American Foundation for Suicide Prevention and Subsidiary

Consolidated Financial Report
June 30, 2023

Contents

Independent Auditor's Report

Board of Directors
American Foundation for Suicide Prevention

Report on Audit of the Financial Statements

Opinion
We have audited the consolidated financial statements of American Foundation for Suicide Prevention and Subsidiary (the Foundation), which comprise the consolidated statement of financial position as of June 30, 2023, the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of June 30, 2023, and the changes in their net assets and their 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation 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.

Emphasis of Matter
As described in Note 1 to the financial statements, effective in fiscal year 2023, the Foundation adopted Financial Accounting Standards Board's Accounting Standards Codification 842, Leases, which resulted in the Foundation recording a right-of-use asset of $12,798,972 and a lease liability of $15,419,577, respectively, as of July 1, 2022. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Report on Summarized Comparative Information
We have previously audited the Foundation's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 27, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

RSM US LLP

New York, New York
March 22, 2024

American Foundation for Suicide Prevention and Subsidiary

Consolidated Statement of Financial Position
June 30, 2023
(With Summarized Comparative Information as of June 30, 2022)

		2023		2022
Assets				
Current assets:				
Cash (Note 3)	**$**	**14,206,799**	$	12,217,137
Unconditional promises to give and other receivables		**808,225**		819,391
Prepaid walk material and inventory		**4,226,387**		3,684,650
Other prepaid expenses		**1,838,481**		1,442,854
Total current assets		**21,079,892**		18,164,032
Property and equipment (Note 5):				
Property and equipment, at cost		**4,488,465**		4,488,465
Less accumulated depreciation		**1,931,357**		1,501,470
Property and equipment, at cost less depreciation		**2,557,108**		2,986,995
Other assets:				
Restricted cash (Note 3)		**639,470**		639,470
Unrestricted and undesignated investments (Note 4)		**51,573,491**		46,454,010
Restricted investments (Notes 4 and 8)		**1,165,691**		1,046,445
Investments—board-designated (Notes 4 and 8)		**3,025,833**		2,724,528
Educational films, net		**-**		7,583
Security deposits		**35,475**		23,001
Operating lease right-of-use assets		**11,870,744**		-
Total other assets		**68,310,704**		50,895,037
Total assets	**$**	**91,947,704**	$	72,046,064
Liabilities and Net Assets				
Current liabilities:				
Grants payable (Note 6)	**$**	**1,916,395**	$	964,847
Accounts payable and accrued expenses		**4,031,747**		2,631,051
Refundable advance (Note 13)		**-**		2,000,000
Deferred event revenue		**3,194,163**		2,909,003
Current portion of operating lease liabilities		**1,052,105**		-
Total current liabilities		**10,194,410**		8,504,901
Noncurrent liabilities and deferred credits:				
Deferred rent credit		**-**		2,623,065
Deferred compensation		**189,427**		93,600
Operating lease liabilities, noncurrent		**13,358,761**		-
Total liabilities		**23,742,598**		11,221,566
Commitments (Notes 6)				
Net assets:				
Net assets without donor restrictions:				
General operating		**60,587,500**		52,560,320
Board-designated (Notes 7 and 8)		**3,025,833**		2,724,528
		63,613,333		55,284,848
Net assets with donor restrictions (Notes 7 and 8)		**4,591,773**		5,539,650
Total net assets		**68,205,106**		60,824,498
Total liabilities and net assets	**$**	**91,947,704**	$	72,046,064

See notes to consolidated financial statements.

American Foundation for Suicide Prevention and Subsidiary

Consolidated Statement of Activities
Year Ended June 30, 2023
(With Summarized Comparative Information as of June 30, 2022)

	2023			2022
	Without Donor Restrictions	**With Donor Restrictions**	**Total**	Summarized Financial Information
Revenues, gains and other support:				
Functions (Note 12):				
Revenues	**$ 34,382,124**	**$ -**	**$ 34,382,124**	$ 29,575,452
Direct expenses	**(5,485,058)**	**-**	**(5,485,058)**	(4,632,599)
Net function income	**28,897,066**	**-**	**28,897,066**	24,942,853
Grants and contributions	**15,952,944**	**1,673,746**	**17,626,690**	21,159,097
Contributed nonfinancial assets	**157,159**	**-**	**157,159**	463,273
Other revenues, net	**484,983**	**-**	**484,983**	395,182
Investment income (loss) (Note 4)	**5,461,199**	**119,246**	**5,580,445**	(8,307,702)
Net assets released from restrictions	**2,740,869**	**(2,740,869)**	**-**	-
Total revenues, gains and other support	**53,694,220**	**(947,877)**	**52,746,343**	38,652,703
Expenses:				
Program services	**36,128,270**	**-**	**36,128,270**	28,970,740
Management and general	**3,985,327**	**-**	**3,985,327**	1,916,807
Fundraising	**5,252,138**	**-**	**5,252,138**	4,697,672
Total expenses	**45,365,735**	**-**	**45,365,735**	35,585,219
Change in net assets	**8,328,485**	**(947,877)**	**7,380,608**	3,067,484
Net assets:				
Beginning	**55,284,848**	**5,539,650**	**60,824,498**	57,757,014
Ending	**$ 63,613,333**	**$ 4,591,773**	**$ 68,205,106**	$ 60,824,498

See notes to consolidated financial statements.

American Foundation for Suicide Prevention and Subsidiary

Consolidated Statement of Functional Expenses
Year Ended June 30, 2023
(With Summarized Comparative Information as of June 30, 2022)

	2023							2022
	Program Services				Supporting Services			
	Research	Prevention and Survivor	Advocacy Programs	Total Program Services	Management and General	Fundraising	Total Expenses	Summarized Financial Information
Grants	$ 6,130,103	$ -	$ -	$ 6,130,103	$ -	$ -	$ 6,130,103	$ 6,017,558
Salaries and wages	938,490	10,023,619	2,014,946	12,977,055	1,799,895	2,598,968	17,375,918	12,719,384
Employee health and retirement benefits	173,574	1,853,874	372,665	2,400,113	332,892	480,681	3,213,686	2,492,538
Research, educational and survivor conferences and programs	158,607	3,061,638	604,291	3,824,536	-	202,378	4,026,914	2,735,880
Out of Darkness programs	-	1,845,964	-	1,845,964	-	736,662	2,582,626	1,900,237
Office	134,277	1,727,695	372,051	2,234,023	212,007	349,579	2,795,609	2,103,880
Occupancy	78,179	834,995	167,851	1,081,025	149,936	216,501	1,447,462	1,555,591
Telecommunications and Internet	10,896	76,443	37,648	124,987	24,026	25,227	174,240	124,013
Equipment rental and maintenance	7,216	84,747	53,545	145,508	13,839	19,983	179,330	368,515
Travel	38,139	384,757	223,921	646,817	847,695	-	1,494,512	798,724
Consultants	220,168	3,483,920	692,993	4,397,081	349,567	557,860	5,304,508	4,137,263
Professional fees	-	-	-	-	210,940	-	210,940	198,614
Depreciation	23,219	247,988	49,851	321,058	44,530	64,299	429,887	433,022
Subtotal	7,912,868	23,625,640	4,589,762	36,128,270	3,985,327	5,252,138	45,365,735	35,585,219
Direct expenses of functions	-	-	-	-	-	5,485,058	5,485,058	4,632,599
Cost of goods sold—Public Store (netted in other revenues)	-	-	-	-	-	85,215	85,215	78,105
Total	$ 7,912,868	$ 23,625,640	$ 4,589,762	$ 36,128,270	$ 3,985,327	$ 10,822,411	$ 50,936,008	$ 40,295,923

See notes to consolidated financial statements.

American Foundation for Suicide Prevention and Subsidiary

Consolidated Statement of Cash Flows
Year Ended June 30, 2023
(With Summarized Comparative Information as of June 30, 2022)

	2023	2022
Cash flows from operating activities:		
Change in net assets	**$ 7,380,608**	$ 3,067,484
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	**429,887**	433,022
Amortization of educational film costs	**7,583**	26,000
Net realized and unrealized (gains) loss on investments	**(4,497,571)**	9,453,954
Deferred rent	**-**	(93,208)
Changes in assets and liabilities:		
Unconditional promises to give and other receivables	**11,166**	107,723
Prepaid walk material and inventory	**(541,737)**	(283,281)
Other prepaid expenses	**(395,627)**	-
Security deposits	**(12,474)**	6,895
Operating lease right-of-use assets	**(14,493,809)**	-
Grants payable	**951,548**	5,453
Accounts payable and accrued expenses	**1,400,696**	726,788
Refundable advance	**(2,000,000)**	(2,272,910)
Deferred event revenue	**285,160**	693,010
Deferred compensation	**95,827**	93,600
Operating lease liabilities	**14,410,866**	-
Net cash provided by operating activities	**3,032,123**	11,964,530
Cash flows from investing activities:		
Purchase of property and equipment	**-**	(89,869)
Acquisition of investments	**(1,317,608)**	(19,870,351)
Proceeds from sale of investments	**275,147**	3,187,797
Net cash used in investing activities	**(1,042,461)**	(16,772,423)
Net increase (decrease) in cash and restricted cash	**1,989,662**	(4,807,893)
Cash and restricted cash:		
Beginning	**12,856,607**	17,664,500
Ending	**$ 14,846,269**	$ 12,856,607

See notes to consolidated financial statements.

Note 1. Nature of Activities and Summary of Significant Accounting Principles

Organization: American Foundation for Suicide Prevention (AFSP) is a nonprofit organization incorporated under the laws of the state of Delaware. AFSP was established in 1987 by concerned scientists, business and community leaders and survivors of suicide in an effort to support the research and education needed to prevent suicide. AFSP is dedicated to funding suicide prevention research and to offering educational programs and conferences for survivors, mental health professionals, physicians and the public. Under the Same Sky Foundation (UTSS) is a Type I support organization of AFSP and is controlled by AFSP. UTSS is dedicated to raising awareness, opening conversations and creating additional funding for areas of need in suicide awareness and survivor support.

Basis of presentation: The consolidated financial statements have been prepared on an accrual basis. The consolidated financial statements include the accounts of AFSP (including the accounts of the New York National Office and AFSP's 74 unincorporated chapters) and UTSS (collectively, the Foundation). All significant intercompany balances and transactions have been eliminated in consolidation.

Classification and reporting of net assets: The Foundation's consolidated financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on the use that are placed by donors as follows:

Net assets without donor restrictions represent the portion of net assets of the Foundation that are restricted neither by donor-imposed stipulations nor by time restrictions. Net assets without donor restrictions include expendable funds available for support of the Foundation, as well as funds designated for specific purposes by the Foundation's Board of Directors.

Net assets with donor restrictions represent contributions and other inflows of assets that have donor-imposed restrictions that require that they be held perpetually, or whose use may or will be met by actions of the Foundation or the passage of time.

Revenue recognition: The Foundation's revenue consists of special event revenue, unconditional grants and unconditional contributions. All unconditional grants and contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as contributions with donor restrictions that increase the net asset with donor restrictions class. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. However, if a restriction is fulfilled in the same time period in which the grant or contribution is received, the Foundation reports the support as net assets without donor restrictions. Conditional promises to give, that is, those with a measurable performance barrier or other barrier and a right of return, are not included as revenue until the conditions are substantially met. As of June 30, 2023 and 2022, the Foundation had unrecorded conditional promises to give of $51,241 and $258,086, respectively.

Contributions of nonfinancial assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, provided by individuals possessing those skills and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. A number of unpaid volunteers have made a contribution of their time to develop the Foundation's programs. The value of this contributed time is not reflected in these consolidated financial statements, as they do not meet the criteria for recognition under accounting principles generally accepted in the United States of America (U.S. GAAP).

Note 1. Nature of Activities and Summary of Significant Accounting Principles (Continued)

The Foundation recognizes revenue, also in accordance with Accounting Standards Codification (ASC) 606, Revenue from Contracts with Customers, if the revenue is considered an exchange transaction. ASC 606 provides a five-step model for recognizing revenue as follows:

- Identify the contract with a customer.
- Identify the performance obligations in the contract.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations in the contract.
- Recognize revenue when or as performance obligations are satisfied.

The Foundation considers certain special event (such as life saver's dinner) revenue and online store sales revenue as exchange transactions. The Foundation's performance obligation for special events is to host the event to its registered attendees. The performance obligation for online store sales is to deliver the goods to the customer. Revenue is recognized at a point in time when the event takes place or the goods are shipped. In the year ended June 30, 2023, total public store sales revenue was $149,665, net of cost of goods sold of $101,454. In the year ended June 30, 2022, total public store sales revenue was $161,224, net of cost of goods sold of $78,105. These are included in other revenues, net in the accompanying consolidated statement of activities.

The Foundation also has program fee revenue for its Interactive Screening Program (ISP). Users typically sign multiyear agreements for the service. The performance obligations for ISP are to setup a unique user portal for which they are charged a setup fee. And to provide access to the portal and site software (annual licensing fee). Setup fee revenue is recognized once the site setup is completed. Annual licensing fee revenue is recognized year by year starting in the month the user site is operational and prorated based on the Foundation's fiscal year. In the years ended June 30, 2023 and 2022, the Foundation had ISP revenue of $306,974 and $110,658, respectively.

Endowment: When the Foundation receives a contribution and the donor restricts the Foundation from spending the amount of the original gift, the contribution is classified as an endowment, with the amount of the gift recorded as endowment held in perpetuity. The Foundation is subject to the Uniform Prudent Management of Institutional Funds Act (UPMIFA) of the state of Delaware and has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. The remaining portion of the endowment fund that is not classified as held in perpetuity is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

Promises to give: Unconditional promises to give that are expected to be collected in future periods are recorded at their net realizable and present value. At June 30, 2023 and 2022, all promises to give were expected to be collected within one year. There was no allowance for doubtful accounts. Contributions with associated conditions are recorded as revenue when the conditions are met.

Prepaid walk material and inventory: The Foundation purchases material for its walks in the current fiscal year and expenses them in the subsequent fiscal year when the walk events take place. The Foundation also maintains an inventory of branding, educational and other mission-related products, purchased for resale, that are sold in its online shop and at fundraising events. Inventory is valued at the lower of cost or net realizable value. Costs are determined on a first-in, first-out basis.

Note 1. Nature of Activities and Summary of Significant Accounting Principles (Continued)

Property and equipment: Property and equipment is recorded at cost when purchased, or at estimated fair value when contributed. The Foundation capitalized all equipment in excess of $2,500. Depreciation of equipment is provided for by straight-line methods over the estimated useful lives of the related assets ranging from three to 10 years. Leasehold improvements are amortized over the shorter of the useful life or the life of the lease.

Investments: Investments are reported at fair value, as described in Note 4 and unrealized gains and losses are included in the consolidated statement of activities. Investment transactions are recorded on a trade date basis and realized gains and losses on sale of investments are determined using the specific-identification method. Investment income and net gains and losses on investments are recognized as increases or decreases in net assets without donor restrictions unless their use is restricted by the donor, in which case they would be recognized as net assets with donor restrictions.

Educational films: Educational film production costs are recorded as a separate asset and are amortized over their estimated useful lives. Costs of $130,000 relating to the development of one educational film has been deferred and is amortized over estimated useful life of five years. Amortization expense for the years ended June 30, 2023 and 2022, was $7,583 and $26,000, respectively.

Grants payable: Grant expense is recognized in the period the grant is approved and communicated to the grantee, provided that the grant is not subject to future conditions specified by the Foundation. Conditional grants are recognized as grant expense and as a grant payable in the period in which the grantee meets the terms of the conditions.

Deferred event revenue: Deferred event revenue represents monies received in advance related to future events and will be recognized in the consolidated statement of activities when the event occurs.

Functional expenses: The Foundation allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support services are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated among the programs and general and administrative services benefited. The Foundation uses a percentage of effort for each full-time equivalent (FTE) to allocate fundraising and administrative cost across all program areas. These expenses include operating expense from the Chief Executive’s office, the communications department, information technology and similar types of expense for organization-wide supporting services.

Tax-exempt status: The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is a publicly supported organization as described in Section 509(a). The Foundation is not classified as a private foundation.

Management evaluated the Foundation’s tax positions for all open tax years and has concluded that the Foundation had taken no uncertain tax positions that require adjustment or disclosure to these consolidated financial statements.

Note 1. Nature of Activities and Summary of Significant Accounting Principles (Continued)

Leases: In February 2016, the FASB issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*, to increase transparency and comparability among organizations related to their leasing arrangements. This comprehensive new standard amends and supersedes existing lease accounting guidance and is intended to increase transparency and comparability among organizations by recognizing right-of-use (ROU) lease assets and lease liabilities on the balance sheet and requiring disclosure of key information about leasing arrangements. Lease expense continues to be recognized in a manner similar to legacy U.S. GAAP. The Foundation adopted the new lease standard on July 1, 2022, using the optional transition method to the modified retrospective approach. Under this transition provision, results for reporting periods beginning on July 1, 2022, are presented under Topic 842, while prior period amounts continue to be reported and disclosed in accordance with the Foundation's historical accounting treatment under ASC 840, Leases.

The Foundation determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. Under ASU 2016-02, *Leases (Topic 842)*, a contract is or contains a lease when: (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the customer obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Foundation also considers whether its service arrangements include the right to control the use of an asset.

The Foundation elected the "package of practical expedients", which permitted the Foundation to retain legacy lease classifications and initial direct costs treatment at transition. The Foundation did not reassess whether any existing contracts as of July 1, 2022, are or contain leases and therefore continued its initial determination under the legacy guidance. The Foundation did not elect the "hindsight" practical expedient, and therefore will measure the ROU assets and lease liabilities using the remaining lease terms upon the adoption of Topic 842 on July 1, 2022.

The Foundation made an accounting policy election under Topic 842 not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, the Foundation recognizes ROU assets and lease liabilities based on the present value of lease payments over the lease term at the commencement date of the lease (or July 1, 2022, for existing leases upon the adoption of Topic 842). The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives.

Future lease payments may include fixed rent escalation clauses or payments that depend on an index (such as the consumer price index). Subsequent changes of an index and other periodic market-rate adjustments to base rent are recorded in variable lease expense in the period incurred. Payments for terminating the lease are included in the lease payments only when it is probable they will be incurred.

The Foundation's leases may include a nonlease component representing additional services transferred to the Foundation, such as common area maintenance for real estate. The Foundation did not make an accounting policy election to account for each separate lease component and the nonlease components associated with that lease component as a single lease component.

A lessee that is not a public business entity is permitted to use a risk-free discount rate for its leases, determined using a period comparable with that of the lease term, as an accounting policy election for all leases. In order to ease the accounting burden of determining incremental borrowing rates under ASC 842, the Foundation has made this accounting policy election for all leases. The risk-free discount rates were obtained using U.S. Treasury securities as posted on the Federal Reserve website. The Foundation uses the implicit rate when readily determinable.

Note 1. Nature of Activities and Summary of Significant Accounting Principles (Continued)

Adoption of Topic 842 resulted in the recording of ROU assets and lease liabilities related to the Foundation's operating leases of approximately $12,800,000 and $15,420,000, respectively, as of July 1, 2022. The adoption of the new lease standard did not materially impact the Foundation's change in net assets or cash flows and did not result in a cumulative-effect adjustment to the opening balance of net assets.

Recently issued accounting pronouncements: In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments.* Among other provisions, this ASU requires the allowance for credit losses to reflect management's current estimate of credit losses that are expected to occur over the remaining life of a financial asset. This ASU is effective for fiscal years beginning after December 15, 2022. The Foundation is evaluating the impact of adoption of this standard on the consolidated financial statements.

In November 2019, the FASB issued ASU 2019-11, *Codification Improvements to Topic 326, Financial Instruments—Credit Losses*. This ASU provides narrow-scope improvements to Topic 326. For entities that have not yet adopted ASU 2016-13 as of November 26, 2019, the effective dates for ASU 2019-11 are the same as the effective dates and transition requirements in ASU 2016-13. The Foundation is evaluating the impact of adoption of this standard on the consolidated financial statements.

Use of estimates: The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

Restricted cash: Restricted cash consists of cash held by the Foundation pursuant to a letter of credit agreement relating to their office leases. Upon termination of the lease, the funds will be released to unrestricted cash.

Subsequent events: The Foundation evaluates events occurring after the date of the consolidated financial statements to consider whether or not the impact of such events needs to be reflected and/or disclosed in the consolidated financial statements. Such evaluations are performed through the date the consolidated financial statements are available to be issued, which was March 22, 2024, for these consolidated financial statements.

Note 2. Liquidity and Availability of Resources

As of June 30, 2023 and 2022, financial assets available within one year for general expenditure and programs:

	2023	2022
Cash	$ 14,206,799	$ 12,217,137
Unconditional promises to give and other receivables	808,225	819,391
Investments	51,573,491	46,454,010
	$ 66,588,515	$ 59,490,538

Note 2. Liquidity and Availability of Resources (Continued)

In addition to financial assets available to meet general expenditures over the next 12 months, the Foundation operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures. Refer to the consolidated statement of cash flows, which identifies the sources and uses of the Foundation's cash. Although the Foundation does not intend to draw from its investments, amounts are available if necessary. The Foundation has a designated fund set aside by action of the Board of Directors. The operating reserve will be reviewed and adjusted in response to internal and external changes. The current operating reserve policy requires an operating reserve amount equal to 100% (12 months), but not greater than 200% (24 months) of the average of the prior three years' annual operating costs.

Note 3. Cash and Restricted Cash

The Foundation maintains cash in bank accounts which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts.

The table below provides a reconciliation of cash and restricted cash reported on the consolidated statement of financial position that sum to the total of those same amounts shown in the consolidated statement of cash flows.

	2023	2022
Cash	$ 14,206,799	$ 12,217,137
Restricted cash	639,470	639,470
	$ 14,846,269	$ 12,856,607

Note 4. Investments and Fair Value Measurements

The Fair Value Measurements Topic of the FASB ASC defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and sets out a 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). Inputs are broadly defined as assumptions market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy are described below:

Level 1: Quoted prices for identical assets and liabilities traded in active exchange markets, such as the New York Stock Exchange.

Level 2: Observable inputs other than Level 1, including quoted prices for similar assets or liabilities, quoted prices in less active markets, or other observable inputs that can be corroborated by observable market data. Level 2 also includes derivative contracts whose value is determined using a pricing model with observable market inputs or can be derived principally from or corroborated by observable market data.

Level 3: Unobservable inputs supported by little or no market activity for financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation; also includes observable inputs for nonbinding single dealer quotes not corroborated by observable market data.

Note 4. Investments and Fair Value Measurements (Continued)

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Foundation's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

For the years ended June 30, 2023 and 2022, the application of valuation techniques applied to similar assets and liabilities has been consistent. The fair value of investment securities is based on quoted market prices, when available, or bid or evaluation market prices provided by recognized broker-dealers.

Following is a description of the valuation methodologies used for assets measured at fair value:

Money market funds: Money market funds are priced daily. The funds have relatively low risks compared to mutual funds and other investment securities, and pay dividends that generally reflect short-term interest rates.

Mutual funds, exchanged traded funds, stocks and other: These securities listed on a national securities exchange or reported on the Nasdaq global market are stated at the last reported sales or trade price on the day of valuation.

The Foundation's investments, measured at fair value on a recurring basis, consist of the following as of June 30, 2023 and 2022:

	2023			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Money market funds	$ 677,128	$ -	$ -	$ 677,128
Mutual funds:				
Stock funds:				
Large blend	23,504,772	-	-	23,504,772
Foreign large blend	15,213,618	-	-	15,213,618
Total stock funds	38,718,390	-	-	38,718,390
Bond funds:				
Short-term investment grade	2,460,362	-	-	2,460,362
Intermediate-term investment grade	1,987,570	-	-	1,987,570
Long-term investment grade	1,077,699	-	-	1,077,699
Total international bonds	4,742,018	-	-	4,742,018
Total bond market	5,563,210	-	-	5,563,210
Total bond funds	15,830,859	-	-	15,830,859
Exchange-traded funds and other	538,638	-	-	538,638
	$ 55,765,015	$ -	$ -	$ 55,765,015

Note 4. Investments and Fair Value Measurements (Continued)

	2022			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Money market funds	$ 650,724	$ -	$ -	$ 650,724
Mutual funds:				
Stock funds:				
Large blend	19,716,687	-	-	19,716,687
Foreign large blend	13,542,342	-	-	13,542,342
Total stock funds	33,259,029	-	-	33,259,029
Bond funds:				
Short-term investment grade	2,508,016	-	-	2,508,016
Intermediate-term investment grade	1,949,822	-	-	1,949,822
Long-term investment grade	1,083,348			1,083,348
Total international bonds	4,729,481	-	-	4,729,481
Total bond market	5,612,931	-	-	5,612,931
Total bond funds	15,883,598	-	-	15,883,598
Exchange-traded funds and other	431,632	-	-	431,632
	$ 50,224,983	$ -	$ -	$ 50,224,983

Investments are held for the following purposes:

	2023	2022
General	$ 51,573,491	$ 46,454,010
Donor-restricted endowment funds	1,165,691	1,046,445
Board-designated endowment funds	3,025,833	2,724,528
	$ 55,765,015	$ 50,224,983

Return objective and risk parameters: The Foundation's objective is to earn a respectable, long-term, risk-adjusted total rate of return to support the designated programs. In establishing the investment objectives of the portfolio, the Board of Directors and the Investment Committee have taken into account the financial needs and circumstances of the Foundation, the time horizon available for investment, the nature of the Foundation's cash flows and liabilities and other factors that affect their risk tolerance. The intermediate government funds are subject to prepayment risk in addition to other bond market risks. The Foundation takes a risk-averse balanced approach that emphasizes a stable and substantial source of current income and some capital appreciation over the long term. The Foundation recognizes that investment results over the long term may lag behind those of the typical balanced portfolio since the typical balanced portfolio tends to be more aggressively invested. Nevertheless, the portfolio is expected to earn long-term returns that compare favorably to appropriate market indexes.

Note 5. Property and Equipment

Property and equipment consists of the following:

	2023	2022
Furniture and equipment	$ 2,084,441	$ 2,081,491
Leasehold improvements	2,404,024	2,406,974
	4,488,465	4,488,465
Less accumulated depreciation	(1,931,357)	(1,501,470)
	$ 2,557,108	$ 2,986,995

Depreciation and amortization expense for the years ended June 30, 2023 and 2022, was $429,887 and $433,022, respectively.

Note 6. Grants Payable

The Foundation provides grants to medical researchers. The approved grants are typically paid to the researchers in eight or 12 installments over two to three years. The grant expense is not recognized until the conditions are met. Grants payable are recognized over the terms of the grant as conditions are met. Grants payable as of June 30, 2023 and 2022, were $1,916,395 and $964,847, respectively. The Foundation also had $8,690,672 and $7,252,497 of existing conditional grants payable at June 30, 2023 and 2022, respectively, payment of which is conditional upon the medical researchers meeting conditions in the grant agreements. In the year ended June 30, 2023, the Board of Directors also approved recommended grants to be funded in fiscal year 2024 and future years of approximately $9,100,000.

Note 7. Net Assets

Board-designated funds: The Foundation's Board of Directors designated certain of the Foundation's net assets without donor restrictions as endowment funds for future projects and operational uses. Distributions may be made to operating cash at the Board of Director's discretion. All board-designated funds are separately shown in the accompanying consolidated statement of financial position. There were no transfers made for the years ended June 30, 2023 and 2022.

Net assets with donor restrictions: Net assets with donor restrictions consist of donor-restricted contributions and investments expendable in accordance with the terms of the original contributions (see Note 1). They are restricted for the following:

	2023	2022
Mental health service in the state of California	$ -	$ 257,500
General education or location specific	2,558,931	1,729,501
Clinical education	665,691	546,445
Suicide causes research	244,885	698,885
Other research	16,941	16,940
Project 2025	605,325	1,790,379
Held in perpetuity	500,000	500,000
Total net assets with donor restrictions	$ 4,591,773	$ 5,539,650

Total net assets with donor restrictions released during years ended June 30, 2023 and 2022, were $2,740,869 and $1,150,871, respectively, for various specified purposes.

Note 8. Endowments

The Foundation's endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments.

The Foundation's endowment is invested in its investment pool (see Note 4). There were two donor-restricted endowment funds. During the year ended June 30, 2022, one donor removed the restriction on her endowment fund to be held in perpetuity and requested that this endowment fund including accumulated investment gain be used for the suicide causes research.

The Foundation has adopted a discretionary spending policy to be applied to its endowment funds, which is within prudent limits as outlined in UPMIFA. The Board can determine each year how much to distribute from its designated endowment to use for its current operating purposes. Through the combination of its investment strategy (see Note 4) and spending policy, the Foundation strives to provide a reasonably consistent payout from endowment to support operations while preserving the purchasing power of the endowment assets. No such appropriation for distributions were made from both donor-restricted endowment funds and funds designated by the Board of Directors during the years ended June 30, 2023 and 2022.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Foundation to retain as a fund of perpetual duration. While the Foundation has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required by law, the Foundation's internal policy has been to preserve the corpus of its endowments. There were no deficiencies of this nature at June 30, 2023 and 2022.

The composition and changes in the Foundation's endowments as of and for the years ended June 30, 2023 and 2022, are summarized below.

	2023			
	Without Donor Restrictions	With Donor Restrictions	Held in Perpetuity	Total Endowments
Donor-restricted endowment funds	$ -	$ 665,691	$ 500,000	$ 1,165,691
Board-designated endowment funds	3,025,833	-	-	3,025,833
Total endowed funds	$ 3,025,833	$ 665,691	$ 500,000	$ 4,191,524

	2022			
	Without Donor Restrictions	With Donor Restrictions	Held in Perpetuity	Total Endowments
Donor-restricted endowment funds	$ -	$ 546,445	$ 500,000	$ 1,046,445
Board-designated endowment funds	2,724,528	-	-	2,724,528
Total endowed funds	$ 2,724,528	$ 546,445	$ 500,000	$ 3,770,973

Note 8. Endowments (Continued)

	Without Donor Restrictions	With Donor Restrictions	Held in Perpetuity	Total Endowments
Balance as of June 30, 2021	$ 3,187,320	$ 1,221,380	$ 833,840	$ 5,242,540
Investment loss	(462,792)	(191,890)	-	(654,682)
Release from endowment fund based on the donor's request	-	(483,045)	(333,840)	(816,885)
Balance as of June 30, 2022	2,724,528	546,445	500,000	3,770,973
Investment income	301,305	119,246	-	420,551
Release from endowment fund based on the donor's request	-	-	-	-
Balance as of June 30, 2023	$ 3,025,833	$ 665,691	$ 500,000	$ 4,191,524

Note 9. Contributed Nonfinancial Assets

The Foundation received contributed nonfinancial assets in the total amount of $157,159 and $463,273 in the years ended June 30, 2023 and 2022, respectively. The $463,273 of contributions received in fiscal year 2022 are composed of legal service value of $54,500, auction items with the total value of $26,950 and cryptocurrency of $363,616. In fiscal year 2023, the contributed nonfinancial assets of $157,159 are composed of legal service value of $69,132 and auction items value of $88,027. The estimated fair value of donated legal service is based on the current rate for similar legal service. The service was for general and administrative purpose. The legal service value is included in professional fees expense. The Foundation's policy is to sell the auction items at the fundraising events within 90 to 120 days of the receipt of the donated auction items. All auction items were sold and valued according to the actual cash proceeds. Cryptocurrency was held only until sold by a third-party crypto donation platform and was valued based on amount converted to cash.

There were no donor-imposed restrictions from the contributed nonfinancial assets received by the Foundation.

Note 10. Employee Benefit Plans

The Foundation sponsors a defined contribution retirement plan covering all employees meeting age and service requirements. Pension plan contributions are based on a percentage of an employee's salary. Pension plan contributions for the years ended June 30, 2023 and 2022, amounted to $967,788 and $893,055, respectively.

The Foundation has an employment agreement with its Chief Executive Officer dated June 10, 2022. The term of the employment under this agreement is ending on January 17, 2027. The agreement provides for an annual base salary, bonus, benefits and other supplementary payments. As of June 30, 2023 and 2022, $189,427 and $93,600, respectively, which represents the net present value of the supplementary payments, has been accrued for and reported as deferred compensation in the statement of financial position.

Note 11. Leases

The Foundation leases office space and equipment under operating lease agreements that have initial terms ranging from three to 13 years. Some leases include one or more options to renew, generally at the Foundation's sole discretion, with renewal terms that can extend the lease term up to five years. It is not reasonably certain that the Foundation will exercise the renewal option. As such, the extended renewal period is not included in the lease terms. The Foundation's operating leases generally do not contain any material restrictive covenants or residual value guarantees.

Note 11. Leases (Continued)

Operating lease cost is recognized on a straight-line basis over the lease term. In the year ended June 30, 2023, the total lease expense from the above operating leases is $1,425,666. In the year ended June 30, 2022, the total rent expense was $1,534,134.

Supplemental information related to leases is as follows as of June 30, 2023:

Weighted-average remaining lease term from operating leases	11.6 years
Weighted-average discount rate from operating leases	2.96%

Future undiscounted cash flows for each of the next five years and thereafter and reconciliation to the operating lease liabilities recognized on the consolidated statement of financial position as of June 30, 2023, is as follows:

	Operating Leases
2024	$ 1,462,021
2025	1,339,058
2026	1,409,658
2027	1,409,658
2028	1,401,915
Thereafter	10,077,801
Total lease payments	17,100,111
Less imputed interest	(2,689,245)
Total present value of lease liabilities	14,410,866
Less current portion	(1,052,105)
Lease liability net of current portion	$ 13,358,761

Future minimum lease commitments, as determined under Topic 840, for all noncancelable leases are as follows as of June 30, 2022:

Years ending June 30:	
2024	$ 1,446,397
2025	1,334,206
2026	1,401,915
2027	1,401,915
	$ 5,584,433

In connection with the office lease, the Foundation has provided the landlord with a $639,470 standby letter of credit in lieu of a security deposit.

In April 2023, the Foundation entered into an agreement with an unrelated party to rent an office space in Washington, D.C., for a term to commence on September 1, 2023, and to end on April 30, 2037. The lease undiscounted cash flows as of the lease commencement date were $2,065,028.

Note 12. Special Events

The Foundation sponsors certain special events annually to raise funds and increase public awareness of the various causes promoted by the Foundation. The gross revenue and direct expenses of various special events are as follows:

	2023		
	Revenues	Direct Expenses	Net Event Income
Out of Darkness walks	$ 27,972,864	$ (4,543,965)	$ 23,428,899
Lifesavers' dinner	647,747	(333,221)	314,526
Other fundraising events	5,761,513	(607,872)	5,153,641
	$ 34,382,124	$ (5,485,058)	$ 28,897,066

	2022		
	Revenues	Direct Expenses	Net Event Income
Out of Darkness walks	$ 24,374,959	$ (3,899,689)	$ 20,475,270
Lifesavers' dinner	442,173	(270,100)	172,073
Other fundraising events	4,758,320	(462,810)	4,295,510
	$ 29,575,452	$ (4,632,599)	$ 24,942,853

Note 13. Paycheck Protection Program

In the year ended June 30, 2020 and 2021, the Foundation received the Paycheck Protection Program (PPP) loan in the amount of $2,272,910 and $2,000,000, respectively, under the U.S. Small Business Administration's (SBA) PPP established by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). Funds from the PPP loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities and interest on other debt obligations incurred during certain periods. The CARES Act provides that all or a portion of the PPP loan may be forgiven upon request from borrower, if it is used for qualifying expenses as described in the CARES Act. The Foundation accounted for the PPP loans in accordance with ASC 958-605, Not-For-Profit Entities—Revenue Recognition, as a conditional contribution. In the years ended June 30, 2022 and 2023, the Foundation received full forgiveness of the first tranche of PPP loan for the amount of $2,272,910 and the second tranche of the loan for the amount of $2,000,000, respectively. The Foundation recognized the grants and contributions in the years that the loans were forgiven.

The SBA may audit any PPP loan at its discretion until the end of the required document retention period for the loan. For PPP loans of more than $150,000, the required document retention period ends six years after the date the SBA forgave the PPP loan or the borrower repaid the PPP loan in full.