Women Donors Network

Financial Statements

December 31, 2022 and 2021

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Independent Auditors' Report

To the Board of Directors of
Women Donors Network

Opinion

We have audited the financial statements of Women Donors Network (a nonprofit organization, the Organization), which comprise the statements of financial position as of December 31, 2022 and 2021, 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 accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2022 and 2021, 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 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 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.

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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 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.

Baker Tilly US, LLP

San Francisco, California
March 11, 2024

Women Donors Network

Statements of Financial Position
December 31, 2022 and 2021

	2022	2021
Assets		
Current Assets		
Cash and cash equivalents	$ 3,510,240	$ 2,579,783
Certificates of deposit	123,137	123,137
Pledges receivable, net	4,153,871	3,157,393
Related party receivables	309,320	117,576
Program investments	1,139,321	838,253
Prepaid expenses	111,231	114,888
Total current assets	9,347,120	6,931,030
Other Assets		
Pledges receivable, net, noncurrent	2,821,777	4,718,126
Right-of-use assets, net	344,679	-
Property and equipment, net	53,685	85,068
Deposits	28,515	28,515
Total other assets	3,248,656	4,831,709
Total assets	$ 12,595,776	$ 11,762,739
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	$ 728,326	$ 266,401
Grants payable	200,000	350,000
Accrued vacation liability	78,727	71,878
Lease liabilities, current portion	336,986	-
Deferred revenue	-	11,400
Sublease payable, current portion	-	129,155
Deferred rent, current portion	-	13,670
Total current liabilities	1,344,039	842,504
Other Liabilities		
Accrued sabbatical liability	194,280	201,921
Lease liabilities, noncurrent portion	142,327	-
Sublease payable	-	101,136
Deferred rent	-	27,369
Total other liabilities	336,607	330,426
Total liabilities	1,680,646	1,172,930
Net Assets Without Donor Restrictions		
Undesignated	1,247,620	1,133,383
Board designated	1,270,000	1,100,000
Total without donor restrictions	2,517,620	2,233,383
Net Assets With Donor Restrictions	8,397,510	8,356,426
Total net assets	10,915,130	10,589,809
Total liabilities and net assets	$ 12,595,776	$ 11,762,739

See notes to financial statements

Women Donors Network

Statements of Activities

Years Ended December 31, 2022 and 2021

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue						
Contributions	$ 8,338,591	$ 6,933,768	$ 15,272,359	$ 12,999,222	$ 9,398,472	$ 22,397,694
Change in allowance for bad debt	-	77,000	77,000	-	(645,000)	(645,000)
Conference registration fees	86,252	-	86,252	78,036	-	78,036
Investment income	15,455	-	15,455	6,602	-	6,602
Other income	72,684	-	72,684	12,429	-	12,429
Net assets released from restrictions:						
Purpose accomplished or time restriction expired	6,969,684	(6,969,684)	-	1,325,788	(1,325,788)	-
Total support and revenue	15,482,666	41,084	15,523,750	14,422,077	7,427,684	21,849,761
Expenses						
Program services	12,552,447	-	12,552,447	12,763,207	-	12,763,207
Supporting services:						
Management and general	2,179,047	-	2,179,047	1,412,402	-	1,412,402
Fundraising	466,935	-	466,935	409,650	-	409,650
Total expenses	15,198,429	-	15,198,429	14,585,259	-	14,585,259
Change in net assets	284,237	41,084	325,321	(163,182)	7,427,684	7,264,502
Net Assets, Beginning	2,233,383	8,356,426	10,589,809	2,396,565	928,742	3,325,307
Net Assets, Ending	$ 2,517,620	$ 8,397,510	$ 10,915,130	$ 2,233,383	$ 8,356,426	$ 10,589,809

See notes to financial statements

Women Donors Network

Statement of Functional Expenses
Year Ended December 31, 2022

	Program Services				Supporting Services		
	Conference and Educational Programs	Grantmaking Initiatives	Reflective Democracy Campaign	Program Total	Management and General	Fundraising	Total
Grants	$ -	$ 9,958,750	$ 400,000	$ 10,358,750	$ -	$ -	$ 10,358,750
Salaries	382,252	310,580	23,891	716,723	1,386,842	286,689	2,390,254
Professional services	128,385	91,405	892,606	1,112,396	428,953	82,320	1,623,669
Employee benefits	55,020	44,704	3,439	103,163	199,448	41,265	343,876
Travel, conferences and meetings	143,188	-	1,563	144,751	8,398	1,327	154,476
Payroll taxes	19,901	16,169	1,244	37,314	72,140	14,925	124,379
Software	9,696	8,815	4,250	22,761	18,952	6,170	47,883
Office supplies	10,660	-	64	10,724	1,821	14,320	26,865
Licenses and fees	6,733	-	-	6,733	6,469	11,094	24,296
Depreciation and amortization	6,120	5,564	6,720	18,404	11,963	3,895	34,262
Bad debt	-	-	-	-	22,422	-	22,422
Insurance	1,152	1,048	52	2,252	5,454	733	8,439
Training and education	1,754	1,594	80	3,428	3,428	1,116	7,972
Miscellaneous	1,143	-	91	1,234	6,729	-	7,963
Printing and publications	4,660	-	-	4,660	766	950	6,376
Membership dues	-	3,500	-	3,500	1,324	850	5,674
Internet and email fees	533	485	1,740	2,758	1,042	339	4,139
Telephone	876	796	40	1,712	1,712	557	3,981
Computer equipment	391	356	18	765	765	249	1,779
Postage	214	195	10	419	419	136	974
Total expenses	$ 772,678	$ 10,443,961	$ 1,335,808	$ 12,552,447	$ 2,179,047	$ 466,935	$ 15,198,429

See notes to financial statements

Women Donors Network

Statement of Functional Expenses
Year Ended December 31, 2021

	Program Services				Supporting Services		
	Conference and Educational Programs	Grantmaking Initiatives	Reflective Democracy Campaign	Program Total	Management and General	Fundraising	Total
Grants	$ -	$ 9,585,000	$ 950,000	$ 10,535,000	$ -	$ -	$ 10,535,000
Salaries	411,477	252,643	15,790	679,910	663,187	236,853	1,579,950
Professional services	280,190	48,319	865,751	1,194,260	247,917	77,551	1,519,728
Employee benefits	78,592	49,388	2,978	130,958	123,929	42,938	297,825
Sublease loss	-	-	-	-	230,291	-	230,291
Occupancy	31,346	21,270	1,119	53,735	44,780	13,434	111,949
Payroll taxes	26,140	16,086	1,005	43,231	42,226	15,081	100,538
Travel, conferences and meetings	49,359	650	5,821	55,830	3,502	-	59,332
Depreciation and amortization	12,137	8,236	6,875	27,248	17,339	5,202	49,789
Software	10,840	7,356	3,216	21,412	15,485	4,646	41,543
Licenses and fees	500	-	-	500	3,189	7,646	11,335
Insurance	1,467	995	52	2,514	5,298	629	8,441
Office supplies	2,292	1,555	82	3,929	3,274	982	8,185
Miscellaneous	1,187	1,722	91	3,000	3,624	1,087	7,711
Telephone	1,602	1,087	57	2,746	2,289	687	5,722
Internet and email fees	825	560	1,245	2,630	1,178	354	4,162
Training and education	986	669	35	1,690	1,409	423	3,522
Computer equipment	950	645	34	1,629	1,357	407	3,393
Printing and publications	2,226	-	-	2,226	871	-	3,097
Membership dues	-	-	-	-	624	1,540	2,164
Furniture and equipment	342	232	12	586	489	147	1,222
Postage	101	68	4	173	144	43	360
Total expenses	$ 912,559	$ 9,996,481	$ 1,854,167	$ 12,763,207	$ 1,412,402	$ 409,650	$ 14,585,259

See notes to financial statements

Women Donors Network

Statements of Cash Flows
Years Ended December 31, 2022 and 2021

	2022	2021
Cash Flows From Operating Activities		
Change in net assets	$ 325,321	$ 7,264,502
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Amortization of discount on pledges receivable	(3,467)	52,433
Bad debt expense (recoveries)	(77,000)	645,000
Depreciation and amortization	34,262	49,789
Amortization of operating lease right-of-use assets	314,823	-
Interest earned on program investments	-	(1,584)
(Increase) decrease in operating assets:		
Pledges and other receivables	788,594	(8,265,655)
Prepaid expenses	3,657	81,291
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	461,133	245,240
Grants payable	(150,000)	350,000
Sublease payable	(230,291)	230,291
Deferred revenue	(11,400)	(16,990)
Deferred rent	(41,039)	(8,638)
Lease liability	(180,189)	-
Net cash provided by operating activities	1,234,404	625,679
Cash Flows From Investing Activities		
Proceeds from sale of certificates of deposit	-	200,000
Purchases of investments	(301,068)	(731,062)
Purchases of property and equipment	(2,879)	(58,577)
Net cash used in investing activities	(303,947)	(589,639)
Net increase in cash and cash equivalents	930,457	36,040
Cash and Cash Equivalents, Beginning	2,579,783	2,543,743
Cash and Cash Equivalents, Ending	$ 3,510,240	$ 2,579,783

See notes to financial statements

1. Description of Operations and Summary of Significant Accounting Policies

Women Donors Network (the Organization) is a California nonprofit organization based in San Francisco, California. The Organization is a multigenerational, multiracial, feminist network that seeks to use the power of philanthropy, women's leadership, and collective and individual action to help build a more just, equitable and sustainable world. The Organization is primarily supported through private grants and contributions.

The Organization's program activities during the year ended December 31, 2022 continued to emphasize grantmaking and educational opportunities for women donors. The Organization offered educational programming primarily online in 2022, including learning series on reparations and the land-back movement, webinars on other timely topics related to its grantmaking, donor-led sessions through "WDN University" on topics such as technology in elections and social justice giving plans, and frequent community-building calls. The Organization's grantmaking activities included a collaborative funding initiative to support racial justice; strategic funding through three initiatives called Impact Collectives, which are designed to help the Organization's donors learn and fund collaboratively in three overarching strategic areas, including a Safe and Sustainable Future, Participation and Representation, and Opportunity and Equality; as well as support for the Emergent Fund, which the Organization co-founded and which models participatory grantmaking and intersectional, liberation values and resources rapid-response organizing led by Black, Indigenous and people of color leaders. In 2022, the Organization also created two new funding vehicles to defend electoral processes and ensure security and integrity in our elections and to advance reproductive justice and ensure enduring, legal access to abortion care in the U.S. The Organization also continued its ongoing Reflective Democracy Campaign which investigates the demographics of elected officials and candidates in the United States, including new analysis of law enforcement and support for efforts to defend democracy against rising authoritarianism as well as grants to organizations that are building community power and working to preserve democratic institutions and democracy. Finally, the Organization held its Annual Conference, "WDN Connect: 2022," which was offered both in person in Santa Ana Pueblo, New Mexico and online for virtual participants, with more than 140 attendees who gathered to hear from visionary women movement leaders, learn from each other, and build community.

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

Method of Accounting

The financial statements of the Organization have been prepared using the accrual method of accounting, which involves the recognition of revenues and gains when earned and expenses and losses when incurred in accordance with accounting principles generally accepted in the United States of America for not-for-profit organizations (GAAP).

Basis of Presentation

Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - represent net assets that are not subject to donor-imposed stipulations. The Board of Directors has designated a portion of this class of net assets for operating reserves. The amounts designated are not available for the Organization's operations without the Board of Directors' approval.

Net Assets With Donor Restrictions - represent net assets subject to donor-imposed stipulations. Some donor-imposed restrictions may be met either by actions of the Organization and/or the passage of time.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Concentrations

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents. Such balances with any one institution may, at times, be in excess of federally insured amounts ($250,000 per depositor). The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk.

For the year ended December 31, 2022, contributions from two donors comprised 35% of contributions revenue. At December 31, 2022, 65% of pledges receivable were due from one donor. For the year ended December 31, 2021, contributions from three donors comprised 69% of contributions revenue. At December 31, 2021, 86% of pledges receivable were due from one donor.

For the year ended December 31, 2022, grants to one grantee comprised 17% of grants expense. At December 31, 2022, 100% of grants payable were due to two grantees. For the year ended December 31, 2021, grants to one grantee comprised 16% of grants expense. At December 31, 2021, 100% of grants payable were due to three grantees.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less, to be cash equivalents.

Certificates of Deposit

The Organization reports certificates of deposit at cost plus accrued interest. Unless the Organization identifies events or changes in circumstances that might have an adverse effect on the carrying value of these certificates, management does not evaluate such certificates for impairment.

Pledges Receivable

Pledges receivable include unconditional promises to give from donors. Pledges receivable are recorded at net realizable value. Pledges receivable that are expected to be received in future years are discounted to the anticipated present value of future cash flows using a discount rate. The Organization provides an allowance for estimated uncollectible contributions.

Program Investments

To promote women's leadership and economic empowerment, the Organization maintains program-related investments in a community investment note to Calvert Impact Capital and CNote. The program investments are valued at cost plus accrued interest. The investment to Calvert Impact Capital is in the Women Investing in Women Initiative that provides loan capital to organizations working to empower women through projects that support education, microfinance, health care, childcare, housing and leadership development. The investment in CNote provides capital to Community Development Financial Institutions that provide community development funds to communities that typically have difficulty accessing capital.

The Calvert Impact Capital investment consists of one investment for $408,259 that matures in February 2024. The CNote investment consists of three loans for a total of $731,000 that mature in January 2023. Each year, management evaluates the collectability of the remaining program investment. At December 31, 2022, there is no additional allowance reflected in the financial statements.

Property, Equipment and Depreciation

The Organization records acquisitions of durable equipment with a cost of $1,000 or more and leasehold improvements that significantly prolong the useful lives of assets as property and equipment. Property and equipment are recorded at cost when purchased and fair value when received as a donation. Property and equipment are depreciated over the estimated useful lives of the respective assets, primarily three to five years, using the straight-line method of depreciation. Leasehold improvements are amortized over the shorter of the useful life of the improvements or the life of the lease.

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset. Management believes there were no indicators of impairment at December 31, 2022 and 2021.

Grants Payable

Grants to others are recorded as an expense when unconditionally committed by the Organization. At December 31, 2022 and 2021, grants payable was $200,000 and $350,000, respectively, all payable within a year.

Income Tax Status

The Organization is recognized as a public charity exempt from Federal and State income tax under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code, whereby only unrelated business income, as defined by Section 512(a)(1) of the Internal Revenue Code and similar code section of the California Revenue and Taxation Code, is subject to income tax.

Each year management considers whether any material tax positions the Organization has taken are more likely than not to be sustained upon examination by the applicable taxing authority. Management believes that any positions the Organization has taken are supported by substantial authority and, hence, do not need to be measured or disclosed in these financial statements.

Revenue Recognition

Contributions

Contributions are recognized when the donor makes a promise to the Organization that is, in substance, unconditional. The Organization reports gifts of cash and other assets as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. 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 statements of activities as net assets released from restrictions.

Gifts of property and equipment are recorded as net assets without donor restrictions unless explicit donor stipulations specify how the donated asset must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when donated or acquired long-lived assets are placed in service.

Conferences Registration Fees and Other Program Fees

Revenue recognition for conference registration fees and other program fees is accounted for under Accounting Standards Codification (ASC) No. 606, *Revenue from Contracts with Customers* (Topic 606), through the following five steps: (i) identification of the contract with a customer; (ii) identification of the performance obligation in the contract; (iii) determination of the transaction price; (iv) allocation of the transaction price in the contract; and (v) recognition of revenue when or as a performance obligation is satisfied.

Conference registration fees consists of fees paid for conferences that the Organization hosts once a year. The Organization's performance obligation is to conduct the conference for which registration fee is collected. Revenue is recognized at the time the performance obligation is satisfied or on the date of the conference. Fees paid in advance of the conference are recorded as deferred revenue.

Program fees generally consist of fees paid for events such as seminars, donor trips and donor retreats that the Organization hosts over the duration of the year. The Organization's performance obligation is to conduct the event for which tickets are sold. The transaction price is determined when the participant purchases an event ticket. Revenue is recognized when the event occurs. Fees received near the end of the year for an event in the subsequent year are recorded as deferred revenue.

Allocation of Expenses

The statements of functional expenses present the natural classification detail of expenses by function. Certain costs have been allocated among the programs and supporting services benefited based on the percentage of time employees work in each functional area.

Subsequent Events

Management has evaluated subsequent events and transactions for potential recognition or disclosure March 11, 2024, the date which the financial statements were available to be issued.

Recently Issued Accounting Standards

During June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standard Update (ASU) No. 2016-13, *Measure of Credit Losses on Financial Instruments*. ASU No. 2016-13 requires financial assets are measured at amortized cost to be presented at the net amount expected to be collected, through an allowance for credit losses that is deducted from the amortized cost basis. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable standards to clarify, correct errors in, or improve the guidance. ASU No. 2016-13 (as amended) is effective for the Organization for its year ending December 31, 2023, and early adoption is permitted. The Organization is currently assessing the effect that ASU No. 2016-13 and its impact on its financial statements.

2. New Accounting Pronouncements

During 2022, the Organization adopted ASU No. 2020-07, *Not-for-Profit Entities (Topic 958) Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. ASU No. 2020-07 improves financial reporting by providing new presentation and disclosure requirements for recognized contributed services. The adoption of ASU 2020-07 did not have a material impact on the Organization's financial statements.

Effective January 1, 2022, the Organization adopted FASB ASU No. 2016-02, *Leases (Topic 842)*, and all related amendments using the modified retrospective approach. The Organization's 2021 financial statements continue to be accounted for under the FASB's Topic 840 and have not been adjusted.

ASU No. 2016-02 requires lessees to recognize the assets and liabilities that arise from leases on the statement of financial position. At lease inception, leases are classified as either finance leases or operating leases with the associated right-of-use asset and lease liability measured at the net present value of future lease payments. Operating leases are expensed on a straight-line basis as lease expense over the noncancelable lease term. Expenses for finance leases are comprised of the amortization of the right-of-use asset and interest expense recognized based on the effective interest method. At the date of adoption, the Organization recorded operating lease right-of-use assets and lease liabilities of $766,767 and $807,806, respectively.

The new standard provides for several optional practical expedients. Upon transition to Topic 842, the Organization elected:

- The package of practical expedients permitted under the transition guidance which does not require the Organization to reassess prior conclusions regarding whether contracts are or contain a lease, lease classification and initial direct lease costs;

The new standard also provides for several accounting policy elections, as follows:

- The Organization has elected the policy not to separate lease and nonlease components for its office space;

- When the rate implicit in the lease is not determinable, rather than use the Organization's incremental borrowing rate, the Organization elected to use a risk-free discount rate for the initial and subsequent measurement of lease liabilities for its office space.

Additional required disclosures for Topic 842 are contained in Note 9.

As a result of the adoption, deferred rent of $41,039 and sublease payable of $230,291 was reclassified to right-of-use assets.

3. Liquidity and Availability of Financial Assets

The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The Organization has a policy to build and maintain a four-month operating reserve indexed to the annual operating expense budget, exclusive of grants awarded through its grant-making initiatives. The Organization also has a policy that it will maintain an additional carryforward of current financial assets without donor restrictions less current liabilities, over and above the board-designated four-month reserve, sufficient to help pay for special projects in the future. To achieve these targets, the entity forecasts its future needs during the annual budgeting process, monitors its liquidity quarterly and monitors its reserves annually.

The Organization defines general expenditures as ongoing program, management and general and fundraising expenses. The table below presents financial assets available to fund general operating expenses within one year at December 31, 2022 and 2021:

	2022	2021
Financial assets:		
Cash and cash equivalents	$ 3,510,240	$ 2,579,783
Certificates of deposit	123,137	123,137
Pledges receivable, net	6,975,648	7,875,519
Related-party receivables	309,320	117,576
Program investments	1,139,321	838,253
Total financial assets	12,057,666	11,534,268
Less amounts not available to be used within one year:		
Program investments, greater than one year	(108,799)	(107,191)
Net assets with donor restrictions, time restrictions greater than one year	(2,821,777)	(4,718,126)
Net assets with donor restrictions, purpose restrictions	(1,198,969)	(53,000)
Net assets without donor restrictions, board designated	(1,270,000)	(1,100,000)
Financial assets not available to meet general expenditures within one year	(5,399,545)	(5,978,317)
	$ 6,658,121	$ 5,555,951

4. Pledges Receivable

At December 31, 2022 and 2021, pledges receivable consisted of the following:

	2022	2021
Receivable in less than one year	$ 4,513,289	$ 3,430,127
Receivable in one to five years	3,121,500	5,185,000
Total pledges receivable	7,634,789	8,615,127
Allowance for uncollectible receivables	(608,000)	(685,000)
Unamortized discount	(51,141)	(54,608)
Pledges receivable, net	$ 6,975,648	$ 7,875,519

Pledges receivable with due dates extending beyond one year were discounted using discount rates between 0.36% and 4.48% at December 31, 2022, and between 0.36 % and 2.51% at December 31, 2021.

5. Property and Equipment

At December 31, 2022 and 2021, property and equipment consisted of the following:

	2022	2021
Website	$ 94,830	$ 90,805
Furniture and equipment	90,572	93,640
Leasehold improvements	20,481	20,481
Software	5,925	5,925
Total property and equipment	211,808	210,851
Accumulated depreciation and amortization	(158,123)	(125,783)
Property and equipment, net	$ 53,685	$ 85,068

Depreciation and amortization expense for the years ended December 31, 2022 and 2021 were $34,262 and $49,789, respectively.

6. Net Assets With Donor Restrictions

At December 31, 2022 and 2021, net assets with donor restrictions consisted of the following:

	2022	2021
Time restrictions	$ 7,857,682	$ 9,043,034
Abortion Bridge Collaborative (ABC) Fund	1,133,160	-
Protect Our Democracy Project	35,809	-
Jean Hardisty Initiative	15,000	-
Impact Collectives	15,000	25,000
Action funds	-	3,000
Reflective Democracy Campaign	-	25,000
	9,056,651	9,096,034
Allowance for uncollectible restricted pledges	(608,000)	(685,000)
Unamortized discount related to restricted pledges	(51,141)	(54,608)
	$ 8,397,510	$ 8,356,426

During the year ended December 31, 2022 and 2021, net assets were released from restrictions by incurring expenditures satisfying the restricted purposes, or by occurrences of other events specified by donors, as follows:

	2022	2021
Jean Hardisty Initiative	$ 112,899	$ 122,625
Passage of time	3,858,034	783,417
Impact Collectives	160,046	217,949
Emergent Fund	93,000	125,725
Reflective Democracy Campaign	72,000	75,072
Hurricane Ida Recovery	-	1,000
Protect Our Democracy Project	719,750	-
ABC Fund	1,953,955	-
	$ 6,969,684	$ 1,325,788

7. Retirement Plan

Included in the Organization's employee benefits expense is the Organization's contributions made to individual 401(k) accounts for each regular employee who works at least 20 hours per week. For the year ended December 31, 2022, the Organization's contribution consists of a fixed contribution of 4% of each employee's compensation, as well as a matching contribution of up to 3% of compensation on voluntary employee contributions to their own accounts. Total employer contributions to these plans for the year ended December 31, 2022, was $62,090. For the year ended December 31, 2021, the Organization's contribution consists of a fixed contribution of 4% of each employee's compensation, as well as a matching contribution of up to 3% of compensation on voluntary employee contributions to their own accounts. Total employer contributions to these plans for the year ended December 31, 2021, was $48,340.

8. Sabbatical Leave

During the year ended December 31, 2015, the Organization instituted a policy to provide a three-month paid sabbatical leave to eligible employees. The policy was implemented retroactively for all eligible employees based on their employment date. At December 31, 2022 and 2021, the accrued sabbatical liability was $194,280 and $201,921, respectively.

9. Leases

On February 6, 2019, the Organization entered into a noncancelable operating lease arrangement, for its office space, which commenced on June 1, 2019 and expires on May 31, 2024. The lease contains lease payments starting at $26,837, with scheduled annual increases and requires payment of the tenant's share of property taxes and operating expenses.

On February 26, 2021, the Organization entered into a sublease agreement for this operating lease agreement which will expire on May 31, 2024.

Right-of-use assets represent the Organization's right to use an underlying asset for the lease term, while lease liabilities represent the Organization's obligation to make lease payments arising from the lease. Right-of-use assets and lease liabilities are recognized at the commencement date of a lease based on the net present value of lease payments over the lease term.

Certain of the Organization's leases include options to renew or terminate the lease. The exercise of lease renewal or early termination options is at the Organization's sole discretion. The Organization regularly evaluates the renewal and early termination options and when they are reasonably certain of exercise, the Organization includes such options in the lease term.

In determining the discount rate used to measure the right-of-use assets and lease liabilities, the Organization uses the rate implicit in the lease, or if not readily available, the Organization uses a risk-free rate based on U.S. Treasury notes or bond rates for a similar term.

Right-of-use assets are assessed for impairment in accordance with the Organization's long-lived asset policy. The Organization reassesses lease classification and remeasures right-of-use assets and lease liabilities when a lease is modified and that modification is not accounted for as a separate new lease or upon certain other events that require reassessment in accordance with Topic 842.

The Organization made significant assumptions and judgments in applying the requirements of Topic 842. In particular, the Organization:

- Evaluated whether a contract contains a lease, by considering factors such as whether the Organization obtained substantially all rights to control an identifiable underlying asset and whether the lessor has substantive substitution rights;

- Determined whether contracts contain embedded leases;

- Evaluated leases with similar commencement dates, lengths of term, renewal options or other contract terms, which therefore meet the definition of a portfolio of leases, whether to apply the portfolio approach to such leases;

- Determined for leases that contain a residual value guarantee, whether a payment at the end of the lease term was probable and, accordingly, whether to consider the amount of a residual value guarantee in future lease payments;

The Organization does not have any material leasing transactions with related parties.

The following table summarizes the operating lease right-of-use assets and operating lease liabilities as of December 31, 2022:

Operating lease right-of-use assets	$ 344,679
Operating lease liabilities:	
Current	336,986
Long-term	142,327
Total operating lease liabilities	$ 479,313

Below is a summary of expenses incurred pertaining to leases during the year ended December 31, 2022:

Operating lease expense	$ 239,536

The right-of-use assets and lease liabilities were calculated using an average discount rate of 1.04%. As of December 31, 2022, the remaining lease term was two years.

The table below summarizes the Organization's scheduled future minimum lease payments for years ending after December 31, 2022:

Years ending December 31:	
2023	$ 340,079
2024	142,574
Total lease payments	482,653
Less present value discount	(3,340)
Total lease liabilities	479,313
Less current portion	(336,986)
Long-term lease liabilities	$ 142,327

The following table includes supplemental cash flow and noncash information related to the leases for the year ended December 31, 2022:

Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	$ 335,047

10. Sublease

On February 26,2021, the Organization entered into a sublease agreement to sublease its office space. The sublease agreement will expire on May 31, 2024. Loss on the sublease was recorded during the year ended December 31, 2021 in the amount of $230,291.

Future sublease payments at December 31, 2022 are as follows:

Years ending December 31:	
2023	$ 269,631
2024	113,220
Total lease payments	$ 382,851

11. Related-Party Transactions

In December 2017, a new separate legal entity called WDN Action was formed, as a nonprofit corporation exempt from federal income tax under Section 501(c)(4) of the Internal Revenue Code. The purpose of this organization is to advance a just, equitable and sustainable world through advocacy, funding and civic engagement of underrepresented communities.

On December 7, 2017, the Organization entered into a resource sharing agreement (the Agreement) with WDN Action. Under the terms of the Agreement, the Organization and WDN Action share a variety of personnel, facilities and goods and services. The Organization allocates shared costs between the Organization and WDN Action.

For the years ended December 31, 2022 and 2021, the Organization allocated $755,281 and $309,114, respectively, of expenses to WDN Action under the Agreement.

At December 31, 2022 and 2021, the Organization had accounts receivable totaling $286,643 and $117,576, respectively, from WDN Action.

During the years ended December 31, 2022 and 2021, the Organization awarded grants to WDN Action totaling $250,000 and $150,000, respectively.

During the year ended December 31, 2022, the Organization had contributions from board members totaling $762,633.