

**CONSOLIDATED FINANCIAL STATEMENTS**

**AMERICAN ASSOCIATION OF  
UNIVERSITY WOMEN, INC.**

**AAUW ACTION FUND, INC.**

**FOR THE YEARS ENDED  
JUNE 30, 2025 AND 2024**

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
American Association of University Women, Inc.  
AAUW Action Fund, Inc.  
Washington, D.C.

### **Opinion**

We have audited the accompanying consolidated financial statements of the American Association of University Women, Inc. (AAUW) and AAUW Action Fund, Inc. (the Action Fund), collectively referred to as the Organization, which comprise the consolidated statements of financial position as of June 30, 2025 and 2024, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of June 30, 2025 and 2024, and the consolidated changes in its net assets and its consolidated cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 consolidated financial statements are available to be issued.

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MEMBER OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS' PRIVATE COMPANIES PRACTICE SECTION

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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, 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The Consolidating Schedules of Financial Position, Activities and Change in Net Assets on pages 27 - 29 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



November 21, 2025

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS OF JUNE 30, 2025 AND 2024**

**ASSETS**

<b>CURRENT ASSETS</b>	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 3,997,059	\$ 3,501,200
Contributions and grants receivable	267,850	1,802,785
Other receivables	335,766	1,281,438
Prepaid expenses and other assets	981,691	997,084
Deferred rent receivable	587,323	524,492
Right-of-use asset, net	14,384,802	16,062,600
Property and equipment, net	1,477,306	1,705,448
Investments	<u>145,602,952</u>	<u>136,982,655</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>167,634,749</u></b>	<b>\$ <u>162,857,702</u></b>

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

Accounts payable and accrued expenses	\$ 820,385	\$ 779,948
Committed awards and grants payable	5,486,665	6,226,491
Deferred membership dues	2,064,024	2,066,722
Split interest agreements	429,778	440,268
Other liabilities	126,052	173,108
Operating lease liability, net	<u>18,487,242</u>	<u>20,435,434</u>
Total liabilities	<u>27,414,146</u>	<u>30,121,971</u>

**NET ASSETS**

Without donor restrictions	5,180,585	4,931,178
With donor restrictions	<u>135,040,018</u>	<u>127,804,553</u>
Total net assets	<u>140,220,603</u>	<u>132,735,731</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ <u>167,634,749</u></b>	<b>\$ <u>162,857,702</u></b>

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

**CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>SUPPORT AND REVENUE</b>			
Contributions and grants	\$ 3,481,719	\$ 481,518	\$ 3,963,237
Net investment return	809,346	16,723,925	17,533,271
Membership dues	2,082,997	-	2,082,997
Lease income	1,022,892	-	1,022,892
Conference revenue	59,750	-	59,750
Change in value of split interest agreements	-	(70,038)	(70,038)
Other revenue	56,135	-	56,135
Net assets released from donor restrictions	<u>9,899,940</u>	<u>(9,899,940)</u>	<u>-</u>
Total support and revenue	<u>17,412,779</u>	<u>7,235,465</u>	<u>24,648,244</u>
<b>EXPENSES</b>			
Program Services	<u>10,332,325</u>	<u>-</u>	<u>10,332,325</u>
Supporting Services:			
Management and General	5,496,980	-	5,496,980
Development and Fundraising	<u>1,334,067</u>	<u>-</u>	<u>1,334,067</u>
Total supporting services	<u>6,831,047</u>	<u>-</u>	<u>6,831,047</u>
Total expenses	<u>17,163,372</u>	<u>-</u>	<u>17,163,372</u>
Changes in net assets	249,407	7,235,465	7,484,872
Net assets at beginning of year	<u>4,931,178</u>	<u>127,804,553</u>	<u>132,735,731</u>
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 5,180,585</u></b>	<b><u>\$ 135,040,018</u></b>	<b><u>\$ 140,220,603</u></b>

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

**CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>SUPPORT AND REVENUE</b>			
Contributions and grants	\$ 3,333,061	\$ 2,322,998	\$ 5,656,059
Net investment return	703,213	15,563,222	16,266,435
Membership dues	2,250,945	-	2,250,945
Lease income	991,627	-	991,627
Conference revenue	249,114	-	249,114
Change in value of split interest agreements	-	(68,783)	(68,783)
Other revenue	8,922	-	8,922
Net assets released from donor restrictions	<u>10,291,119</u>	<u>(10,291,119)</u>	<u>-</u>
Total support and revenue	<u>17,828,001</u>	<u>7,526,318</u>	<u>25,354,319</u>
<b>EXPENSES</b>			
Program Services	<u>12,411,183</u>	<u>-</u>	<u>12,411,183</u>
Supporting Services:			
Management and General	4,524,591	-	4,524,591
Development and Fundraising	<u>1,240,045</u>	<u>-</u>	<u>1,240,045</u>
Total supporting services	<u>5,764,636</u>	<u>-</u>	<u>5,764,636</u>
Total expenses	<u>18,175,819</u>	<u>-</u>	<u>18,175,819</u>
Changes in net assets	(347,818)	7,526,318	7,178,500
Net assets at beginning of year	<u>5,278,996</u>	<u>120,278,235</u>	<u>125,557,231</u>
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 4,931,178</u></b>	<b><u>\$ 127,804,553</u></b>	<b><u>\$ 132,735,731</u></b>

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>Supporting Services</u>			<b>Total Supporting Services</b>	<b>Total Expenses</b>
	<b>Program Services</b>	<b>Management and General</b>	<b>Development and Fundraising</b>		
Salaries, benefits and taxes	\$ 2,512,521	\$ 2,017,759	\$ 651,339	\$ 2,669,098	\$ 5,181,619
Grants and contributions	5,923,964	-	-	-	5,923,964
Occupancy	464,999	2,113,552	122,261	2,235,813	2,700,812
Office expenses	428,275	61,034	335,969	397,003	825,278
Information technology	371,764	272,027	46,471	318,498	690,262
Depreciation and amortization	189,575	192,410	49,828	242,238	431,813
Professional fees	282,147	718,772	112,075	830,847	1,112,994
General insurance	19,411	47,220	1,462	48,682	68,093
Travel	13,535	49,391	2,297	51,688	65,223
Dues, subscriptions and publications	22,268	11,984	235	12,219	34,487
Other expenses	30	-	2,501	2,501	2,531
Advertising and promotion	26,244	863	7,929	8,792	35,036
Conferences and meetings	77,592	11,968	1,700	13,668	91,260
<b>TOTAL</b>	<b><u>\$ 10,332,325</u></b>	<b><u>\$ 5,496,980</u></b>	<b><u>\$ 1,334,067</u></b>	<b><u>\$ 6,831,047</u></b>	<b><u>\$ 17,163,372</u></b>

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Supporting Services</u>			<b>Total Supporting Services</b>	<b>Total Expenses</b>
	<b>Program Services</b>	<b>Management and General</b>	<b>Development and Fundraising</b>		
Salaries, benefits and taxes	\$ 3,606,526	\$ 1,393,480	\$ 568,260	\$ 1,961,740	\$ 5,568,266
Grants and contributions	6,277,921	-	-	-	6,277,921
Occupancy	626,089	2,021,378	92,418	2,113,796	2,739,885
Office expenses	437,656	29,617	370,103	399,720	837,376
Information technology	434,063	217,505	39,848	257,353	691,416
Depreciation and amortization	302,451	96,790	37,175	133,965	436,416
Professional fees	372,150	665,513	124,189	789,702	1,161,852
General insurance	27,978	41,489	1,074	42,563	70,541
Travel	29,664	36,863	186	37,049	66,713
Dues, subscriptions and publications	12,961	5,725	1,970	7,695	20,656
Other expenses	1,318	371	-	371	1,689
Advertising and promotion	25,023	250	1,461	1,711	26,734
Conferences and meetings	257,383	15,610	3,361	18,971	276,354
<b>TOTAL</b>	<b>\$ 12,411,183</b>	<b>\$ 4,524,591</b>	<b>\$ 1,240,045</b>	<b>\$ 5,764,636</b>	<b>\$ 18,175,819</b>

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

**CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in net assets	\$ 7,484,872	\$ 7,178,500
Adjustments to reconcile changes in net assets to net cash used by operating activities:		
Depreciation and amortization	431,813	436,416
Realized and unrealized gain on investments	(14,720,819)	(13,375,672)
Contributions to be invested in perpetuity	(16,567)	(1,085,044)
Amortization of right-of-use asset	1,677,798	1,598,174
Change in value of split interest agreements	70,038	68,783
Loss on disposal of property and equipment	1,071	-
Decrease (increase) in:		
Contributions and grants receivable	1,534,935	(1,681,416)
Other receivables	945,672	54,307
Prepaid expenses and other assets	15,393	29,891
Deferred rent receivable	(62,831)	(176,727)
Increase (decrease) in:		
Accounts payable and accrued expenses	40,437	(204,962)
Committed awards and grants payable	(739,826)	(297,960)
Deferred membership dues	(2,698)	45,038
Other liabilities	(47,056)	82,399
Operating lease liability, net	<u>(1,948,192)</u>	<u>(1,801,026)</u>
Net cash used by operating activities	<u>(5,335,960)</u>	<u>(9,129,299)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(204,742)	(109,549)
Purchases of investments	(41,669,530)	(60,222,878)
Proceeds from sale of investments	<u>47,770,052</u>	<u>68,807,924</u>
Net cash provided by investing activities	<u>5,895,780</u>	<u>8,475,497</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments to beneficiaries of split interest agreements	(80,528)	(81,192)
Contributions to be invested in perpetuity	<u>16,567</u>	<u>1,085,044</u>
Net cash (used) provided by financing activities	<u>(63,961)</u>	<u>1,003,852</u>
Net increase in cash and cash equivalents	495,859	350,050
Cash and cash equivalents at beginning of year	<u>3,501,200</u>	<u>3,151,150</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u>\$ 3,997,059</u></b>	<b><u>\$ 3,501,200</u></b>

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

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

Organizations -

The American Association of University Women, Inc. (AAUW) is the nation's leading voice promoting equity and education for women and girls through research, education, and advocacy. Since its founding in 1881, AAUW has examined and taken positions on the fundamental issues of the day - educational, social, economic, and political. Membership in AAUW is open to all graduates holding an associates or equivalent, or higher degree from a qualified educational institution. AAUW was incorporated under the laws of the District of Columbia in 1958. AAUW is supported primarily by contributions, member dues, and investment income.

Major programs of AAUW:

**Fellowships and Grants** - AAUW awards American Fellowships to women who are U.S. citizens or permanent residents pursuing full-time study to complete dissertations, conduct postdoctoral research, or preparing research for publication. Selected Professional Fellowships are awarded to women pursuing full-time study in a master's or professional degree program in which women are underrepresented, including STEM, law, business, and medicine. International Fellowships are awarded to women pursuing full-time graduate or postdoctoral study in the United States who are not U.S. citizens or permanent residents. International Project Grants are awarded to alumnae of AAUW's International Fellowships program who are living in their home countries and pursuing community-based projects to improve the social advancement and economic empowerment of women and girls. Community Action Grants are awarded to individuals, AAUW affiliates, and non-profit organizations to fund innovative programs or non-degree research projects that promote equity for women and girls. Career Development Grants are awarded to women pursuing a certificate or degree to advance their careers, change careers, or reenter the workforce and whose bachelor's degree was received at least five years before the award period.

**Training Programs** - AAUW created and runs programs that serve the public such as AAUW Start Smart, AAUW Work Smart salary negotiation and financial literacy workshops.

**Research** - AAUW provides support for research that is widely disseminated.

**Public Policy** - AAUW's public policy efforts connect, educate, and rally members, supporters and advocates to advance its mission to empower women and girls through grassroots advocacy at the Federal, State, and local levels.

**Legal Advocacy Fund** - AAUW's Legal Advocacy Fund combats sex and gender discrimination through financial case support.

**Membership** - AAUW supports the mission-based work of State and local AAUW affiliates, including programming and grassroots advocacy that advance gender equity for women and girls.

The AAUW Action Fund, Inc. (the Action Fund) was founded in 1881, and was chartered under a special act of the Massachusetts Legislature in 1889. The Action Fund includes activities and programs to advance equity for women and girls through member activism and voter mobilization. The Action Fund is primarily supported by investment income.

Major programs of the Action Fund:

**Advocacy** - The public policy and Government relations function includes influencing legislation and regulations, training and technical assistance, issues analyses, and voter education based on the member-adopted public policy priorities.

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

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

Organizations (continued) -

Major programs of the Action Fund (continued):

**Outreach** - Includes advocacy and lobbying activities that connect and rally members, supporters and advocates to advance the Action Fund mission.

Principles of consolidation -

The accounts of AAUW and the Action Fund (collectively, the Organization) have been consolidated in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), which requires that financially interrelated organizations be consolidated. The bylaws of the Action Fund provide that the AAUW Executive Committee shall constitute the Board of Directors of the Action Fund. As a result, AAUW is deemed to have both an economic interest in and control of the Action Fund, and consolidated financial statements are required to be presented. All material intercompany accounts and transactions have been eliminated in consolidation.

Basis of presentation -

The accompanying consolidated financial statements are presented on the accrual basis of accounting, and in accordance with U.S. GAAP related to non-profit 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. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue without donor restrictions when the assets are placed in service.

The purpose restrictions are as follows:

**American, International and Selected Professions Fellowships:** The American and International Fellowships are funded by contributions and investment revenue earned from net assets with purpose restricted gifts to fund fellowships for women.

**NYC Metropolitan Area Fund:** These funds are purpose restricted and are to be used solely within the prescribed New York City Metropolitan Area for the furtherance of the purposes of the American Association of University Women, Inc.

AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

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

Basis of presentation (continued) -

• **Net Assets with Donor Restrictions (continued) -**

**Career Development, Community Action and International Project Grants:** Awards are funded by contributions and investment revenue earned from purpose restricted gifts to fund programs and research that help advance equity for women and girls.

**Legal Advocacy Fund:** These funds are restricted to supporting legal cases combating sex and gender discrimination, particularly in education and the workplace.

**STEM Fellowships and Grants:** Contributions and investment income are used to overcome the barriers that have historically resulted in women and girls being significantly underrepresented in the fields of Science, Technology, Engineering, and Mathematics.

**Financial Literacy and Salary Negotiation Programs:** AAUW Financial Literacy and Salary Negotiation Programs are designed to empower women with the skills and confidence to negotiate for fair pay and understand finances and budgeting.

**Split-Interest Agreements:** Split-Interest Agreements net assets consist of donor agreements to provide assets to AAUW as described in Split-Interest Agreements.

**Endowments:** Net assets with endowment restrictions are maintained in perpetuity by AAUW. The investment income earned on the purpose restricted net assets is used to fund the various programs. The following is a description of AAUW's endowed funds:

**American and International Fellowships:** American and International Fellowships endowment funds are restricted for American and International Fellowships pursuant to the charter of the endowment.

**Research and Projects:** Research and projects endowment funds are restricted for career development and community action grants.

**Legal Advocacy:** The Legal Advocacy Fund consists of gifts from the Marguerite Rawalt Legal Defense Fund, the Rothschild Endowment, and other contributions. The restrictions are controlled by the original agreements establishing the endowment by the donor.

**Campus Leadership Programs:** Endowment funds are restricted for AAUW's campus programs.

Cash and cash equivalents -

The Organization considers all cash and other highly liquid investments, including certificates of deposit, with maturities of three months or less to be cash equivalents, and excluding money market funds held by investment managers in the amount of \$3,093,242 and \$465,871 for the years ended June 30, 2025 and 2024, respectively. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, the Organization maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

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

Investments -

Investments are recorded at their readily determinable fair value. Interest, dividends, realized and unrealized gains and losses are included in investment return, which is presented net of investment expenses paid to external investment advisors, in the accompanying Consolidated Statements of Activities and Changes in Net Assets. Investments acquired by gift are recorded at their fair value at the date of the gift. The Organization's policy is to liquidate all gifts of investments as soon as possible after the gift.

Contributions and grants receivable -

Contributions and grants receivable primarily consist of unconditional pledges from individuals, bequests, and irrevocable charitable lead and remainder trusts to be paid over various periods. Amounts that are expected to be collected within one year are recorded at net realizable value. Allowances for doubtful accounts are estimated based on the length of time outstanding and past history with donors. Amounts that are expected to be collected in future years are recorded at the present value of future cash flows. Management considers all contributions and grants receivable to be fully collectable; therefore, no allowance for doubtful accounts has been established.

Other receivables -

Other receivables primarily consist of the Employee Retention Credit (ERC) (see Note 11), and accrued investment interest. All other receivables are recorded at their fair value. Other receivables 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. As of June 30, 2025 and 2024, there was no allowance for credit losses included in the other receivables balance.

Property and equipment -

Property and equipment are recorded at cost, if purchased, or at fair market value at date of donation, if contributed. Acquisitions of property and equipment greater than \$5,000 are capitalized and depreciated or amortized using the straight-line method over the following useful lives: furniture, ten years; computer equipment and software, three to seven years; website redesign, five years; and, leasehold improvements, the lesser of the remaining lease term or the estimated useful lives of the improvements.

Depreciation and amortization expense for the years ended June 30, 2025 and 2024 totaled \$431,813 and \$436,416, respectively.

Impairment of long-lived assets -

Management reviews asset carrying amounts whenever events or circumstances indicate that such carrying amounts may not be recoverable. When considered impaired, the carrying amount of the assets is reduced, by a charge to the Consolidated Statements of Activities and Changes in Net Assets, to its current fair value.

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

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

Income taxes -

AAUW is exempt from the payment of income taxes on its exempt activities under Section 501(c)(3) of the Internal Revenue Code (the Code), and is classified as other than a private foundation within the meaning of Section 509(a)(1) of the Code. However, AAUW is subject to tax on net income received from activities unrelated to its exempt purpose. For the years ended June 30, 2025 and 2024, AAUW had no unrelated business income.

The Action Fund is exempt from Federal income taxes under Section 501(c)(4) of the Internal Revenue Code, taxable if there is unrelated business taxable income under IRS Code Section 512(a)(1), and taxable if there is political organizations taxable income from political expenditures, as described under IRS Code Section 527(f)(1). For the years ended June 30, 2025 and 2024, the Action Fund had no unrelated business income and no taxable income from political expenditures.

Support from contributions and grants -

Contributions and grants are recognized in the appropriate category of net assets in the period received. The Organization performs an analysis of the individual contribution or grant to determine if the revenue streams follow the contribution rules or if they should be recorded as an exchange transaction depending upon whether the transaction is deemed reciprocal or nonreciprocal in accordance with ASC Topic 958.

Support from contributions is 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 consolidated 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. Conditional contributions received in advance of meeting specified conditions established by donors are recorded as refundable advances. However, the Organization had no refundable advances as of June 30, 2025 and 2024.

In addition, the Organization may obtain funding source agreements related to conditional contributions, which will be received in future years. However, the Organization had no conditional contributions to be received in future years as of June 30, 2025 and 2024.

Revenue from contracts with customers -

The Organization's membership dues and conference revenue 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. The Organization has elected to opt out of all disclosures not required for nonpublic entities. Transaction price is based on sales price. Funding received in advance of satisfying performance obligations are recorded as deferred revenue.

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

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

Revenue from contracts with customers (continued) -

Membership dues -

Membership dues include general member benefits that are a series of distinct obligations. The revenue is recognized ratably over the membership period. There are several benefits received that are individual distinct obligations such as discounted rates to conferences and meetings; however, they are immaterial in nature to the contract and thus are included with the general member benefits.

Any amounts considered as a contribution are recognized upon receipt. Life membership dues are recognized evenly over 20 years, which is the average estimated member lifespan.

Conference revenue -

Conference revenue is recognized as revenue when the related events are held.

Use of estimates -

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

Split-interest agreements -

AAUW has a beneficial interest in two types of split-interest agreements where donors have made irrevocable gifts to AAUW or to trusts for the benefit of AAUW. Donors either transfer assets directly to an investment account in the name of AAUW or promise to give assets in the future. The assets are recorded at fair value, if invested, or at present value, if promised. The split-interest agreements are as follows:

- **Charitable Gift Annuity:** A charitable gift annuity is an arrangement between a donor and AAUW in which the donor contributes assets to AAUW in exchange for a promise by AAUW to pay a fixed amount for a specified period of time to the donor or to individuals or organizations specified by the donor.
- **Charitable Remainder Unitrust (CRUT):** A charitable remainder unitrust is an agreement whereby the donor contributes assets in exchange for distributions based on the value of trust assets for a specified period of time to the donor or other beneficiaries. At the end of the specified time, the remaining assets are available for AAUW's use. Assets received are recorded at fair value on the date the agreement or unitrust is recognized and as required by State law, are invested. A liability equal to the present value of the future distributions is recorded.

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

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

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Consolidated Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area of the Organization are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated on a basis of estimated time and effort or other reasonable basis. Overhead is allocated based on total direct cost after IT and building operations have been allocated.

Investment risks and uncertainties -

The Organization 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 consolidated financial statements.

**2. INVESTMENTS AND FAIR VALUE MEASUREMENT**

In accordance with FASB ASC 820, *Fair Value Measurement*, the Organization 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 Consolidated Statements 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 the Organization has the ability to access.

**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 years ended June 30, 2025 and 2024. Transfers between levels are recorded at the end of the reporting period, if applicable.

- *Money Market Funds* - The money market funds are open-end funds that are registered with the Securities and Exchange Commission (SEC) and are deemed to be actively traded.
- *Mutual Funds and Exchange Traded Funds (ETFs)* - Valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily value and to transact at that price. Mutual funds held by the Organization are deemed to be actively traded.

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

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

- *Common Stocks* - Valued at the closing price reported on the active market in which the individual securities are traded.
- *Government Bonds* - Valued at the closing price reported in the active market in which the individual securities are traded.
- *Collective Investment Funds* - These funds invest in a pooled concept that can include a variety of investments including benefit-responsive investment contracts issued by insurance companies and other financial institutions, fixed income securities, and money market funds. The fund may also invest in futures contracts, option contracts, and swap agreements. The fund accounts for valuation in the investment at a net asset value (NAV) whereby fair value is not readily available.

The fair value of investments within the scope of FASB issued Accounting Standards Update (ASU) 2009-12, *Investment in Certain Entities that Calculate Net Asset Value per Share*, can be determined using NAV per share as a practical expedient when the fair value is not readily determinable, unless its probable that the investment will be sold at something other than NAV. The ASU requires disclosure of certain attributes by major category for investments within the scope of the ASU, regardless of whether the practical expedient was used. The Organization has determined that the Collective Funds can be measured using the practical expedient.

The table below summarizes investments, which are measured at fair value on a recurring basis, by level within the fair value hierarchy as of June 30, 2025. Certain investments that are measured at net asset value have not been categorized in the fair value hierarchy; however, the net asset value amounts presented in the tables are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Consolidated Statements of Financial Position.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>INVESTMENTS:</b>				
Money market funds	\$ 3,093,242	\$ -	\$ -	\$ 3,093,242
Mutual funds and ETFs:				
Equity	93,876,976	-	-	93,876,976
Fixed income	34,821,262	-	-	34,821,262
Alternative strategy	3,683	-	-	3,683
Common stocks	<u>77,498</u>	<u>-</u>	<u>-</u>	<u>77,498</u>
<b>TOTAL INVESTMENTS AT FAIR VALUE</b>	<b><u>\$ 131,872,661</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 131,872,661</u></b>
<b>INVESTMENTS MEASURED IN NAV PER PRACTICAL EXPEDIENT:</b>				
Collective Investment Funds	<b><u>\$ 12,856,303</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 12,856,303</u></b>
<b>SPLIT-INTEREST INVESTMENTS:</b>				
Money market funds	\$ 69,173	\$ -	\$ -	\$ 69,173
Government bonds	86,780	-	-	86,780
Mutual funds and ETFs:				
Equity	494,490	-	-	494,490
Fixed income	<u>223,545</u>	<u>-</u>	<u>-</u>	<u>223,545</u>
<b>TOTAL SPLIT-INTEREST INVESTMENTS AT FAIR VALUE</b>	<b><u>\$ 873,988</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 873,988</u></b>
<b>TOTAL INVESTMENTS</b>	<b><u>\$ 145,602,952</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 145,602,952</u></b>
<b>TOTAL SPLIT-INTEREST AGREEMENT LIABILITIES AT FAIR VALUE</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 429,778</u></b>	<b><u>\$ 429,778</u></b>

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

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

The table below summarizes investments, which are measured at fair value on a recurring basis, by level within the fair value hierarchy as of June 30, 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>INVESTMENTS:</b>				
Money market funds	\$ 465,871	\$ -	\$ -	\$ 465,871
Mutual funds and ETFs:				
Equity	91,250,363	-	-	91,250,363
Fixed income	32,366,464	-	-	32,366,464
Alternative strategy	5,302	-	-	5,302
Common stocks	<u>65,360</u>	<u>-</u>	<u>-</u>	<u>65,360</u>
<b>TOTAL INVESTMENTS AT FAIR VALUE</b>	<b><u>\$ 124,153,360</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 124,153,360</u></b>
<b>INVESTMENTS MEASURED IN NAV PER PRACTICAL EXPEDIENT:</b>				
<b>Collective Investment Funds</b>	<b><u>\$ 11,960,436</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 11,960,436</u></b>
<b>SPLIT-INTEREST INVESTMENTS:</b>				
Money market funds	\$ 64,997	\$ -	\$ -	\$ 64,997
Government bonds	93,756	-	-	93,756
Mutual funds and ETFs:				
Equity	492,527	-	-	492,527
Fixed income	<u>217,579</u>	<u>-</u>	<u>-</u>	<u>217,579</u>
<b>TOTAL SPLIT-INTEREST INVESTMENTS AT FAIR VALUE</b>	<b><u>\$ 868,859</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 868,859</u></b>
<b>TOTAL INVESTMENTS</b>	<b><u>\$ 136,982,655</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 136,982,655</u></b>
<b>TOTAL SPLIT-INTEREST AGREEMENT LIABILITIES AT FAIR VALUE</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 440,268</u></b>	<b><u>\$ 440,268</u></b>

The following is a summary of the investments valued using NAV as a practical expedient and the related unfunded commitments and redemption restrictions associated with each major asset category as of June 30, 2025:

	<u>Net Asset Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Notice Period</u>
<b>Collective Investment Funds</b>	<b><u>\$ 12,856,303</u></b>	<b>None</b>	<b>Monthly</b>	<b>30 days</b>

The following is a summary of the investment values using NAV as a practical expedient and the related unfunded commitments and redemption restrictions associated with each major asset category as of June 30, 2024:

	<u>Net Asset Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Notice Period</u>
<b>Collective Investment Funds</b>	<b><u>\$ 11,960,436</u></b>	<b>None</b>	<b>Monthly</b>	<b>30 days</b>

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

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

The following table provides a summary of changes in fair value of the Organization's Level 3 financial liabilities for the years ended June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 440,268	\$ 452,677
Change in value of split-interest agreements	70,038	68,783
Payments to beneficiaries	<u>(80,528)</u>	<u>(81,192)</u>
<b>BALANCE, END OF YEAR</b>	<b>\$ <u>429,778</u></b>	<b>\$ <u>440,268</u></b>

Net investment return consisted of the following for the years ended June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Interest and dividends	\$ 2,920,317	\$ 2,996,657
Unrealized gain	2,584,245	10,141,228
Realized gain	12,136,574	3,234,444
Investment expenses	<u>(107,865)</u>	<u>(105,894)</u>
<b>NET INVESTMENT RETURN</b>	<b>\$ <u>17,533,271</u></b>	<b>\$ <u>16,266,435</u></b>

**3. CONTRACT ASSETS AND CONTRACT LIABILITIES**

Contract assets consisted of the following revenue streams as of:

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>July 1, 2023</u>
Membership dues	\$ 3,827	\$ 43,153	\$ 21,698
Lease income	541	589	-
Conference revenue	-	250	-
Other revenue	<u>25,067</u>	<u>12,194</u>	<u>13,274</u>
<b>TOTAL CONTRACT ASSETS</b>	<b>\$ <u>29,435</u></b>	<b>\$ <u>56,186</u></b>	<b>\$ <u>34,972</u></b>

Certain other amounts are included in Other receivables on the accompanying Consolidated Statements of Financial Position that are not deemed to be contract assets.

Contract liabilities consisted of the following revenue streams as of:

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>July 1, 2023</u>
<b>Membership Dues</b>	<b>\$ <u>2,064,024</u></b>	<b>\$ <u>2,066,722</u></b>	<b>\$ <u>2,021,684</u></b>

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

**4. PROPERTY AND EQUIPMENT**

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

	<b>2025</b>	<b>2024</b>
Computer equipment and software	\$ 848,108	\$ 740,932
Furniture and equipment	948,471	930,530
CRM systems	1,466,000	1,466,000
Work in progress (CRM systems)	82,288	64,069
Website	292,073	296,448
Copyright	125,000	125,000
Telephone equipment	19,577	19,577
Mailing system	11,151	11,151
Grant management system	51,625	-
Total Property and equipment	3,844,293	3,653,707
Less: Accumulated depreciation and amortization	(2,366,987)	(1,948,259)
<b>NET PROPERTY AND EQUIPMENT</b>	<b>\$ 1,477,306</b>	<b>\$ 1,705,448</b>

**5. SPLIT-INTEREST AGREEMENTS**

***Gift Annuities -***

As of June 30, 2025 and 2024, total assets of the gift annuity funds, at fair market value, were \$401,606 and \$431,141, respectively.

As of June 30, 2025 and 2024, the gift annuity funds liability totaled \$277,315 and \$292,054, respectively, and was computed using interest rates ranging from 1.2% to 8.2%.

***Charitable Remainder Unitrusts (CRUT) -***

As of June 30, 2025 and 2024, the total assets of the charitable remainder unitrust, at fair market value, were \$472,382 and \$437,718, respectively.

As of June 30, 2025 and 2024, the charitable remainder unitrust liabilities totaled \$152,463 and \$148,214, respectively, and were computed using an interest rate of 2%.

**6. COMMITTED AWARDS AND GRANTS PAYABLE**

The Organization's Board of Directors approves certain awards and grants to be paid in accordance with program restrictions. Committed awards and grants payable consisted of the following as of June 30, 2025 and 2024:

	<b>2025</b>	<b>2024</b>
American Fellowships	\$ 3,288,000	\$ 3,090,300
International Fellowships	1,325,000	2,215,000
Research and Projects	500,000	535,940
NYC Metropolitan Area Fund	130,000	215,000
Research Publication Grant	159,656	87,397
International Project Grants	50,000	19,950
Prior Year Amounts Held	34,009	62,904
<b>TOTAL COMMITTED AWARDS AND GRANTS PAYABLE</b>	<b>\$ 5,486,665</b>	<b>\$ 6,226,491</b>

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

**7. NET ASSETS WITH DONOR RESTRICTIONS**

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

	<u>2025</u>	<u>2024</u>
Subject to expenditure for specified purpose:		
STEM Education (Nancy Grace Roman)	\$ 5,176,208	\$ 5,319,627
NYC Metropolitan Area Fund	1,666,976	2,004,968
Tech Trek	830,734	810,777
Legal Advocacy Fund	1,912,420	2,084,327
Split-Interest Agreements	304,128	288,645
Career Development, Community Action, and International Project Grants	442,224	349,188
American Fellowships	12,616,587	13,081,941
International Fellowships	1,067,048	1,592,644
Other Restricted Funds	42,466	16,674
Campus Leadership	-	586
Accumulated investment earnings	<u>35,447,910</u>	<u>26,738,426</u>
Total with program restrictions	59,506,701	52,287,803
Endowment invested in perpetuity	<u>75,533,317</u>	<u>75,516,750</u>
<b>NET ASSETS WITH DONOR RESTRICTIONS</b>	<b><u>\$ 135,040,018</u></b>	<b><u>\$ 127,804,553</u></b>

The following net assets with donor restrictions were released from donor restrictions by incurring expenses which satisfied the restricted purposes specified by the donors during the years ended June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Purpose restrictions accomplished:		
American Fellowships	\$ 5,487,943	\$ 4,465,353
International Fellowships	1,660,971	2,536,316
STEM Education	796,352	865,955
NYC Metropolitan Area Fund	572,765	849,138
Career Development, Community Action, and International Project Grants	673,936	660,959
Women's Economic Empowerment Program	-	250,000
STEMEd for Girls	103	108,105
Legal Advocacy Fund	485,708	254,223
Strategic Plan Giving	73,101	91,602
Other Restricted Funds	66,812	11,253
NCCWSL	-	66,569
Tech Trek	82,249	17,646
Mooneen Lecce	-	64,000
Work Smart	<u>-</u>	<u>50,000</u>
<b>NET ASSETS RELEASED FROM DONOR RESTRICTIONS</b>	<b><u>\$ 9,899,940</u></b>	<b><u>\$ 10,291,119</u></b>

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

**8. LIQUIDITY AND AVAILABILITY**

Financial assets available for use for general expenditures within one year of the Consolidated Statements of Financial Position date comprise the following as of June 30, 2025 and 2024:

	<b>2025</b>	<b>2024</b>
Cash and cash equivalents	\$ 3,997,059	\$ 3,501,200
Contributions and grants receivable	267,850	1,802,785
Other receivables	335,766	1,281,438
Investments	<u>144,728,964</u>	<u>136,113,796</u>
Subtotal financial assets available within one year	149,329,639	142,699,219
Less: Donor-restricted funds	<u>(135,040,018)</u>	<u>(127,804,553)</u>
<b>FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR</b>	<b>\$ 14,289,621</b>	<b>\$ 14,894,666</b>

The Organization manages its liquidity to meet general expenditures, liabilities, and other obligations as they become due.

**9. LEASE COMMITMENTS**

The Organization follows FASB ASC 842 for leases. The Organization 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.

The Organization 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:**

AAUW has a lease agreement for office space through 2032. The lease commenced on June 1, 2016. Under the terms of the lease, AAUW received fifteen months of free rent. The lease includes an option to renew the lease for an additional five years if notice is given by May 31, 2031. The base rent increases annually based on scheduled increases provided for in the lease. The lessor provided lease incentives totaling approximately \$4,324,000. In addition, AAUW is also required to maintain an irrevocable letter of credit in lieu of a security deposit of \$373,000. The letter of credit is secured by a collateral cash account in the same amount.

For the years ended June 30, 2025 and 2024, the total lease cost for all operating leases was approximately \$2,538,000 and \$2,500,000, respectively, which is included in Occupancy expense in the accompanying Consolidated Statements of Functional Expenses. For the years ended June 30, 2025 and 2024, the total cash paid for all operating leases was approximately \$2,769,000 and \$2,702,000, respectively. As of June 30, 2025 and 2024, the remaining lease term and rate for the operating lease is 6.9 years and 4.25%.

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

**9. LEASE COMMITMENTS (Continued)**

The following is a schedule of the future minimum lease payments due under the operating lease, net of imputed interest, as of June 30, 2025:

<u>Year Ending June 30,</u>		
2026		\$ 2,841,897
2027		2,947,300
2028		3,021,097
2029		3,096,820
2030		3,174,469
Thereafter		<u>6,305,260</u>
		21,386,843
Less: Imputed interest		<u>(2,899,601)</u>
		18,487,242
Less: Current portion		<u>(2,106,804)</u>
<b>LONG-TERM PORTION</b>		<b><u>\$ 16,380,438</u></b>

AAUW has several sublease agreements that expire through 2032. Under accounting principles generally accepted in the United States of America (GAAP), all lease income payments, including fixed rent increases, are recognized on a straight-line basis over the term of the sub-lease. The difference between the GAAP lease income and the sub-lease payments, as well as any unamortized lease incentives, are reflected as deferred rent receivable in the accompanying Consolidated Statements of Financial Position.

The following is a schedule of the future minimum lease income:

<u>Year Ending June 30,</u>		
2026		\$ 1,041,964
2027		1,010,525
2028		1,053,193
2029		994,113
2030		991,900
Thereafter		<u>1,712,346</u>
<b>TOTAL</b>		<b><u>\$ 6,804,041</u></b>

Lease income for the years ended June 30, 2025 and 2024 totaled \$1,022,892 and \$991,627, respectively.

**10. RETIREMENT PLANS**

AAUW sponsors a non-contributory defined contribution retirement plan (the Plan) available to all employees meeting certain eligibility requirements as defined by the Plan document. The Plan requires an employer contribution amounting to 6% of participant compensation. The employer contributions are used to purchase Teachers Insurance and Annuity Association Contracts and College Retirement Equity Fund Certificates for the individual participants' accounts.

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

**10. RETIREMENT PLANS (Continued)**

AAUW also sponsors a defined contribution 401(k) savings plan (the Savings Plan) available to all employees meeting certain eligibility requirements as defined by the Savings Plan document. The Savings Plan requires an employer matching contribution of up to 4% of participant compensation within the current limits of the Internal Revenue Code.

For the years ended June 30, 2025 and 2024, AAUW's contributions under the above plans totaled \$352,404 and \$353,924, respectively.

**11. EMPLOYEE RETENTION CREDIT**

As part of the Employee Retention Credit (ERC) program, the Organization applied for total credits of \$1,064,428 attributable to wages paid that qualified under the program. The amount due for the ERC funds for the years ended June 30, 2025 and 2024 totaled \$194,598 and \$1,064,428, respectively. The amount due for the ERC funds is included in Other receivables in the accompanying Consolidated Statements of Financial Position.

**12. ENDOWMENT FUNDS**

AAUW's endowment consists of numerous donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors is subject to the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and, thus classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those assets are time restricted until the governing Board appropriates such amounts for expenditures. Most of those net assets are also subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions.

The governing Board has interpreted UPMIFA as requiring the preservation of the fair value of the original gift made to the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Additionally, in accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund;
- The purpose of the Organization and the donor-restricted endowment fund;
- General economic conditions and the possible effect of inflation and deflation;
- The expected total return from income and the appreciation of investments; and
- Investment policies of the Organization.

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

**12. ENDOWMENT FUNDS (Continued)**

Endowment funds to be invested in perpetuity as of June 30, 2025 and 2024 were as follows:

	<b>2025</b>	<b>2024</b>
American Fellowship Endowment	\$ 43,508,682	\$ 43,506,682
International Fellowship Endowment	18,352,484	18,341,334
Research and Projects Endowments	12,499,241	12,495,824
Legal Advocacy Fund	1,140,115	1,140,115
Campus Leadership Fund	32,658	32,658
Mooneen Lecce	137	137
<b>TOTAL ENDOWMENT FUNDS</b>	<b>\$ 75,533,317</b>	<b>\$ 75,516,750</b>

Endowment net asset composition by type of fund as of June 30, 2025:

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$ -	\$ 75,533,317	\$ 75,533,317
Accumulated investment earnings, net	-	35,447,910	35,447,910
<b>TOTAL ENDOWMENT FUNDS</b>	<b>\$ -</b>	<b>\$ 110,981,227</b>	<b>\$ 110,981,227</b>

Changes in endowment net assets for the year ended June 30, 2025:

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Endowment net assets, beginning of year	\$ -	\$ 102,255,176	\$ 102,255,176
Net investment return	-	13,490,779	13,490,779
Contributions	-	16,567	16,567
Appropriation of endowment assets for expenditure	-	(4,781,295)	(4,781,295)
<b>ENDOWMENT NET ASSETS, END OF YEAR</b>	<b>\$ -</b>	<b>\$ 110,981,227</b>	<b>\$ 110,981,227</b>

Endowment net asset composition by type of fund as of June 30, 2024:

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$ -	\$ 75,516,750	\$ 75,516,750
Accumulated investment earnings	-	26,738,426	26,738,426
<b>TOTAL ENDOWMENT FUNDS</b>	<b>\$ -</b>	<b>\$ 102,255,176</b>	<b>\$ 102,255,176</b>

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

**12. ENDOWMENT FUNDS (Continued)**

Changes in endowment net assets for the year ended of June 30, 2024:

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Endowment net assets, beginning of year	\$ -	\$ 93,751,711	\$ 93,751,711
Net investment return	-	12,269,505	12,269,505
Contributions	-	1,085,044	1,085,044
Appropriation of endowment assets for expenditure	-	(4,851,084)	(4,851,084)
<b>ENDOWMENT NET ASSETS, END OF YEAR</b>	<b>\$ -</b>	<b>\$ 102,255,176</b>	<b>\$ 102,255,176</b>

Funds with Deficiencies -

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. There were no deficiencies of this nature for the years ended June 30, 2025 and 2024.

Return Objectives and Risk Parameters -

AAUW has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of these endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. The investment policy establishes an achievable return objective through diversification of asset classes. To satisfy its long-term rate-of-return objectives, AAUW relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). AAUW targets a diversified asset allocation that places an emphasis on fixed income and equity-based investments to achieve its long-term return objectives within prudent risk parameters.

Spending Policy and How the Investment Objectives Relate to Spending Policy -

The spending policy calculates the amount of earnings annually distributed from AAUW's various endowed funds, for grant-making and administration. During the years ended June 30, 2025 and 2024, AAUW's spending policy was 5%, of the average value of the endowment portfolio for the trailing twelve quarters.

**13. SUBSEQUENT EVENTS**

In preparing these consolidated financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 21, 2025, the date the consolidated financial statements were issued.

## **SUPPLEMENTAL INFORMATION**

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

**CONSOLIDATING SCHEDULE OF FINANCIAL POSITION  
AS OF JUNE 30, 2025**

<b>ASSETS</b>				
	<u>AAUW</u>	<u>The Action Fund</u>	<u>Eliminations</u>	<u>Total</u>
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 3,988,810	\$ 8,249	\$ -	\$ 3,997,059
Contributions and grants receivable	267,850	-	-	267,850
Other receivables	334,887	879	-	335,766
Due from related parties	-	55,624	(55,624)	-
Prepaid expenses and other assets	981,691	-	-	981,691
Deferred rent receivable	587,323	-	-	587,323
Right-of-use asset, net	14,384,802	-	-	14,384,802
Property and equipment, net	1,477,306	-	-	1,477,306
Investments	<u>145,325,760</u>	<u>277,192</u>	<u>-</u>	<u>145,602,952</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 167,348,429</u></b>	<b><u>\$ 341,944</u></b>	<b><u>\$ (55,624)</u></b>	<b><u>\$ 167,634,749</u></b>
<b>LIABILITIES AND NET ASSETS</b>				
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	\$ 820,385	\$ -	\$ -	\$ 820,385
Committed awards and grants payable	5,486,665	-	-	5,486,665
Deferred membership dues	2,064,024	-	-	2,064,024
Split interest agreements	429,778	-	-	429,778
Due to related parties	55,624	-	(55,624)	-
Other liabilities	126,052	-	-	126,052
Operating lease liability, net	<u>18,487,242</u>	<u>-</u>	<u>-</u>	<u>18,487,242</u>
Total liabilities	<u>27,469,770</u>	<u>-</u>	<u>(55,624)</u>	<u>27,414,146</u>
<b>NET ASSETS</b>				
Without donor restrictions	4,838,641	341,944	-	5,180,585
With donor restrictions	<u>135,040,018</u>	<u>-</u>	<u>-</u>	<u>135,040,018</u>
Total net assets	<u>139,878,659</u>	<u>341,944</u>	<u>-</u>	<u>140,220,603</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 167,348,429</u></b>	<b><u>\$ 341,944</u></b>	<b><u>\$ (55,624)</u></b>	<b><u>\$ 167,634,749</u></b>

**AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.**

**CONSOLIDATING SCHEDULE OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>AAUW</u>	<u>The Action Fund</u>	<u>Eliminations</u>	<u>Total</u>
<b>SUPPORT AND REVENUE WITHOUT DONOR RESTRICTIONS</b>				
Contributions and grants	\$ 3,581,144	\$ 575	\$ (100,000)	\$ 3,481,719
Net investment return	794,097	15,249	-	809,346
Membership dues	2,082,997	-	-	2,082,997
Lease income	1,022,892	-	-	1,022,892
Conference revenue	59,750	-	-	59,750
Other revenue	56,135	-	-	56,135
Net assets released from donor restrictions	<u>9,899,940</u>	<u>-</u>	<u>-</u>	<u>9,899,940</u>
Total support and revenue without donor restrictions	<u>17,496,955</u>	<u>15,824</u>	<u>(100,000)</u>	<u>17,412,779</u>
<b>EXPENSES</b>				
Program Services	<u>10,307,602</u>	<u>124,723</u>	<u>(100,000)</u>	<u>10,332,325</u>
Supporting Services:				
Management and General	5,496,980	-	-	5,496,980
Development and Fundraising	<u>1,331,786</u>	<u>2,281</u>	<u>-</u>	<u>1,334,067</u>
Total supporting services	<u>6,828,766</u>	<u>2,281</u>	<u>-</u>	<u>6,831,047</u>
Total expenses	<u>17,136,368</u>	<u>127,004</u>	<u>(100,000)</u>	<u>17,163,372</u>
Change in net assets without donor restrictions	<u>360,587</u>	<u>(111,180)</u>	<u>-</u>	<u>249,407</u>
<b>SUPPORT AND REVENUE WITH DONOR RESTRICTIONS</b>				
Contributions and grants	481,518	-	-	481,518
Net investment return	16,723,925	-	-	16,723,925
Change in value of split-interest agreements	(70,038)	-	-	(70,038)
Net assets released from donor restrictions	<u>(9,899,940)</u>	<u>-</u>	<u>-</u>	<u>(9,899,940)</u>
Change in net assets with donor restrictions	<u>7,235,465</u>	<u>-</u>	<u>-</u>	<u>7,235,465</u>
<b>TOTAL CHANGE IN NET ASSETS</b>	<b><u>\$ 7,596,052</u></b>	<b><u>\$ (111,180)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 7,484,872</u></b>

AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, INC.  
AAUW ACTION FUND, INC.

CONSOLIDATING SCHEDULE OF CHANGE IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2025

	<u>AAUW</u>	<u>The Action Fund</u>	<u>Eliminations</u>	<u>Total</u>
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>				
Net assets at beginning of year	\$ 4,478,054	\$ 453,124	\$ -	\$ 4,931,178
Change in net assets without donor restrictions	<u>360,587</u>	<u>(111,180)</u>	<u>-</u>	<u>249,407</u>
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS AT END OF YEAR</b>	<b><u>\$ 4,838,641</u></b>	<b><u>\$ 341,944</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 5,180,585</u></b>
<b>NET ASSETS WITH DONOR RESTRICTIONS</b>				
Net assets at beginning of year	\$ 127,804,553	\$ -	\$ -	\$ 127,804,553
Change in net assets with donor restrictions	<u>7,235,465</u>	<u>-</u>	<u>-</u>	<u>7,235,465</u>
<b>NET ASSETS WITH DONOR RESTRICTIONS AT END OF YEAR</b>	<b><u>\$ 135,040,018</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 135,040,018</u></b>
<b>TOTAL NET ASSETS AT END OF YEAR</b>	<b><u>\$ 139,878,659</u></b>	<b><u>\$ 341,944</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 140,220,603</u></b>