



ELAW

Environmental Law Alliance Worldwide

ENVIRONMENTAL LAW ALLIANCE WORLDWIDE U.S.

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2022 AND 2021 WITH

INDEPENDENT AUDITOR'S REPORT

Environmental Law Alliance Worldwide U.S.

December 31, 2022

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Environmental Law Alliance Worldwide U.S.

Years ended December 31, 2022 and 2021

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Environmental Law Alliance Worldwide U.S.
Eugene, Oregon

Opinion

We have audited the accompanying financial statements of Environmental Law Alliance Worldwide U.S., ("ELAW"), which comprise the statement of financial position as of December 31, 2022 and 2021, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ELAW 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 audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of ELAW 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 ELAW's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ELAW'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 ELAW'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.



Isler CPA
April 27, 2023

FINANCIAL STATEMENTS

Environmental Law Alliance Worldwide U.S.

Statements of Financial Position

December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash	\$ 5,146,588	\$ 4,313,532
Accounts receivable	5,971	3,283
Contributions receivable	10,522	32,585
Grants receivable	2,247,324	2,301,016
Prepaid expenses	48,689	10,205
Fixed assets, net of accumulated depreciation	921,000	929,250
Investments	<u>2,101,417</u>	<u>558,848</u>
Total assets	<u>\$ 10,481,511</u>	<u>\$ 8,148,719</u>
LIABILITIES AND NET ASSETS		
Accounts payable	\$ 74,046	\$ 2,294
Payroll payable	53,804	36,125
Vacation payable	149,465	131,975
Subgrants payable	<u>477,286</u>	<u>587,790</u>
Total liabilities	<u>754,601</u>	<u>758,184</u>
Net assets:		
Without donor restrictions:		
Undesignated	3,190,175	2,029,702
Designated - Kilian O. Doherty Legacy Fund	291,476	-
Designated - Sustainability Fund	<u>1,177,640</u>	<u>558,848</u>
Total without donor restrictions	4,659,291	2,588,550
With donor restrictions	<u>5,067,619</u>	<u>4,801,985</u>
Total net assets	<u>9,726,910</u>	<u>7,390,535</u>
Total liabilities and net assets	<u>\$ 10,481,511</u>	<u>\$ 8,148,719</u>

See accompanying notes to financial statements.

Environmental Law Alliance Worldwide U.S.

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
Revenue, gains, and other support:						
Contributions	\$ 1,395,181	\$ 65,230	\$ 1,460,411	\$ 928,862	\$ 262,023	\$ 1,190,885
Grants	196,358	3,683,810	3,880,168	-	4,244,218	4,244,218
Net investment income	(53,330)	-	(53,330)	63,523	-	63,523
Program income	1,625	-	1,625	45,148	-	45,148
In-kind services contributed	4,100	-	4,100	11,700	-	11,700
Miscellaneous income	9,503	-	9,503	192	-	192
Net assets released from time and program restrictions	<u>3,926,406</u>	<u>(3,926,406)</u>	<u>-</u>	<u>3,115,177</u>	<u>(3,115,177)</u>	<u>-</u>
Total revenue, gains, and other support	<u>5,479,843</u>	<u>(177,366)</u>	<u>5,302,477</u>	<u>4,164,602</u>	<u>1,391,064</u>	<u>5,555,666</u>
Expenses:						
Program services	3,036,076	-	3,036,076	3,279,002	-	3,279,002
Management and general	160,412	-	160,412	101,599	-	101,599
Development	<u>212,614</u>	<u>-</u>	<u>212,614</u>	<u>208,984</u>	<u>-</u>	<u>208,984</u>
Total expenses	<u>3,409,102</u>	<u>-</u>	<u>3,409,102</u>	<u>3,589,585</u>	<u>-</u>	<u>3,589,585</u>
Change in net assets	2,070,741	(177,366)	1,893,375	575,017	1,391,064	1,966,081
Net assets at beginning of year	2,588,550	4,801,985	7,390,535	2,013,533	3,410,921	5,424,454
Prior period adjustment (see Note 14)	<u>-</u>	<u>443,000</u>	<u>443,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net assets at end of year	<u>\$ 4,659,291</u>	<u>\$ 5,067,619</u>	<u>\$ 9,726,910</u>	<u>\$ 2,588,550</u>	<u>\$ 4,801,985</u>	<u>\$ 7,390,535</u>

See accompanying notes to financial statements.

Environmental Law Alliance Worldwide U.S.

Statements of Cash Flows

Years ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Change in net assets	\$ 1,893,375	\$ 1,966,081
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	8,250	8,250
Donated securities	(34,017)	(35,110)
(Gain) Loss on investments	68,566	(63,423)
Prior period adjustment	443,000	-
Change in operating assets and liabilities:		
Accounts receivable	(2,688)	(2,418)
Contributions receivable	22,063	(22,268)
Grants receivable	53,692	(1,049,039)
Prepaid expenses	(38,484)	(7,073)
Accounts payable	71,752	801
Payroll and related accruals	17,679	10,725
Vacation payable	17,490	30,495
Subgrants payable	<u>(110,504)</u>	<u>363,504</u>
Net cash provided (used) by operating activities	<u>2,410,174</u>	<u>1,200,525</u>
Cash flows from investing activities:		
Proceeds from sale of investments	1,525,725	383,394
Purchase of investments	<u>(3,102,843)</u>	<u>(452,973)</u>
Net cash provided (used) by investing activities	<u>(1,577,118)</u>	<u>(69,579)</u>
Net change in cash and cash equivalents	833,056	1,130,946
Cash at beginning of year	<u>4,313,532</u>	<u>3,182,586</u>
Cash at end of year	<u>\$ 5,146,588</u>	<u>\$ 4,313,532</u>

See accompanying notes to financial statements.

Environmental Law Alliance Worldwide U.S.

Statement of Functional Expenses

Year ended December 31, 2022

	<u>Program Services</u>	<u>Management and General</u>	<u>Development</u>	<u>Total</u>
Payroll and related expenses:				
Salaries	\$ 1,170,084	\$ 102,697	\$ 156,677	\$ 1,429,458
Payroll taxes	106,642	10,157	9,112	125,911
Retirement benefits	47,247	4,702	3,922	55,871
Other employee benefits	<u>143,566</u>	<u>13,241</u>	<u>15,883</u>	<u>172,690</u>
Total payroll related expenses	<u>1,467,539</u>	<u>130,797</u>	<u>185,594</u>	<u>1,783,930</u>
Other operating expenses:				
Subgrants expense	912,516	-	-	912,516
Professional services	477,998	15,064	8,664	501,726
In-kind professional services	4,100	-	-	4,100
Communications	8,625	828	736	10,189
Office expenses	55,621	4,733	10,715	71,069
Printing	28,988	2,922	2,417	34,327
Non-depreciable equipment/software	39,772	3,597	3,109	46,478
Travel	19,257	10	6	19,273
Conference/meeting	14,695	1,636	913	17,244
Depreciation	<u>6,965</u>	<u>825</u>	<u>460</u>	<u>8,250</u>
Total other expenses	<u>1,568,537</u>	<u>29,615</u>	<u>27,020</u>	<u>1,625,172</u>
Total expenses	<u>\$ 3,036,076</u>	<u>\$ 160,412</u>	<u>\$ 212,614</u>	<u>\$ 3,409,102</u>

See accompanying notes to financial statements.

Environmental Law Alliance Worldwide U.S.

Statement of Functional Expenses

Year ended December 31, 2021

	<u>Program Services</u>	<u>Management and General</u>	<u>Development</u>	<u>Total</u>
Payroll and related expenses:				
Salaries	\$ 998,066	\$ 74,624	\$ 154,632	\$ 1,227,322
Payroll taxes	90,397	6,012	11,096	107,505
Retirement benefits	30,443	2,197	3,709	36,349
Other employee benefits	<u>113,840</u>	<u>7,335</u>	<u>15,969</u>	<u>137,144</u>
Total payroll related expenses	<u>1,232,746</u>	<u>90,168</u>	<u>185,406</u>	<u>1,508,320</u>
Other operating expenses				
Subgrants expense	1,628,558	-	-	1,628,558
Professional services	295,456	4,663	3,015	303,134
In-kind professional services	11,700	-	-	11,700
Communications	10,616	706	1,270	12,592
Office expenses	49,475	2,870	13,672	66,017
Printing	22,525	1,504	2,571	26,600
Non-depreciable equipment/software	18,125	1,206	2,225	21,556
Travel	2,804	20	35	2,859
Depreciation	<u>6,998</u>	<u>462</u>	<u>790</u>	<u>8,250</u>
Total other expenses	<u>2,046,257</u>	<u>11,431</u>	<u>23,578</u>	<u>2,081,266</u>
Total expenses	<u>\$ 3,279,003</u>	<u>\$ 101,599</u>	<u>\$ 208,984</u>	<u>\$ 3,589,586</u>

See accompanying notes to financial statements.

Environmental Law Alliance Worldwide U.S.

Notes to Financial Statements

December 31, 2022 and 2021

Note 1 - Nature of Operations and Summary of Significant Accounting Policies

Organization

Environmental Law Alliance Worldwide U.S. (ELAW), an exempt organization, is operated for educational and charitable purposes. ELAW provides legal, scientific, and administrative support to public interest attorneys and scientists in numerous countries to facilitate the development and practice of public interest environmental law around the world, to empower citizens to protect natural resources and defend the basic human right to clean air, clean water and a healthy environment.

ELAW is a part of a network of ELAW organizations in different countries. Each organization is a separate entity with distinct boards of directors and activities. ELAW makes some sub-grants to other ELAW organizations. ELAW maintains administrative oversight for international sub-grants.

ELAW has three main operating areas: Program services include all services that are performed to accomplish ELAW's central mission; Administration is composed of activities that cannot be specifically attributed to a programmatic purpose or enable ELAW's day-to-day operations; and Development, which includes all fundraising and donor outreach activities.

Income Tax Status

ELAW is an exempt organization under Internal Revenue Code (IRC) Section 501(c)(3) and a public charity qualified for charitable contributions under IRC Section 170. ELAW files required informational returns with both the U.S. federal jurisdiction and the State of Oregon.

Basis of Presentation

Financial statements are presented in accordance with U.S. generally accepted accounting principles which require ELAW to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

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 that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenue Recognition

Contribution and grant revenue is recorded as with donor restrictions or without donor restrictions depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when stipulated time restriction ends or purpose restrictions accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as such on the statements of activities.

Program income results from providing consulting and legal advisory services to other organizations that perform environmental research and advocacy activities. Program income is recognized at the point in time when the contracted services are provided.

Functional Allocation of Expenses

The statements of activities present a summary of the expenses incurred to provide program and supporting activities on a functional basis. Expenses have been allocated between program services and supporting activities. Management and general services include general and administrative activities; development services include all fundraising activities. ELAW provides some program services by funding partners in other countries to provide those program services.

Environmental Law Alliance Worldwide U.S.

Notes to Financial Statements

December 31, 2022 and 2021

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

Cash

For the purposes of the statements of cash flows, ELAW considers all cash and other highly liquid investments (including money market accounts held at non-brokerage institutions) to be cash.

Investments

Investments on the statements of financial position, including money market funds and mutual funds, are recorded at cost when purchased or are measured at fair value if donated. Fair value is based on quoted market prices in active markets that ELAW can access at the measurement date. Net investment return (including gains and losses on investments, interest, and dividends) is included in the statements of activities as increases or decreases in unrestricted net assets, unless the income or loss is restricted by donor or law.

Fixed Assets

Fixed assets are recorded at cost or estimated fair value at date of gift. Donations are reported as unrestricted support unless the donor has restricted the donated assets to a specific purpose. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. ELAW capitalizes property and equipment exceeding \$5,000. Useful lives are as follows: buildings (40 years); equipment (3-7 years).

Subgrants Payable

Grants payable consists of grants related to environmental issues awarded to various organizations worldwide. The grants are recorded as liabilities at the time the grant is awarded to the sub-grantee organization.

Grant Revenue

ELAW often receives large, multi-year grants. Total revenue and related receivables from these grants are recorded in the year in which the grant is awarded. Thus, stated grant revenue may show large fluctuations from year-to-year that do not reflect parallel fluctuations in cash flow or support.

In-kind Contributions

Contribution for goods, materials, and facilities are recorded at their estimated values. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose.

Donated services meeting the criteria for recognition are recorded in the financial statements. These services consist of legal and scientific program support and are valued at rates provided by the donor. ELAW receives additional volunteer support that is not recognized in the financial statements.

Reclassifications

Certain reclassifications of prior year amounts have been made to conform to the current year presentation.

Environmental Law Alliance Worldwide U.S.

Notes to Financial Statements

December 31, 2022 and 2021

Note 2 - Concentration of Credit Risk

Cash balances for 2022 and 2021 are considered to be unrestricted and undesignated. ELAW maintains cash in some depository accounts exceeding the Federal Deposit Insurance Corporation (FDIC) depository insurance limits of \$250,000 per financial institution. At December 31, 2022 and 2021, ELAW's cash balances held with banks exceeded FDIC depository insurance by \$423,829 and \$454,479, respectively. ELAW also holds cash and investments with a brokerage firm, these balances are fully insured through basic insurance and additional excess insurance provided by the Securities Investment Protection Corporation.

Note 3 - Contributions Receivable

As of December 31, 2022 and 2021, all contributions receivable were considered fully collectible; therefore no allowance for doubtful accounts has been established. All contributions receivable were anticipated to be collected within one year.

Note 4 - Grants Receivable

As of December 31, 2022 and 2021, all grants receivable are considered fully collectible; therefore no allowance for doubtful accounts has been established. All grants receivable were anticipated to be collected within one year.

Note 5 - Designated net assets

The ELAW Board of Directors established the ELAW Sustainability Fund (the Sustainability Fund) in October 1998 to begin providing for ELAW's long-term sustainability. The Sustainability Fund is held in depository and investment accounts separate from ELAW's operating funds. The Fund is comprised of cash, money market funds, mutual funds, bond funds, and equity funds. The Sustainability Fund's earnings are reinvested; other deposits to the Sustainability Fund come from investment and miscellaneous income, and unrestricted grant and contribution revenue. These funds are used to generate investment income and, at the discretion of the board, for purchasing fixed assets. Each year, the Board of Directors will prescribe a formula for calculating the coming year's contribution, based on review of ELAW's financial position. Contributions of \$618,792 were made to the Sustainability Fund in 2022, there were \$168,112 contributions made in 2021.

The ELAW Board of Directors established the Killian O. Doherty Legacy Fund (the Legacy Fund) in March 2021 to provide fellowships for lawyers and internships for law students to advance environmental justice, especially in the areas of Indigenous law and human rights. The Fund is held in depository and investment accounts separate from ELAW's operating funds. The Fund is comprised of cash, money market funds, mutual funds, bond funds, and equity funds. The Fund's earnings are reinvested; other deposits to the Fund come from private contributions and miscellaneous income. These funds are used to provide funding for the fellowships and internships. Contributions of \$291,476 were made to the fund in 2022.

Note 6 - Donor Imposed Restrictions on Net Assets

Net assets with donor imposed restrictions were available for the following purposes as of December 31:

	<u>2022</u>	<u>2021</u>
Purpose restrictions	\$ 2,239,893	\$ 3,180,355
Time restrictions	<u>2,827,726</u>	<u>1,621,630</u>
Total	<u>\$ 5,067,619</u>	<u>\$ 4,801,985</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by donors as follows for the year ended December 31, 2021 and 2022:

Environmental Law Alliance Worldwide U.S.

Notes to Financial Statements

December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Satisfactions of purpose restrictions	\$ 2,072,356	\$ 1,788,619
Expiration of time restrictions	<u>1,854,050</u>	<u>1,326,558</u>
Total	<u>\$ 3,926,406</u>	<u>\$ 3,115,177</u>

Note 7 - Concentrations

Of the total amount receivable for 2022, 57 percent was due from two private foundations and the US Department of State. Of the total amount receivable for 2021, 73 percent was due from two private foundations.

Two private foundations were responsible for contributing 37 percent of ELAW's total revenue for 2022. Four private foundations were responsible for 50 percent of ELAW's total revenue for 2021.

Note 8 - Property and equipment

Fixed assets consist of the following at December 31:

	<u>2022</u>	<u>2021</u>
Land	\$ 657,000	\$ 657,000
Buildings	330,000	330,000
Equipment	<u>2,681</u>	<u>2,681</u>
Total fixed assets	989,681	989,681
Less accumulated depreciation	<u>(68,681)</u>	<u>(60,431)</u>
Net fixed assets	<u>\$ 921,000</u>	<u>\$ 929,250</u>

Note 9 - Employee Benefit Plan

ELAW has a SEP/IRA retirement plan for eligible employees. ELAW has the option of contributing to eligible employee's plans as approved by the Board of Directors. ELAW made employer contributions of \$55,871 and \$36,349 for the years ended December 31, 2022 and December 31, 2021, respectively.

Environmental Law Alliance Worldwide U.S.

Notes to Financial Statements

December 31, 2022 and 2021

Note 10 - Fair Value Measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to inputs other than quoted prices or unobservable inputs (level 2 and 3 measurements). All of ELAW's investments are classified as Level 1, as described below.

Level 1 – Valuation is based on quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities generally include debt and equity securities that are traded in an active exchange market. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

The fair values at December 31, 2022 and 2021, were as follows:

	<u>2022</u>	<u>2021</u>
Corporate equities	\$ 513,777	\$ 321,493
Certificates of deposit	1,587,640	-
Mutual funds	<u>-</u>	<u>237,355</u>
Total investments at fair value	<u>\$ 2,101,417</u>	<u>\$ 558,848</u>
Reported as:		
Sustainability fund investments	<u>\$ 2,101,417</u>	<u>\$ 558,848</u>
Total investments at fair value	<u>\$ 2,101,417</u>	<u>\$ 558,848</u>

Note 11 - Subsequent Events

Management evaluates events and transactions that occur after the statement of financial position date as potential subsequent events. Management has performed this evaluation through April 27, 2023; the date the financial statements were available to be issued.

Environmental Law Alliance Worldwide U.S.

Notes to Financial Statements

December 31, 2022 and 2021

Note 12 - Liquidity and Availability of Financial Assets

The following reflects ELAW's financial assets as of the balance sheet date, reduced by amounts not available for general use within one year of the balance sheet date because of contractual or donor-imposed restrictions or because of board designations for long-term liquidity. Amounts designated by the board could be drawn upon with the approval of the board.

	<u>2022</u>	<u>2021</u>
Cash	\$ 5,146,588	\$ 4,313,532
Accounts receivable	5,971	3,283
Contributions receivable	10,522	32,585
Grants receivable	2,247,324	2,301,016
Sustainability Fund investments	<u>2,101,417</u>	<u>558,848</u>
Financial assets at year-end	9,511,822	7,209,264
Less those unavailable for general expenditures within one year, due to:		
Amounts with donor imposed restrictions to be expended for specific purposes	(2,239,893)	(3,180,355)
Board designated sustainability fund investments for organizational liquidity	<u>(2,101,417)</u>	<u>(558,848)</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 5,170,512</u>	<u>\$ 3,470,061</u>

As part of ELAW's liquidity management, it invests primarily in money market funds and short-term investments.

Note 13 - Revenue from Contracts with Customers

ELAW's program revenue is received, primarily, in the form of payment for contracted legal and research services provided to other organizations by ELAW employees. The balance of contract assets (accounts receivable) and related activity are presented below.

	<u>Accounts Receivable</u>	
	<u>2022</u>	<u>2021</u>
As of January 1	\$ 3,283	\$ 867
Balance as of December 31	5,971	3,283

The nature, amount, timing, and uncertainty of revenue and cash flows from contracts with customers vary based on the amount and nature of services provided.

Note 14 - Restatements of Net Assets

In 2021 ELAW was awarded two unconditional, but restricted grants totaling \$443,000. The funding for these grants was subsequently received in 2022. Accounting standards for unconditional grants generally require revenue to be recognized at the time when a promise to give is made by a grantor. A prior period adjustment to the opening 2022 net position with donor imposed restrictions has been recorded.