the United States (LWVUS) was originally formed in 1920, and then incorporated in 1923 in accordance with the laws of the District of Columbia. LWVUS encourages informed and active participation in government, works to increase understanding

**LEAGUE OF WOMEN VOTERS
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NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE 7 – RELATED-PARTY TRANSACTIONS (CONTINUED)

of major public policy issues and influences public policy through education and advocacy. The Board of Directors of LWVUS elects the members of the Education Fund’s Board of Trustees. LWVUS and the Education Fund share certain costs, such as personnel and office space. During the years ended June 30, 2025 and 2024, the Education Fund’s portion of shared costs totaled \$5,091,064 and \$5,582,578, respectively. At June 30, 2025 LWVUS owed the Education Fund \$144,979, related to shared costs. At June 30, 2024, the Education Fund owed LWVUS \$1,452,446, related to shared costs.

NOTE 8 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following at June 30, 2025 and 2024:

	2025	2024
Endowment funds and related earnings	\$ 1,016,771	\$ 810,932
Time restriction	994,931	738,123
Leadership fund	271,658	245,166
Women power democracy	29,278	300,000
100 th anniversary	9,100	9,100
Vote411	--	237,282
Voter Registration and Protection	--	150,000
Interns	--	31,265
DC Voting Rights	--	12,575
Total	\$ 2,321,738	\$ 2,534,443

NOTE 9 – ENDOWMENTS

Donor-restricted endowment funds have been classified within net assets in accordance with each gift instrument. 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 Education Fund has interpreted the District of Columbia's Uniform Prudent Management of Institutional Funds Act of 2007 (UPMIFA) as requiring the preservation of the real (inflation-adjusted) purchasing power of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Education Fund classifies as net assets with donor restrictions: (1) the original value of gifts donated to

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NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE 9 – ENDOWMENTS (CONTINUED)

INTERPRETATION OF RELEVANT LAW (CONTINUED)

the endowment, (2) the original value of subsequent gifts to the endowment, (3) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument and (4) endowment investment return in excess of the endowment payout. Endowment funds are appropriated for expenditure by the Education Fund in a manner consistent with the standard of prudence prescribed by UPMIFA.

RETURN OBJECTIVES AND RISK PARAMETERS

The Education Fund’s Board of Trustees has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment, while seeking to maintain the purchasing power of the endowment assets. Under these policies, as approved by the Board of Trustees, endowment assets are invested in a manner that is intended to produce returns higher than specified market indices, while assuming a moderate level of risk. The Education Fund expects its endowment funds to exceed the average annual return of the specified market indices on a risk-adjusted basis over a three-year rolling time period and a full market cycle.

STRATEGIES EMPLOYED FOR ACHIEVING OBJECTIVES

To satisfy its long-term rate-of-return objectives, the Education Fund 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). The Education Fund targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

SPENDING POLICY AND HOW THE INVESTMENT OBJECTIVES RELATE TO SPENDING POLICY

The Education Fund has a policy that allows an annual appropriation of no more than 10% and no less than 5% of the average fair value of the endowment fund from the trailing three years. For the years ended June 30, 2025 and 2024, annual earnings from the endowment fund in excess of 5% were reinvested to allow for the fund’s growth. In establishing this policy, the Education Fund considered the long-term expected return on the endowments. This is consistent with the Education Fund’s objective to maintain the purchasing power of the endowment funds, as well as to provide additional real growth through new gifts and investment return.

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NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE 9 – ENDOWMENTS (CONTINUED)

FUND DEFICIENCIES

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the principal amount that the donor originally contributed in order to establish the endowment. Deficiencies typically result from unfavorable market fluctuations or continued appropriation. There were no underwater endowment funds at June 30, 2025 and June 30, 2024.

ENDOWMENT COMPOSITION

Endowments consisted of the following at June 30, 2025:

	<u>Available to Spend</u>	<u>Held in Perpetuity</u>	<u>Total</u>
Ruth S. Shur Leadership Institute fund	\$ 250,533	\$ 500,000	\$ 750,533
Nikki Harris Online Training fund	58,884	100,000	158,884
General Endowment fund	<u>38,279</u>	<u>69,075</u>	<u>107,354</u>
Total	<u>\$ 347,696</u>	<u>\$ 669,075</u>	<u>\$ 1,016,771</u>

Endowments consisted of the following at June 30, 2024:

	<u>Available to Spend</u>	<u>Held in Perpetuity</u>	<u>Total</u>
Ruth S. Shur Leadership Institute fund	\$ 81,562	\$ 500,000	\$ 581,562
Nikki Harris Online Training fund	22,016	100,000	122,016
General Endowment fund	<u>38,279</u>	<u>69,075</u>	<u>107,354</u>
Total	<u>\$ 141,857</u>	<u>\$ 669,075</u>	<u>\$ 810,932</u>

Changes in endowments consisted of the following for the year ended June 30, 2025:

	<u>Available to Spend</u>	<u>Held in Perpetuity</u>	<u>Total</u>
Endowments, July 1, 2024	\$ 141,857	\$ 669,075	\$ 810,932
Net investment return	232,332	--	232,332
Appropriations	<u>(26,493)</u>	<u>--</u>	<u>(26,493)</u>
Endowments, June 30, 2025	<u>\$ 347,696</u>	<u>\$ 669,075</u>	<u>\$ 1,016,771</u>

**LEAGUE OF WOMEN VOTERS
EDUCATION FUND**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE 9 – ENDOWMENTS (CONTINUED)

ENDOWMENT COMPOSITION (CONTINUED)

Changes in endowments consisted of the following for the year ended June 30, 2024:

	Available to Spend	Held in Perpetuity	Total
Endowments, July 1, 2023	\$ 38,279	\$ 559,971	\$ 598,250
Net investment return	119,909	109,104	229,013
Appropriations	(16,331)	--	(16,331)
Endowments, June 30, 2024	\$ 141,857	\$ 669,075	\$ 810,932

NOTE 10 – CONTRIBUTIONS OF NONFINANCIAL ASSETS

Contributions of nonfinancial assets include donated advertising, research and legal services which are recognized as contributions of nonfinancial assets and the related expense.

Donated advertising services have been included within the mission impact program and were recognized in the financial statements at the estimated fair value equal to the price that would have been paid if the Education Fund had purchased the advertising.

Donated legal and research services have been included within the advocacy program and were recognized in accordance with U.S. GAAP. In order to meet the criteria for recognition in the financial statements, contributions of nonfinancial assets must: (a) create or enhance nonfinancial assets or (b) require specialized skills, be performed by people with those skills and would otherwise be purchased. The services are valued at the hourly rate of the professionals providing the service.

Contributions of nonfinancial assets recognized during the years ended June 30, 2025 and 2024, consisted of the following:

	2025	2024
Legal	\$ 4,915,360	\$ 5,947,089
Advertising	453,212	464,644
Research	--	206,217
Total	\$ 5,368,572	\$ 6,617,950

**LEAGUE OF WOMEN VOTERS
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NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE 11 – RETIREMENT PLAN

The Education Fund has a 401(k) plan for all eligible employees as stipulated by the plan document. There is no minimum service requirement to make salary reduction contributions to this plan, but the employee must complete at least one year of service to receive employer-based contributions. Each plan year, the Education Fund will make an employer-based contribution equal to 8% of the compensation the employee received for that year, while the employee is a participant in the plan. This employer-based contribution will be made whether or not the employee is making contributions. The Education Fund provided contributions to the participants in the 401(k) plan, which totaled \$251,835 and \$245,737 for the years ended June 30, 2025 and 2024, respectively.

NOTE 12 – ALLOCATION OF JOINT COSTS

The Education Fund conducts direct mail campaigns that have both a program services component and a fundraising component. As a result, the Education Fund incurred joint costs totaling \$446,994 and \$285,214 during the years ended June 30, 2025 and 2024, respectively.

Joint costs have been allocated between program services and fundraising as follows for the years ended June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Fundraising	\$ 361,114	\$ 285,214
Communications	<u>85,880</u>	<u>--</u>
Total	<u>\$ 446,994</u>	<u>\$ 285,214</u>

NOTE 13 – INCOME TAXES

The Education Fund is exempt from the payment of income taxes on its exempt activities under Section 501(c)(3) of the Internal Revenue Code. For the years ended June 30, 2025 and 2024, no provision for income taxes was made, as the Education Fund had no significant unrelated business income.

The Education Fund follows the authoritative guidance relating to accounting for uncertainty in income taxes included in FASB ASC Topic 740, *Income Taxes*. These provisions provide consistent guidance for the accounting for uncertainty in income taxes recognized in an

**LEAGUE OF WOMEN VOTERS
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NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE 13 – INCOME TAXES (CONTINUED)

entity’s financial statements and prescribe a threshold of “more likely than not” for recognition and derecognition of tax positions taken or expected to be taken in a tax return. The Education Fund evaluated its uncertainty in income taxes for the years ended June 30, 2025 and 2024, and determined that there were no matters that would require recognition in the financial statements or that may have any effect on its tax-exempt status. As of June 30, 2025 and 2024, there are no tax examinations pending or in process. It is the Education Fund’s policy to recognize interest and/or penalties related to uncertainty in income taxes, if any, in income tax or interest expense. As of June 30, 2025 and 2024, the Education Fund had no accruals for interest and/or penalties.

NOTE 14 – RECLASSIFICATIONS

Certain 2024 information was reclassified to conform to the 2025 presentation.

NOTE 15 – SUBSEQUENT EVENTS

The Education Fund has evaluated subsequent events January 26, 2026, the date on which the financial statements were available to be issued. There are no subsequent events that require recognition or disclosure in the financial statements.