

**FINANCIAL STATEMENTS**



**POWER TO DECIDE**

**FOR THE YEAR ENDED DECEMBER 31, 2024  
WITH SUMMARIZED FINANCIAL  
INFORMATION FOR 2023**

# POWER TO DECIDE

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**CPAs & ADVISORS**

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Power to Decide  
Washington, D.C.

### **Opinion**

We have audited the accompanying financial statements of Power to Decide, which comprise the statement of financial position as of December 31, 2024, and the related statements of activities and change in net assets, 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 Power to Decide as of December 31, 2024, and the change in its net assets 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Power to Decide 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 Power to Decide's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

4550 MONTGOMERY AVENUE • SUITE 800 NORTH • BETHESDA, MARYLAND 20814  
(301) 951-9090 • WWW.GRFCPA.COM

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## **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 and *Government 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, including omissions, 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 Power to Decide'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 Power to Decide'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 Power to Decide's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 26, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 18, 2025, on our consideration of Power to Decide's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Power to Decide's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Power to Decide's internal control over financial reporting and compliance.



April 18, 2025

## POWER TO DECIDE

**STATEMENT OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2024  
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2023**

**ASSETS**

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 2,161,976	\$ 4,302,074
Investments	20,719,072	15,491,946
Accounts receivable	56,858	102,409
Grants receivable	1,122,102	781,671
Contributions receivable	36,238	38,745
Inventory	-	41,058
Prepaid expenses	129,191	138,048
Fixed assets, net	2,336	4,454
Right-of-use asset, net	<u>776,811</u>	<u>867,900</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 25,004,584</u></b>	<b><u>\$ 21,768,305</u></b>

**LIABILITIES AND NET ASSETS****LIABILITIES**

Accounts payable and accrued liabilities	\$ 419,130	\$ 914,895
Accrued payroll and benefits	328,211	259,419
Refundable advances	-	70,932
Deferred revenue	20,000	117,750
Operating lease liability	<u>904,463</u>	<u>973,457</u>
Total liabilities	<u>1,671,804</u>	<u>2,336,453</u>

**NET ASSETS**

Without donor restrictions	13,832,538	13,615,064
With donor restrictions	<u>9,500,242</u>	<u>5,816,788</u>
Total net assets	<u>23,332,780</u>	<u>19,431,852</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 25,004,584</u></b>	<b><u>\$ 21,768,305</u></b>

## POWER TO DECIDE

**STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2024  
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2023**

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<b>SUPPORT AND REVENUE</b>				
Grants	\$ 1,160,366	\$ 10,455,511	\$ 11,615,877	\$ 6,211,183
Consulting revenue	242,879	-	242,879	212,253
Contributed nonfinancial assets	943,548	-	943,548	1,191,483
Contributions	309,313	14,340	323,653	830,851
Government grants	1,716,948	-	1,716,948	891,203
Licensing and training revenue	168,630	-	168,630	116,039
Publications, materials and other revenue	24,383	-	24,383	37,876
Net assets released from donor restrictions	<u>6,786,397</u>	<u>(6,786,397)</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>11,352,464</u>	<u>3,683,454</u>	<u>15,035,918</u>	<u>9,490,888</u>
<b>EXPENSES</b>				
Program Services:				
Marketing and Communications	983,424	-	983,424	1,453,296
Digital Programs	5,702,423	-	5,702,423	6,158,239
Systems and Practices	4,207,220	-	4,207,220	3,095,434
Public Policy	<u>611,247</u>	<u>-</u>	<u>611,247</u>	<u>428,094</u>
Total program services	<u>11,504,314</u>	<u>-</u>	<u>11,504,314</u>	<u>11,135,063</u>
Supporting Services:				
General and Administrative	779,834	-	779,834	1,154,909
Development and Fundraising	<u>486,073</u>	<u>-</u>	<u>486,073</u>	<u>469,948</u>
Total supporting services	<u>1,265,907</u>	<u>-</u>	<u>1,265,907</u>	<u>1,624,857</u>
Total expenses	<u>12,770,221</u>	<u>-</u>	<u>12,770,221</u>	<u>12,759,920</u>
<b>OTHER ITEMS</b>				
Net investment return	1,635,231	-	1,635,231	1,641,313
Loss on disposal of fixed assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>(27,299)</u>
Total other items	<u>1,635,231</u>	<u>-</u>	<u>1,635,231</u>	<u>1,614,014</u>
Change in net assets	217,474	3,683,454	3,900,928	(1,655,018)
Net assets at beginning of year	<u>13,615,064</u>	<u>5,816,788</u>	<u>19,431,852</u>	<u>21,086,870</u>
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 13,832,538</u></b>	<b><u>\$ 9,500,242</u></b>	<b><u>\$ 23,332,780</u></b>	<b><u>\$ 19,431,852</u></b>

See accompanying notes to financial statements.

## POWER TO DECIDE

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2024  
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2023**

	2024								2023	
	Program Services				Supporting Services				Total Expenses	Total Expenses
	Marketing and Communications	Digital Programs	Systems and Practices	Public Policy	Total Program Services	General and Administrative	Development and Fundraising	Total Supporting Services		
Salaries and benefits	\$ 427,257	\$ 2,402,339	\$ 1,823,611	\$ 530,656	\$ 5,183,863	\$ 469,881	\$ 376,466	\$ 846,347	\$ 6,030,210	\$ 5,388,395
Contractors and consulting	107,226	1,001,919	898,882	3,238	2,011,265	16,949	70,953	87,902	2,099,167	2,085,138
Information technology	34,153	1,073,907	109,722	8,219	1,226,001	26,795	4,789	31,584	1,257,585	1,976,171
Donated services	296,000	487,397	-	-	783,397	160,151	-	160,151	943,548	1,191,483
Grants and subawards	-	-	683,466	-	683,466	-	-	-	683,466	485,732
Advertising and marketing	33,024	507,878	110,475	2,079	653,456	1,925	695	2,620	656,076	567,345
Travel	6,322	45,431	257,417	8,619	317,789	18,483	4,779	23,262	341,051	234,712
Meeting and event expenses	2,541	9,214	226,122	1,508	239,385	6,735	1,786	8,521	247,906	132,677
Occupancy and storage	12,451	57,748	42,400	13,313	125,912	32,899	8,589	41,488	167,400	347,982
Printing and copying	43,217	26,963	5,489	951	76,620	248	653	901	77,521	71,948
Insurance	3,863	37,843	13,156	4,117	58,979	10,060	2,665	12,725	71,704	73,310
Accounting, audit and legal services	4,269	29,807	15,130	4,493	53,699	8,367	2,739	11,106	64,805	49,843
Professional development	1,801	8,258	6,245	1,902	18,206	15,225	1,204	16,429	34,635	23,680
Supplies and miscellaneous	1,355	5,706	7,987	1,328	16,376	3,262	9,527	12,789	29,165	27,256
Books, subscriptions, references	491	-	-	27,235	27,726	672	-	672	28,398	28,567
Membership dues	7,682	300	1,570	2,063	11,615	4,520	-	4,520	16,135	29,737
Telecommunications	1,042	4,787	3,526	1,117	10,472	2,722	791	3,513	13,985	14,178
Postage and shipping	572	2,194	1,485	240	4,491	527	328	855	5,346	10,442
Depreciation and amortization	158	732	537	169	1,596	413	109	522	2,118	21,324
<b>TOTAL EXPENSES</b>	<b>\$ 983,424</b>	<b>\$ 5,702,423</b>	<b>\$ 4,207,220</b>	<b>\$ 611,247</b>	<b>\$ 11,504,314</b>	<b>\$ 779,834</b>	<b>\$ 486,073</b>	<b>\$ 1,265,907</b>	<b>\$ 12,770,221</b>	<b>\$ 12,759,920</b>

See accompanying notes to financial statements.

## POWER TO DECIDE

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2024  
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2023**

	<u>2024</u>	<u>2023</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 3,900,928	\$ (1,655,018)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	2,118	21,324
Unrealized gain on investments	(665,421)	(2,292,408)
Realized (gain) loss on sale of investments	(420,631)	1,249,288
Noncash contributions of securities	(2,408,077)	(2,400,210)
Proceeds from sales of contributed securities	2,406,720	2,398,756
Amortization of right-of-use asset	91,089	60,991
Loss on disposal of fixed assets	-	27,299
Decrease (increase) in:		
Accounts receivable	45,551	(30,435)
Grants receivable	(340,431)	979,501
Contributions receivable	2,507	6,614
Inventory	41,058	17,456
Prepaid expenses	8,857	13,312
(Decrease) increase in:		
Accounts payable and accrued liabilities	(495,765)	532,001
Accrued payroll and benefits	68,792	14,151
Refundable advances	(70,932)	(170,289)
Deferred revenue	(97,750)	117,750
Operating lease liability	<u>(68,994)</u>	<u>(37,455)</u>
Net cash provided (used) by operating activities	<u>1,999,619</u>	<u>(1,147,372)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of fixed assets	-	(6,400)
Purchases of investments	(37,953,224)	(15,323,634)
Proceeds from sale of investments	<u>33,813,507</u>	<u>17,823,896</u>
Net cash (used) provided by investing activities	<u>(4,139,717)</u>	<u>2,493,862</u>
Net (decrease) increase in cash and cash equivalents	(2,140,098)	1,346,490
Cash and cash equivalents at beginning of year	<u>4,302,074</u>	<u>2,955,584</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u>\$ 2,161,976</u></b>	<b><u>\$ 4,302,074</u></b>
<b>SUPPLEMENTAL INFORMATION:</b>		
<b>Right-of-Use Asset</b>	<b><u>\$ -</u></b>	<b><u>\$ 928,891</u></b>
<b>Operating Lease Liability for Right-of-Use Asset</b>	<b><u>\$ -</u></b>	<b><u>\$ 928,891</u></b>

See accompanying notes to financial statements.



## POWER TO DECIDE

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

##### Organization -

Power to Decide was founded in February 1996.

Power to Decide envisions a world where everyone—no matter who they are or where they live—has control over their bodies and can decide if, when, and under what circumstances to get pregnant and have a child. Its mission is to advance sexual and reproductive well-being for all. Power to Decide supports populations who face unique and often systemic barriers to achieving reproductive well-being, with a particular focus on adolescents, young adults, and those in underserved communities. Power to Decide affects change through working directly with their priority populations, as well as with those who influence and impact reproductive well-being of their priority populations, including providers, policymakers, researchers, and champions. Power to Decide accomplishes this by providing trusted information, expanding access to quality services, and catalyzing culture change.

In March 2011, Power to Decide established Bedsider, LLC, a single member limited liability company, for the purpose of making a software application available in an online store. There was no financial activity for Bedsider, LLC for the year ended December 31, 2024, except for certain annual corporation filing fees which are reported in the financial statements of Power to Decide.

##### Program Services -

- **Digital Programs** provide medically accurate, relevant, and resonant information on all things reproductive well-being including sex, sexual health, and birth control through Bedsider.org. AbortionFinder.org makes the process of finding and accessing an abortion easier. The Right Time initiative based in Missouri, and ArkansasBirthControl.org expand access to contraception by reducing barriers and providing clear, reliable birth control information. Both place-based projects offer resources on methods, health centers, and key sexual and reproductive health topics to empower informed decisions.
- **Systems and Practices** programs focus on empowering individuals and communities to achieve and maintain their reproductive well-being. We convene diverse stakeholders such as providers, advocates, educators, community leaders, and young people to drive impactful solutions. Key initiatives include partnerships with HBCUs to address reproductive health disparities, place-based initiatives to increase contraceptive access through shared collaboration and learning and resource development, as well as equipping health care providers with tools to improve patient counseling on birth control and abortion
- **Marketing and Communications** plays a pivotal role in advancing the organization's mission, ensuring that everyone has the information and resources they need to achieve and maintain their reproductive well-being. Through strategic press outreach, entertainment media partnerships, and the creation and dissemination of relevant, timely content, the team amplifies key messages and drives meaningful engagement.
- **Public Policy** work focuses on supporting and advancing policies that protect reproductive well-being with an emphasis on addressing the needs of those who face the greatest barriers to information and care.

## POWER TO DECIDE

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

##### Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) related to nonprofit entities. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories are as follows:

- **Net Assets Without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Net assets set aside solely through the actions of the Board are referred to as Board Designated and are also reported as net assets without donor restrictions.
- **Net Assets With Donor Restrictions** - Net assets may be subject to donor-imposed stipulations that are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with Power to Decide's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

##### Cash and cash equivalents -

Power to Decide considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents, excluding money market funds held by investment managers in the amount of \$6,933,452 for the year ended December 31, 2024. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000.

At times during the year, Power to Decide maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

##### Investments -

Investments are recorded at their readily determinable fair value. Interest, dividends, realized and unrealized gains and losses are included in investment return, net of investment expenses provided by external investment advisors in the accompanying Statement of Activities and Change in Net Assets.

Investments acquired by gift, such as donated securities, are recorded at their fair value at the date of the gift. Power to Decide's policy is to liquidate all gifts of investments as soon as possible after the gift.

## POWER TO DECIDE

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

##### Receivables -

Accounts receivable primarily consists of amounts due within one year related to consulting, licensing, and training revenue. Accounts receivable are recorded at their net realizable value which approximates fair value. Accounts receivable are presented net of an allowance for credit losses resulting from the inability of customers to make required payments. The allowance for credit losses is based upon historical loss experience in combination with current economic conditions and a forecast of future economic conditions. Any change in the assumptions used in analyzing a specific account receivable might result in an additional allowance for credit losses being recognized in the period in which the change occurs. The calculation of the allowance for credit losses was immaterial to the overall financial statements as of December 31, 2024 and resulted in additional disclosures only.

Grants and contributions receivables include unconditional promises to give that are expected to be collected in future years. Grants and contributions receivables are recorded at their fair value, which is measured as the present value of the future cash flows. The discount on long-term receivables is computed using the risk-adjusted interest rates applicable to the years in which the promises to give were received. Amortization of the discount is included in contributions. All grants and contribution receivables are due within one year as of December 31, 2024.

##### Fixed assets -

Fixed assets in excess of \$3,000 are capitalized and stated at cost. Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three years. Power to Decide recognizes costs incurred in the development of its websites and mobile game applications in accordance with the provisions of the accounting standards for software costs.

Accordingly, costs incurred for planning and operating the websites and applications are expensed, whereas costs incurred in developing the applications and infrastructure are capitalized and amortized on a straight-line basis over an estimated useful life of three years. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation and amortization expense for the year ended December 31, 2024 totaled \$2,118.

##### Income taxes -

Power to Decide is exempt from Federal income tax under Section 501(a) of the Internal Revenue Code ("IRC"), as an organization described in IRC Section 501(c)(3). Accordingly, no provision for income taxes has been made in the accompanying financial statements. Power to Decide is not a private foundation.

##### Support from grants and contributions, including Federal awards -

Power to Decide receives grants and contributions, including Federal awards from the U.S. Government. Contributions and grants are recognized in the appropriate category of net assets in the period received. Power to Decide performs an analysis of the individual contribution agreement to determine if the funding stream follows the contribution rules or if it should be recorded as an exchange transaction depending upon whether the transaction is deemed reciprocal or nonreciprocal in accordance with ASC Topic 958.

## POWER TO DECIDE

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Support from grants and contributions, including Federal awards (continued) -

Support from contributions and grants are recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met.

Contributions, including grants qualifying as contributions, that are unconditional but have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Contributions with donor restrictions either in excess of expenses incurred or with time restrictions are shown as net assets with donor restrictions in the accompanying financial statements. Contributions that are both received and released from restrictions in the same year are classified as without donor restrictions.

Conditional contributions contain a right of return and a measurable barrier. Contributions are recognized when conditions have been satisfied. Most Federal grants are for direct and indirect program costs and are considered to be conditional contributions which are recognized as contributions when the amounts become unconditional. Conditional contributions received in advance of meeting specified conditions established by donors are recorded as refundable advances. However, Power to Decide had no refundable advances as of December 31, 2024.

In addition, Power to Decide may obtain funding source agreements related to conditional contributions, such as Federal awards from the U.S. Government, which will be received in future years. Power to Decide's unrecognized conditional contributions to be received in future years totaled \$9,895,259 as of December 31, 2024.

Revenue from contracts with customers -

Power to Decide's consulting, licensing, publication and training revenues are the most significant revenue streams that are treated as exchange transaction revenue following ASC Topic 606. Revenue from contracts with customers is recorded when the performance obligations are met. Power to Decide has elected to opt out of all (or certain) disclosures not required for nonpublic entities. Transaction price is based on cost and/or sales price. Amounts received in advance of satisfying performance obligations are recorded as deferred revenue. Power to Decide's contracts with customers generally have initial terms of one year or less.

Contributed nonfinancial assets -

Contributed nonfinancial assets consist of digital and print advertising and legal services. Contributed nonfinancial assets are recorded at their fair value as of the date of the gift. Contributed services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by Power to Decide. None of the contributed nonfinancial assets were restricted by donors.

In addition, volunteers have donated significant amounts of their time to Power to Decide; these donated services are not reflected in the financial statements since these services do not meet the criteria for recognition as contributed services.

## POWER TO DECIDE

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

##### Use of estimates -

The preparation of the 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 reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

##### Advertising -

Power to Decide expenses advertising costs as incurred. Advertising expense was \$656,076 for the year ended December 31, 2024.

##### Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Expenses directly attributed to a specific functional area are reported as direct expenses within that functional area and expenses that benefited more than one functional area, such as personnel costs, were allocated based on actual time and effort.

##### Risks and uncertainties -

Power to Decide invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks.

Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

#### 2. INVESTMENTS AND FAIR VALUE MEASUREMENTS

In accordance with FASB ASC 820, *Fair Value Measurement*, Power to Decide has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Investments recorded in the Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

**Level 1.** These are investments where values are based on unadjusted quoted prices for identical assets in an active market Power to Decide has the ability to access.

**POWER TO DECIDE**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**2. INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)**

**Level 2.** These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

**Level 3.** These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used and there were no transfers between levels in the fair value hierarchy during the year ended December 31, 2024.

- *Money Market Funds* - The money market funds are open-end mutual funds that are registered with the Securities and Exchange Commission and are deemed to be actively traded.
- *Mutual Funds* - Valued at the daily closing price as reported by the fund. Mutual funds held by Power to Decide's are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by Power to Decide's are deemed to be actively traded.
- *Exchange Traded Funds* - Valued at quoted market prices. These funds calculate net asset value per share, and are marked to market at the close of each trading day.

The table below summarizes investments, measured at fair value on a recurring basis, by level within the fair value hierarchy as of December 31, 2024:

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Investments:</b>				
Money market funds	\$ 6,933,452	\$ -	\$ -	\$ 6,933,452
Fixed income mutual funds	6,620,533	-	-	6,620,533
Equity exchange traded funds	7,165,087	-	-	7,165,087
<b>TOTAL INVESTMENTS</b>	<b>\$ 20,719,072</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 20,719,072</b>

Net investment return consisted of the following for the year ended December 31, 2024:

Interest and dividends	\$ 591,346
Realized gain	420,631
Unrealized gain	665,421
Investment expenses	(42,167)
<b>NET INVESTMENT RETURN</b>	<b>\$ 1,635,231</b>

**3. NET ASSETS WITHOUT DONOR RESTRICTIONS**

Net assets without donor restrictions consisted of the following as of December 31, 2024:

Undesignated - Operating	\$ 2,685,255
Board designated - Reserve funds	11,147,283
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	<b>\$ 13,832,538</b>

**POWER TO DECIDE**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**4. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consisted of the following as of December 31, 2024:

Subject to expenditure for specified purpose:	
Digital Programs	\$ 4,270,965
Systems and Practices	2,403,921
Marketing and Communications	1,325,174
Organizational Infrastructure	246,237
Public Policy	91,445
Subject to passage of time	<u>1,162,500</u>
<b>TOTAL NET ASSETS WITH DONOR RESTRICTIONS</b>	<b><u>\$ 9,500,242</u></b>

Net assets released from donor restrictions consisted of the following for the year ended December 31, 2024:

Purpose restrictions accomplished:	
Digital Programs	\$ 3,635,336
Marketing and Communications	126,746
Systems and Practices	2,319,895
Public Policy	301,573
Organizational Infrastructure	27,847
Timing restrictions accomplished	<u>375,000</u>
<b>TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS</b>	<b><u>\$ 6,786,397</u></b>

**5. LIQUIDITY AND AVAILABILITY**

Financial assets available for use for general expenditures within one year of the Statement of Financial Position date comprise the following as of December 31, 2024:

Cash and cash equivalents	\$ 2,161,976
Investments	20,719,072
Accounts receivable	56,858
Grants receivable	1,122,102
Contributions receivable	<u>36,238</u>
Subtotal financial assets available within one year	24,096,246
Less: Donor purpose or time restricted funds	(9,500,242)
Less: Board designated funds	(11,147,283)
Add: Net assets with time restrictions expiring in less than one year	<u>912,500</u>
<b>FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR</b>	<b><u>\$ 4,361,221</u></b>

As part of Power to Decide's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, Power to Decide invests cash in excess of daily requirements in short-term investments. The Board designates a portion of any operating surplus to its reserve, which was \$11,147,283 as of December 31, 2024. This fund established by the governing Board may be drawn upon in the event of financial distress or an immediate liquidity need resulting from events outside the typical life cycle of converting financial assets to cash or settling financial liabilities.

**POWER TO DECIDE**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**6. CONTRIBUTED NONFINANCIAL ASSETS**

During the year ended December 31, 2024, Power to Decide was the beneficiary of donated services which allowed Power to Decide to provide greater resources toward various programs. To properly reflect total program expenses, the following donated services have been included in support and expense for the year ended December 31, 2024:

Digital advertising	\$ 775,897
Legal assistance	<u>167,651</u>
<b>TOTAL</b>	<b><u>\$ 943,548</u></b>

The following programs have benefited from the donated services during the year ended December 31, 2024:

Program Services	\$ 783,397
Supporting Services	<u>160,151</u>
<b>TOTAL</b>	<b><u>\$ 943,548</u></b>

**7. LEASE COMMITMENTS**

Power to Decide follows FASB ASC 842 for leases. Power to Decide has elected the practical expedient that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and is applying this expedient to all relevant asset classes. Power to Decide has also elected to use a risk-free rate as the lease discount rate for all leases as allowed under FASB ASC 842.

**Operating Leases:**

Power to Decide has a noncancelable operating lease for office space in Washington, D.C. that commenced on May 1, 2023 expires in April 2031 with a total lease term of eight years and a discount rate of 7.05%. The office lease includes an escalation of base rentals which is being amortized on a basis to achieve straight-line rent expense over the life of the lease. The terms of the lease include an abatement of rent payments for the first 10 months of the lease. For the year ended December 31, 2024, total lease cost was \$167,400 and total cash paid was \$136,241.

The following is a schedule of the future minimum lease payments due under the operating lease, net of imputed interest, as of December 31, 2024:

**Year Ending December 31,**

2025	\$ 167,029
2026	171,205
2027	175,485
2028	179,872
2029	184,369
Thereafter	<u>252,487</u>
	1,130,447
Less: Imputed interest	<u>(225,984)</u>
<b>TOTAL LEASE LIABILITY</b>	<b><u>\$ 904,463</u></b>



## POWER TO DECIDE

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

#### 8. RETIREMENT PLAN

Power to Decide provides retirement benefits to its employees through a defined contribution plan pursuant to Section 403(b) of the Internal Revenue Code (the IRC), which covers eligible employees with a minimum of twelve months of service. Power to Decide contributes 6% of an eligible employee's compensation to this plan and employees are fully vested at the time of contribution. Contributions to the Plan totaled \$250,751 during the year ended December 31, 2024.

#### 9. CONTINGENCY

Power to Decide receives Federal grants, which are subject to audit under the provisions of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* if amounts expended exceed \$750,000 in a fiscal year. Audits in accordance with the applicable provisions have been completed for all required fiscal years through 2023. Until such audits have been accepted by the United States Government, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from such audits.

#### 10. SUBSEQUENT EVENTS

In preparing these financial statements, Power to Decide has evaluated events and transactions for potential recognition or disclosure through April 18, 2025, the date the financial statements were issued.