

**ACKERMAN INSTITUTE
FOR THE FAMILY**

**Financial Statements
for the year ended
June 30, 2023
(with summarized
comparative information for 2022)**

Independent Auditor's Report

To the Board of Directors of
Ackerman Institute for the Family

We have audited the accompanying financial statements of the Ackerman Institute for the Family (the "Organization"), which comprise the statement of financial position as of June 30, 2023 and the related statements of activities, functional expenses and cash flows for the year 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 the Organization as of June 30, 2023 and the results of its activities and its cash flows for the year 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 the Organization 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

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 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.

Report on Summarized Comparative Information

We have previously audited the Organization's 2022 fiscal year financial statements, and our report dated December 6, 2022, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented as of and for the year ended June 30, 2022 is consistent, in all material respects, with the financial statements from which it has been derived.

Condon O'Meara McGrath & Donnell LLP

December 5, 2023

ACKERMAN INSTITUTE FOR THE FAMILY

Statement of Financial Position June 30, 2023 and June 30, 2022

	Assets			Liabilities and Net Assets		
	2023		2022	2022		Total
	Without Donor Restrictions	With Donor Restrictions		Without Donor Restrictions	With Donor Restrictions	
Current assets						
Cash and cash equivalents	\$ 200,351	\$ 703,024	\$ 903,375	\$ 430,367	\$ 429,827	\$ 860,194
Investments, at fair value	5,443,442	4,985,564	10,429,006	5,539,880	4,790,578	10,330,458
Accounts receivable	429,771	-	429,771	993,240	-	993,240
Contributions receivable	62,550	-	62,550	46,000	-	46,000
Prepaid expenses and other assets	148,116	-	148,116	166,448	-	166,448
Total current assets	6,284,230	5,688,588	11,972,818	7,175,935	5,220,405	12,396,340
Property and equipment, at cost, net of accumulated depreciation	8,589,883	-	8,589,883	8,915,178	-	8,915,178
Total assets	\$ 14,874,113	\$ 5,688,588	\$ 20,562,701	\$ 16,091,113	\$ 5,220,405	\$ 21,311,518
Current liabilities						
Line of credit	\$ 2,026,581	-	\$ 2,026,581	\$ 1,000,000	-	\$ 1,000,000
Accounts payable and accrued expenses	251,803	-	251,803	191,242	-	191,242
Accrued salaries and payroll taxes	56,855	-	56,855	58,566	-	58,566
Deferred tuition and fees revenue	101,000	-	101,000	126,750	-	126,750
Total current liabilities	2,436,239	-	2,436,239	1,376,558	-	1,376,558
Net assets						
Without donor restrictions	3,847,991	-	3,847,991	5,799,377	-	5,799,377
Board-designated fund						
Net investment in property and equipment	8,589,883	-	8,589,883	8,915,178	-	8,915,178
Total without donor restrictions	12,437,874	-	12,437,874	14,714,555	-	14,714,555
With donor restrictions	-	5,688,588	5,688,588	-	5,220,405	5,220,405
Total net assets	12,437,874	5,688,588	18,126,462	14,714,555	5,220,405	19,934,960
Total liabilities and net assets	\$ 14,874,113	\$ 5,688,588	\$ 20,562,701	\$ 16,091,113	\$ 5,220,405	\$ 21,311,518

See notes to financial statements.

ACKERMAN INSTITUTE FOR THE FAMILY

Statement of Activities For the Years Ended June 30, 2023 and June 30, 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support						
Grants and contributions	\$ 1,096,789	\$ 472,650	\$ 1,569,439	\$ 1,077,665	\$ 133,547	\$ 1,211,212
Government grant – PPP	-	-	-	551,760	-	551,760
Special events, net of direct expenses of \$301,670 in 2023 and \$0 in 2022	393,045	-	393,045	-	-	-
Patient services	502,989	-	502,989	503,667	-	503,667
Tuition and fees	906,233	-	906,233	845,403	-	845,403
Investment return, net	123,949	212,320	336,269	602,114	169,712	771,826
Miscellaneous	6,340	-	6,340	20,000	-	20,000
Net assets released from restrictions	400,180	(400,180)	-	422,397	(422,397)	-
Total revenue and support	<u>3,429,525</u>	<u>284,790</u>	<u>3,714,315</u>	<u>4,023,006</u>	<u>(119,138)</u>	<u>3,903,868</u>
Expenses						
Program services						
Clinical services	1,795,137	-	1,795,137	1,316,000	-	1,316,000
Education and workshops	3,027,310	-	3,027,310	2,755,473	-	2,755,473
Total program services	<u>4,822,447</u>	<u>-</u>	<u>4,822,447</u>	<u>4,071,473</u>	<u>-</u>	<u>4,071,473</u>
Supporting activities						
Management and general	595,239	-	595,239	450,211	-	450,211
Fundraising	663,337	-	663,337	379,889	-	379,889
Total supporting activities	<u>1,258,576</u>	<u>-</u>	<u>1,258,576</u>	<u>830,100</u>	<u>-</u>	<u>830,100</u>
Total expenses	<u>6,081,023</u>	<u>-</u>	<u>6,081,023</u>	<u>4,901,573</u>	<u>-</u>	<u>4,901,573</u>
Increase (decrease) from operating activities before unrealized gain (loss) on investments	(2,651,498)	284,790	(2,366,708)	(878,567)	(119,138)	(997,705)
Unrealized gain (loss) on investments	374,817	183,393	558,210	(1,667,605)	(529,873)	(2,197,478)
Increase (decrease) in net assets	<u>(2,276,681)</u>	<u>468,183</u>	<u>(1,808,498)</u>	<u>(2,546,172)</u>	<u>(649,011)</u>	<u>(3,195,183)</u>
Net assets, beginning of year	<u>14,714,555</u>	<u>5,220,405</u>	<u>19,934,960</u>	<u>17,260,727</u>	<u>5,869,416</u>	<u>23,130,143</u>
Net assets, end of year	<u>\$12,437,874</u>	<u>\$ 5,688,588</u>	<u>\$ 18,126,462</u>	<u>\$ 14,714,555</u>	<u>\$ 5,220,405</u>	<u>\$ 19,934,960</u>

See notes to financial statements.

ACKERMAN INSTITUTE FOR THE FAMILY

Statement of Functional Expenses For the Year Ended June 30, 2023 (With Summarized Comparative Information for the Year Ended June 30, 2022)

	2023						2022
	Program Services		Supporting Activities				
	Clinical Services	Education and Workshops	Total Program Services	Management and General	Direct Costs of Special Events	Fundraising	Total
Expenses							
Salaries	\$1,057,065	\$ 1,775,463	\$ 2,832,528	\$ 165,870	-	\$ 430,800	\$ 3,429,198
Payroll taxes and fringe benefits	201,282	335,542	536,824	41,824	-	57,156	635,804
Independent contractors	14,396	149,429	163,825	-	-	-	163,825
Building maintenance and utilities	38,586	125,868	164,454	52,941	-	18,244	235,639
Professional fees and payroll services	255,718	275,602	531,320	111,682	83,300	98,485	824,787
Catering, facility rental, printing and other	-	-	-	-	217,703	-	217,703
Materials and office supplies	9,391	21,867	31,258	4,756	-	5,407	41,421
Database subscriptions	133,398	64,661	198,059	21,356	-	7,359	226,774
Insurance	15,485	41,843	57,328	17,600	-	6,065	80,993
Equipment and other leasing	4,088	13,336	17,424	5,609	-	1,933	24,966
Telephone	2,856	7,618	10,474	3,204	-	2,119	15,797
Travel, meals, conferences and meetings	3,095	12,385	15,480	4,110	-	2,037	21,627
Printing, postage, mailing and marketing	1,203	8,229	9,432	1,559	-	7,500	18,491
Credit card and finance charges	3,092	14,484	17,576	2,502	667	-	20,745
Interest	-	-	-	86,101	-	-	86,101
Miscellaneous	-	-	-	-	-	-	-
Depreciation	55,482	180,983	236,465	76,125	-	26,232	338,822
Total expenses	1,795,137	3,027,310	4,822,447	595,239	301,670	663,337	6,382,693
Less: expenses deducted directly on the statement of activities	-	-	-	-	(301,670)	-	(301,670)
Total expenses reported by function on the statement of activities	\$1,795,137	\$ 3,027,310	\$ 4,822,447	\$ 595,239	\$ -	\$ 663,337	\$ 6,081,023
							\$ 4,901,573

See notes to financial statements.

ACKERMAN INSTITUTE FOR THE FAMILY

Statement of Cash Flows

	For the Years Ended June 30	
	2023	2022
Cash flows from operating activities		
(Decrease) in net assets	\$ (1,808,498)	\$ (3,195,183)
Adjustments to reconcile (decrease) in net assets to net cash (used in) operating activities		
Contribution with perpetual donor restrictions	43,250	-
Depreciation	338,822	333,807
Donated securities	(35,490)	(21,080)
Proceeds from sales of donated securities	35,490	21,080
Realized (gain) on sale of investments	(98,373)	(548,108)
Unrealized (gain) loss on investments	(558,210)	2,197,478
PPP loan forgiveness	-	(551,760)
(Increase) decrease in		
Accounts receivable	563,469	(428,322)
Contributions receivable	(16,550)	45,799
Prepaid expenses and other assets	18,332	(110,288)
Increase (decrease) in		
Accounts payable and accrued expenses	60,561	62,828
Accrued salaries and payroll taxes	(1,711)	(13,241)
Deferred tuition and fees revenue	(25,750)	(29,339)
Net cash (used in) operating activities	<u>(1,484,658)</u>	<u>(2,236,329)</u>
Cash flows from investing activities		
Purchase of investments	(2,837,655)	(3,918,364)
Proceeds from sales of investments	3,395,690	4,442,856
Acquisition of property and equipment	<u>(13,527)</u>	<u>(73,821)</u>
Net cash provided by investing activities	<u>544,508</u>	<u>450,671</u>
Cash flows from financing activities		
Contribution with perpetual donor restrictions	(43,250)	-
Borrowings on lines of credit	2,781,581	1,000,000
Repayments of lines of credit	<u>(1,755,000)</u>	<u>-</u>
Net cash provided by financing activities	<u>983,331</u>	<u>1,000,000</u>
Net increase (decrease) in cash and cash equivalents	43,181	(785,658)
Cash and cash equivalents, beginning of year	<u>860,194</u>	<u>1,645,852</u>
Cash and cash equivalents, end of year	<u>\$ 903,375</u>	<u>\$ 860,194</u>
Supplemental disclosure of cash flows information:		
Cash paid for interest	<u>\$ 86,101</u>	<u>\$ 9,121</u>

See notes to financial statements.

ACKERMAN INSTITUTE FOR THE FAMILY

Notes to Financial Statements June 30, 2023

Note 1 – Nature of organization and summary of significant accounting policies

Nature of organization

Ackerman Institute for the Family (the “Organization”) is a not-for-profit organization which provides innovative couple and family therapy services through its on-site clinic; post graduate training in couple and family therapy for mental health professionals; and cutting edge research that focuses on the development of new treatment models and training techniques.

Basis of presentation

The financial statements of the Organization are prepared on the accrual basis of accounting.

Net assets

The Organization’s net assets consist of:

Without donor restrictions

Net assets without donor restrictions consist of amounts that can be spent at the discretion of the Organization. The net assets also include those funds that are designated for specific purposes by the Board of Directors.

Board-designated net assets mainly consist of the remaining proceeds from the sale of the building less the purchase and build-out costs for the Organization’s new office space as well as capital improvements to the building. The Organization uses the earnings from the board-designated fund to pay the office condominium common charges each year and other projects approved by the Board of Directors. During the 2023 fiscal year, \$2,255,787 was transferred from the board-designated fund to the operating fund of which \$1,880,983 was to eliminate the 2023 fiscal year operating fund deficit. During the 2022 fiscal year, \$901,318 was transferred from the board-designated fund to the operating fund of which \$320,523 was to eliminate the 2022 fiscal year operating fund deficit.

With donor restrictions

Temporary donor restrictions

Net assets with temporary donor restrictions consist of contributions that are restricted by the donor for a specific purpose or pertain to future periods.

Perpetual donor restrictions

Net assets with perpetual donor restrictions consist of contributions that are restricted by the donor in that the principal must remain in perpetuity.

ACKERMAN INSTITUTE FOR THE FAMILY**Notes to Financial Statements (continued)****June 30, 2023****Note 1 – Nature of organization and summary of significant accounting policies (continued)**Contributions

The Organization reports contributions as support with temporary donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a designated restriction expires, that is, when a stipulated time restriction ends or the purpose for restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions with temporary donor restrictions are reported as increases in net assets without donor restrictions if the restrictions are satisfied within the same fiscal year the contributions are received.

Cash equivalents

The Organization considers highly liquid investments with an original maturity of 90 days or less to be cash equivalents.

Investments

The Organization reports investments at fair value in the statement of financial position. The fair value of the investments is based on publicly quoted market prices. Realized and unrealized gains and losses are reflected in the statement of activities as increases and decreases in net assets without donor restrictions unless their use is restricted by donor stipulation.

Fair value measurements

Accounting principles generally accepted in the United States of America established a fair value hierarchy that prioritizes the inputs used to measure fair value into three broad levels. The Organization's investments are measured using Level 1 inputs, which are defined as quoted prices in active markets for identical assets that the reporting entity has the ability to access at the measurement date.

Allowance for doubtful accounts

As of June 30, 2023 and June 30, 2022, the Organization has determined that its accounts and contributions receivable are all collectible and an allowance for any possible uncollectible receivables is not necessary. Such estimate is based on management's experience, the aging of the receivables, subsequent receipts and current economic conditions.

Property and equipment

Property and equipment are recorded at cost. It is the Organization's policy to capitalize expenditures for those items in excess of \$1,000. Lesser amounts are expensed. Depreciation is being provided on the straight-line method over the estimated useful lives of the assets, which range from 5 to 39 years. During the 2023 fiscal year, fully depreciated property and equipment totaling \$27,624 were deleted from the accounts of the Organization.

ACKERMAN INSTITUTE FOR THE FAMILY**Notes to Financial Statements (continued)**
June 30, 2023**Note 1 – Nature of organization and summary of significant accounting policies (continued)**Revenue recognitionPatient services

Patient services revenue is reported at the estimated net realizable amounts from patients, third-party payers and other services rendered. Self-pay revenue is recorded at published charges with charitable allowances deducted to arrive at net self-pay revenue. All other patient services revenue is recorded at published charges with contractual allowances deducted to arrive at patient services.

Tuition

Tuition payments are recorded as revenue over the term of the course. Deferred revenue represents tuition payments received from students in advance of the commencement of a course.

Rental revenue

Rental revenue is received from faculty members for use of the Organization's facilities to provide private counseling and is recorded when earned.

Functional expenses

The cost of providing the various programs and other activities has been summarized on a functional basis. Accordingly, certain costs have been allocated among the program services and supporting activities benefited. Natural expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques primarily consisting of salary and wages and time and effort reporting.

In-kind services

Organizations are required to recognize contributions of services if they create or enhance non-financial assets, or require specialized skills, are provided by individuals possessing those skills and typically would have been purchased if not provided in-kind. Board members and other individuals volunteer their time and perform a variety of tasks that assist the Organization. These services do not meet the criteria to be recorded and have not been included in the financial statements.

Summarized comparative information

The financial statements include certain prior-year summarized comparative information in total but not by functional classification. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2022, from which the summarized information was derived.

ACKERMAN INSTITUTE FOR THE FAMILY

Notes to Financial Statements (continued) June 30, 2023

Note 1 – Nature of organization and summary of significant accounting policies (continued)

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 that affect the amounts reported in the financial statements. Actual results could differ from these estimates.

Concentrations of credit risk

The Organization's financial instruments that are potentially exposed to concentrations of credit risk consist primarily of cash, cash equivalents, investments and receivables. The Organization places its cash and cash equivalents with what it believes to be quality financial institutions. The Organization's investments are exposed to various risks such as interest rate, market volatility, liquidity and credit. Due to the level of uncertainty related to the foregoing, it is reasonably possible that changes in these risks could materially affect the fair value of the investments reported in the statement of financial position as of June 30, 2023. The Organization routinely assesses the financial strength of its holdings in its investment portfolio. The Organization monitors the collectibility of its receivables on an ongoing basis. As a consequence, management believes concentrations of credit risk are limited.

Subsequent events

The Organization has evaluated events and transactions for potential recognition or disclosure through December 5, 2023, which is the date the financial statements were available to be issued.

Note 2 – Liquidity and availability of financial assets

The Organization's working capital and cash flows have seasonal variations during the year attributable to the annual cash receipts from grants, contributions, tuition, fees and other revenue items. The following is a summary of the Organization's liquid assets as of June 30, 2023 and June 30, 2022 that are available for general use within one year of the statement of financial position date:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 903,375	\$ 860,194
Investments, at fair value	10,429,006	10,330,458
Accounts receivable	429,771	993,240
Current portion of contributions receivable	<u>62,550</u>	<u>46,000</u>
Sub-total	11,824,702	12,229,892
Less: net assets with perpetual donor restrictions	<u>(2,817,183)</u>	<u>(2,773,933)</u>
Total	<u>\$ 9,007,519</u>	<u>\$ 9,455,959</u>

In addition, the Organization also has available a line of credit (see note 5) that may be drawn upon as necessary during the year.

ACKERMAN INSTITUTE FOR THE FAMILY

Notes to Financial Statements (continued) June 30, 2023

Note 3 – Investments

The following is a summary of investments held by the Organization as of June 30, 2023 and June 30, 2022:

	<u>2023</u>		<u>2022</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Equities – domestic	\$ 6,450,521	\$ 8,230,253	\$ 6,720,489	\$ 7,986,425
Fixed income	2,143,722	2,003,364	2,170,243	2,004,345
Mutual funds – equities	<u>205,783</u>	<u>195,389</u>	<u>368,956</u>	<u>339,688</u>
Total	<u>\$ 8,800,026</u>	<u>\$ 10,429,006</u>	<u>\$ 9,259,688</u>	<u>\$ 10,330,458</u>

Net investment return consists of the following for the years ended June 30, 2023 and June 30, 2022:

	<u>2023</u>	<u>2022</u>
Realized gain on sale of investments	\$ 98,373	\$ 548,108
Interest and dividends	<u>308,191</u>	<u>310,644</u>
Sub-total	406,564	858,752
Less: investment fees	<u>(70,295)</u>	<u>(86,926)</u>
Total	<u>\$ 336,269</u>	<u>\$ 771,826</u>
Unrealized (loss) on investments	<u>\$ (558,210)</u>	<u>\$ (2,197,478)</u>

Note 4 – Property and equipment

A summary of the property and equipment as of June 30, 2023 and June 30, 2022 is as follows:

	<u>2023</u>	<u>2022</u>
Office condominium and improvements	\$ 11,314,277	\$ 11,300,749
Furniture and fixtures	468,325	468,325
Computer and video equipment	<u>386,776</u>	<u>414,401</u>
Total	12,169,378	12,183,475
Less: accumulated depreciation	<u>3,579,495</u>	<u>3,268,297</u>
Total property and equipment	<u>\$ 8,589,883</u>	<u>\$ 8,915,178</u>

ACKERMAN INSTITUTE FOR THE FAMILY

Notes to Financial Statements (continued) June 30, 2023

Note 5 – Lines of credit

The Organization had available a \$1,000,000 revolving line of credit which expired July 2023. Amounts borrowed under the line bore interest at the Wall Street Journal Prime Rate less .25% per annum. The line of credit was secured by the Organization's personal assets. As of June 30, 2023, there were no outstanding borrowings under the line of credit.

The Organization has a line of credit with its financial institution for \$4,330,000. The line is collateralized by the Organization's investment accounts maintained with its financial institution. Interest on any borrowings are at a variable interest rate, as defined in the agreement. As of June 30, 2023, the interest rate was 7.7% and \$2,026,581 was outstanding on the line of credit.

Note 6 – Net assets without donor restrictions

The following is a summary of the activity of the board designated fund for the years ended June 30, 2023 and June 30, 2022:

Balance, at June 30, 2021	\$ 7,974,882
Investment return, net	(1,066,997)
Condo maintenance	(207,190)
Transfers to operating fund	<u>(901,318)</u>
Balance, at June 30, 2022	5,799,377
Investment return, net	494,790
Condo maintenance	(159,731)
Upgrades to IT	(30,658)
Transfers to operating fund	<u>(2,255,787)</u>
Balance, at June 30, 2023	<u>\$ 3,847,991</u>

Note 7 – Endowments and net assets with donor restrictions

The Organization's endowment consists of three individual funds established for specific purposes. Its endowment includes donor-restricted endowment funds. Under the New York Prudent Management of Institutional Funds Act (NYPMIFA), the provisions of which apply to endowment funds, the Organization is required to act prudently when making decisions to spend or accumulate donor restricted endowment assets and in doing so to consider a number of factors including the duration and preservation of its donor restricted endowment funds. The Organization classifies as perpetuity restricted net assets the original value of gifts donated to the permanent endowment.

ACKERMAN INSTITUTE FOR THE FAMILY

Notes to Financial Statements (continued)
June 30, 2023

Note 7 – Endowments and net assets with donor restrictions (continued)

Net assets with temporary donor restrictions

Net assets with temporary donor restrictions activity for the year ended June 30, 2023 is as follows:

	Balance June 30, 2022	Contributions	Investment Return, Net	Net Assets Released from Restrictions	Balance June 30, 2023
Ruth Perl Kahn Fund	\$ 1,962,070	\$ -	\$ 223,132	\$ (186,800)	\$ 1,998,402
East 78 th Street Fund	-	-	1,245	-	1,245
Developing Child and Family Project	41,250	65,000	-	(50,000)	56,250
Relational Trauma	29,947	-	-	(11,256)	18,691
Sandy Chernick Scholarship Fund	4,511	100	-	(1,000)	3,611
Scholarship Program	4,750	2,800	-	(6,050)	1,500
Maslow Scholarship Fund	96,532	-	6,948	(30,600)	72,880
Center for Work & Family	2,632	-	-	-	2,632
Center for Alcohol & Substance Abuse	4,652	-	-	-	4,652
Soul Work Conference	900	-	-	-	900
Substance Abuse	3,885	-	-	-	3,885
Adolescent Program	5,259	-	-	-	5,259
Gender & Family	68,000	-	-	(22,690)	45,310
General Operations	-	40,000	-	(10,000)	30,000
Clinic Expansion	-	321,500	-	(33,893)	287,607
Challenge Grant Gift	179,745	-	164,388	(28,269)	315,864
International Training	19,452	-	-	(8,800)	10,652
Foster Care	12,065	-	-	-	12,065
Justice Project	10,822	-	-	(10,822)	-
Total	<u>\$ 2,446,472</u>	<u>\$ 429,400</u>	<u>\$ 395,713</u>	<u>\$ (400,180)</u>	<u>\$ 2,871,405</u>

ACKERMAN INSTITUTE FOR THE FAMILY

Notes to Financial Statements (continued) June 30, 2023

Note 7 – Endowments and net assets with donor restrictions (continued)

Perpetual donor restrictions

These net assets represent contributions and bequests made that are restricted to investment in perpetuity. Under the Ruth Perl Kahn Fund stipulations, investment revenue earned on such fund is recorded as net assets with temporary donor restrictions and added to the respective fund balance. In addition, the donor stipulations permit the expenditure of up to 5% of the fair value of the funds to be used for operations. The Board appropriates the expenditure of the temporary restricted investment revenue by the annual budget.

The following is a summary of the Ruth Perl Kahn Fund, Maslow Scholarship Fund, the Challenge Grant Gift and East 78th street Fund as of June 30, 2023 and June 30, 2022:

	2023		
	Temporary Restricted	Perpetually Restricted	Total
Ruth Perl Kahn Fund	\$ 1,998,402	\$ 1,773,933	\$ 3,772,335
Maslow Scholarship Fund	72,880	-	72,880
Challenge Grant Gift	315,864	1,000,000	1,315,864
East 78 th Street Fund	1,245	43,250	44,495
Total	<u>\$ 2,388,391</u>	<u>\$ 2,817,183</u>	<u>\$ 5,205,574</u>
	2022		
	Temporary Restricted	Perpetually Restricted	Total
Ruth Perl Kahn Fund	\$ 1,962,070	\$ 1,773,933	\$ 3,736,003
Maslow Scholarship Fund	96,532	-	96,532
Challenge Grant Gift	179,745	1,000,000	1,179,745
Total	<u>\$ 2,238,347</u>	<u>\$ 2,773,933</u>	<u>\$ 5,012,280</u>

Note 8 – Contingency

Government programs

Government supported programs are subject to audits by the granting agency.

Note 9 – Related party transactions

A member of the Board of Directors is a principal in a brokerage firm that manages several of the Organization's investment funds. Nominal fees in the nature of cost recovery were paid to the brokerage firm during the 2023 and 2022 fiscal years.

ACKERMAN INSTITUTE FOR THE FAMILY**Notes to Financial Statements (continued)**
June 30, 2023**Note 10 – Retirement plans****403(b) plan**

All eligible employees of the Organization can participate in the 403(b) savings plan (the “savings plan”). An eligible employee may contribute a portion of his/her compensation in accordance with Internal Revenue Service regulations. The Organization matches up to 4% of an employee's salary. The savings plan expense for the years ended June 30, 2023 and June 30, 2022 was \$75,924 and \$43,967, respectively.

403(b) plan

The Organization also has another 403(b) plan (the “retirement plan”). The Organization froze this plan effective June 25, 2020. The Organization does not contribute to the retirement plan.

Note 11 – Tax status

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the “Code”). In addition, the Organization has been determined by the Internal Revenue Service to be a publicly supported organization, and not a private foundation within the meaning of Section 509(a)(2) of the Code. Donors are eligible to receive the maximum charitable tax deductions available for public charities under the Code.