Association For Research and Enlightenment, Inc. and Affiliates

CONSOLIDATED FINANCIAL REPORT

DECEMBER 31, 2023

PBMares

ASSURANCE, TAX & ADVISORY SERVICES

**ASSOCIATION FOR RESEARCH AND ENLIGHTENMENT, INC.
AND AFFILIATES**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Association for Research and Enlightenment, Inc. and Affiliates

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Association for Research and Enlightenment, Inc. and Affiliates (the "Organization"), which comprise the consolidated statement of financial position as of December 31, 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 Organization as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 Organization'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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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 and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the Organization's December 31, 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 12, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 26, 2024 on our consideration of the Organization’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization’s internal control over financial reporting and compliance.

PBMares, LLP

Norfolk, Virginia
August 26, 2024

CONSOLIDATED FINANCIAL STATEMENTS

**ASSOCIATION FOR RESEARCH AND ENLIGHTENMENT, INC.
AND AFFILIATES**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
December 31, 2023 with Comparative Totals for December 31, 2022**

	2023	2022
ASSETS		
Current Assets		
Cash and cash equivalents	**$ 1,907,429**	$ 1,849,958
Trade accounts receivable, net of allowance	**236,053**	263,868
Contributions and bequests receivable	**417,576**	606,679
Inventory, net of allowance	**242,763**	251,547
Prepaid expenses	**288,165**	394,805
Total current assets	**3,091,986**	3,366,857
Net Property and Equipment	**4,881,832**	5,579,948
Right-of-Use Asset for Operating Lease	**196,069**	301,141
Investments		
Split interest agreements	**1,845,173**	1,679,539
Cash and securities	**9,671,198**	6,050,767
Total investments	**11,516,371**	7,730,306
Other Assets		
Donated assets		
Real estate	**874,000**	874,000
Other	**102,225**	102,622
Intangibles	**80,405**	80,405
Total other assets	**1,056,630**	1,057,027
Total assets	**$ 20,742,888**	$ 18,035,279

ASSOCIATION FOR RESEARCH AND ENLIGHTENMENT, INC.
AND AFFILIATES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)
December 31, 2023 with Comparative Totals for December 31, 2022

	2023	2022
LIABILITIES AND NET ASSETS		
Current Liabilities		
Current portion of notes payable	$ 174,683	$ 168,700
Current portion of split interest agreements payable	55,903	127,450
Current portion of operating lease liability	108,793	107,475
Line of credit	-	500,000
Accounts payable, trade	251,936	228,516
Accrued salaries, wages and employee benefits	172,003	196,686
Deferred income	291,301	238,207
Other current liabilities	66,787	24,265
Total current liabilities	1,121,406	1,591,299
Long-Term Liabilities, net of current portions		
Deferred income - pooled life income fund	663,287	691,820
Notes payable	1,185,873	1,359,674
Operating lease liability	82,470	191,263
Split interest agreements payable	439,936	439,552
Total long-term liabilities	2,371,566	2,682,309
Total liabilities	3,492,972	4,273,608
Net Assets		
Without donor restrictions	4,716,726	5,246,087
With donor restrictions	12,533,190	8,515,584
Total net assets	17,249,916	13,761,671
Total liabilities and net assets	$ 20,742,888	$ 18,035,279

ASSOCIATION FOR RESEARCH AND ENLIGHTENMENT, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF ACTIVITIES
Year ended December 31, 2023 with Comparative Totals for the Year Ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	**2023 Total**	2022 Total
Revenues, Gains and Other Support				
Sales	**$ 659,456**	**$ -**	**$ 659,456**	$ 674,183
Cost of sales	**272,604**	**-**	**272,604**	279,352
Gross profit from sales	**386,852**	**-**	**386,852**	394,831
Contributions				
Donors	**2,567,205**	**2,818,296**	**5,385,501**	1,582,766
Bequests	**408,519**	**619,868**	**1,028,387**	2,251,648
Noncash	**4,345**	**-**	**4,345**	50,515
Change in value of split-interest agreements	**-**	**28,534**	**28,534**	14,774
Dues				
Life membership	**44,850**	**-**	**44,850**	63,550
Other categories	**438,087**	**-**	**438,087**	476,288
Fees for services				
Conference fees	**260,770**	**-**	**260,770**	313,558
Health services fees	**767,391**	**-**	**767,391**	768,536
Tour fees	**200,270**	**-**	**200,270**	384,522
All other fees for services	**134,015**	**-**	**134,015**	120,039
Gain (loss) on sale of property and equipment and other assets	**461,432**	**-**	**461,432**	(641,381)
Investment income (loss)				
Dividends and interest	**33,332**	**150,452**	**183,784**	125,095
Gains (losses) on investments	**84,061**	**794,196**	**878,257**	(1,621,331)
Rental income	**41,340**	**-**	**41,340**	34,570
Other income	**71,150**	**-**	**71,150**	229,740
Postage and handling	**-**	**-**	**-**	-
Royalty income	**20,363**	**-**	**20,363**	21,915
Tuition	**422,267**	**-**	**422,267**	638,876
Net assets released from restriction	**393,740**	**(393,740)**	**-**	-
Total revenues, gains and other support	**6,739,989**	**4,017,606**	**10,757,595**	5,208,511
Program services	**6,142,900**	**-**	**6,142,900**	6,603,681
Support services	**728,444**	**-**	**728,444**	612,897
Fundraising	**398,006**	**-**	**398,006**	490,864
Total expenses	**7,269,350**	**-**	**7,269,350**	7,707,442
Changes in net assets	**(529,361)**	**4,017,606**	**3,488,245**	(2,498,931)
Net Assets, beginning of year	**5,246,087**	**8,515,584**	**13,761,671**	16,260,602
Net Assets, end of year	**$ 4,716,726**	**$ 12,533,190**	**$ 17,249,916**	$ 13,761,671

ASSOCIATION FOR RESEARCH AND ENLIGHTENMENT, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year ended December 31, 2023 with Comparative Totals for the Year Ended December 31, 2022

	Program Services	Support Services	Fundraising	**2023 Total**	2022 Total
Advertising and promotion	$ 108,808	$ 1,099	$ 15,482	**$ 125,389**	$ 152,425
Bank fees	100,732	5,080	6,509	**112,321**	108,558
Board expenses	2,531	2,215	1,582	**6,328**	5,712
Books and tapes	8,803	144	316	**9,263**	10,077
Contracted services	1,368,972	114,682	47,413	**1,531,067**	1,204,957
Curriculum development	310	-	-	**310**	5,775
Damaged goods expense	619	-	-	**619**	1,502
Depreciation and amortization	314,656	51,998	11,143	**377,797**	494,903
Dues and subscriptions	112,124	12,961	5,301	**130,386**	114,134
Employee recreation and welfare	28,685	4,572	858	**34,115**	41,592
Employee training	6,791	157	63	**7,011**	5,374
Equipment rental	681	31	-	**712**	9,810
External storage	21,927	632	-	**22,559**	19,619
General insurance	296,823	48,232	10,335	**355,390**	267,844
Graduation expense	701	-	-	**701**	383
Health insurance	227,765	38,418	8,232	**274,415**	319,455
Interest expense	174,317	26,047	-	**200,364**	188,586
Licenses and fees	50,935	3,385	4,317	**58,637**	56,465
Mail service	6,303	-	7,673	**13,976**	22,882
Materials	990	-	-	**990**	13,362
Miscellaneous expense	1,385	376	248	**2,009**	3,667
Office supplies	94,475	7,101	4,968	**106,544**	133,393
Operating lease expense	120,241	-	-	**120,241**	108,117
Payroll services	32,732	4,312	-	**37,044**	37,435
Payroll taxes	155,763	17,885	12,829	**186,477**	209,968
Postage	55,818	(306)	7,340	**62,852**	82,792
Preservation expense	368	-	-	**368**	5,446
Printing	33,561	-	25,236	**58,797**	30,284
Professional services	61,026	21,456	10,627	**93,109**	76,459
Program expense	284,581	3,833	35,244	**323,658**	425,676
Repairs and maintenance	232,938	32,068	-	**265,006**	290,463
Salaries	2,058,227	302,351	175,906	**2,536,484**	3,035,536
Scholarship expense	-	-	-	**-**	2,000
Telephone expense	59,635	8,804	13	**68,452**	66,655
Travel and entertainment	27,568	8,174	6,371	**42,113**	44,916
Uncollectible accounts	688	-	-	**688**	690
Utilities and fuel	90,421	12,737	-	**103,158**	110,530
Total expenses	$ 6,142,900	$ 728,444	$ 398,006	**$ 7,269,350**	$ 7,707,442

ASSOCIATION FOR RESEARCH AND ENLIGHTENMENT, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF CASH FLOWS

Year Ended December 31, 2023 with Comparative Totals for the Year Ended December 31, 2022

	2023	2022
Cash Flows from Operating Activities		
Change in net assets	**$ 3,488,245**	$ (2,498,931)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Realized and unrealized (gains) losses on investments	**(878,257)**	1,621,331
Dividends and interest reinvested	**(183,784)**	(125,095)
Depreciation and amortization	**377,797**	494,903
Amortization of right-of-use asset for operating lease	**105,072**	103,769
Contributions restricted for property and equipment and other long-term purposes	**(1,296,343)**	(290,288)
Non-cash contributions		
Fair market value when received	**(4,345)**	(50,515)
Cash proceeds from sales	**4,810**	91,818
(Gain) loss on sale of property and equipment	**(461,364)**	645,474
(Gain) loss on sale of other assets	**(68)**	(4,093)
Provision for inventory obsolescence	**(4,128)**	-
(Increase) decrease in operating assets		
Trade accounts receivable	**27,815**	28,003
Contributions and bequests receivable	**-**	(319,715)
Inventory	**12,912**	(38,611)
Prepaid expenses	**106,640**	33,111
Increase (decrease) in operating liabilities		
Accounts payable	**23,420**	(25,960)
Accrued salaries, wages and employee benefits	**(24,683)**	(178,602)
Deferred income	**24,561**	(53,893)
Split interest agreements payable	**(71,163)**	(86,757)
Operating lease liability	**(107,475)**	(106,172)
Other current liabilities	**42,522**	(22,437)
Net cash provided by (used in) operating activities	**1,182,184**	(782,660)
Cash Flows from Investing Activities		
Proceeds from sale of investments	**995,000**	246,390
Purchases of investments	**(3,719,024)**	-
Proceeds from sale of property and equipment	**1,000,000**	-
Purchases of property and equipment	**(218,317)**	(164,591)
Net cash provided by (used in) investing activities	**$ (1,942,341)**	$ 81,799

See Notes to Consolidated Financial Statements.

ASSOCIATION FOR RESEARCH AND ENLIGHTENMENT, INC.
AND AFFILIATES

CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)
Year Ended December 31, 2023 with Comparative Totals for the Year Ended December 31, 2022

	2023	2022
Cash Flows from Financing Activities		
Repayments on note payable	**$ (167,818)**	$ (161,993)
Collection of contributions restricted for property and equipment and other long-term purposes	**1,485,446**	290,288
Principal payments on finance lease obligations	**-**	(9,239)
Net payments on line of credit	**(500,000)**	-
Net cash provided by (used in) financing activities	**817,628**	119,056
Net increase (decrease) in cash and cash equivalents	**57,471**	(581,805)
Cash and Cash Equivalents, beginning of year	**1,849,958**	2,431,763
Cash and Cash Equivalents, end of year	**$ 1,907,429**	$ 1,849,958
Supplemental Disclosure of Cash Flow Information		
Interest paid	**$ 200,364**	$ 188,586

Note 1. Nature of Organization and Significant Accounting Policies

Nature of organization: The Association for Research and Enlightenment, Inc. (A.R.E.), Edgar Cayce Foundation (E.C.F.) and Atlantic University (A.U.) (collectively "the Organization") are nonstock, not-for-profit organizations headquartered in Virginia Beach, Virginia. Founded in 1931, A.R.E. offers conferences; educational activities, including publishing; and fellowship through programs and publications which focus on such topics as holistic health, dreams, reincarnation, ESP, the power of the mind, meditation, and personal spirituality. E.C.F. was established to preserve and disseminate the readings of Edgar Cayce. A.U. is an accredited, non-profit, multi-degree-granting, non-credit and graduate-level institution of higher education. Its purpose is to create a learning environment that will help individuals transform their lives as they learn to better understand themselves and their relationship to all life. The Organization receives the majority of its support from sales, contributions, fees for services, membership dues and tuition. A.R.E. is affiliated with E.C.F. and A.U., which require that all members of their respective Boards of Trustees be members of the Board of Trustees of A.R.E.

Use of estimates: The preparation of 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Principles of consolidation: The accompanying consolidated financial statements include the accounts of A.R.E., E.C.F. and A.U. All significant intercompany accounts and transactions have been eliminated. The financial statements of A.R.E., E.C.F. and A.U. have been consolidated pursuant to accounting standards which require organizations to present consolidated statements when an economic interest and control exists. Economic interest and control exists when one organization controls the related nonprofit entity through a majority voting interest in the board of the related entity, and has an economic interest in the related entity.

Basis of presentation: The Organization is required to report information regarding its financial position and activities according to two classes of net assets: with donor restrictions and without donor restrictions. Support that is restricted by the donor is, however, reported as an increase in net assets without donor restrictions if the restriction expires or is otherwise satisfied in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires or is otherwise satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions. Details related to net assets with donor restrictions are included in Note 4 and Note 13.

The consolidated financial statements include certain prior-year summarized comparative information as totals only. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended December 31, 2022, from which the summarized information was derived.

Cash and cash equivalents: Cash and cash equivalents in the consolidated statements of financial position and cash flows are defined as demand deposits, overnight investments at banks, and all highly liquid debt instruments purchased with an original maturity of three months or less. However, money market accounts that are part of managed investment accounts are reported as investments.

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Trade accounts receivable: The Organization routinely extends its members and customers trade credit, most of which is not collateralized or otherwise secured. Trade accounts receivable are recorded at the original invoice amount, less an estimated allowance for credit losses. The allowance for credit losses is the Organization's best estimate of the amount of probable credit losses in the Organization's existing trade accounts receivable and is based upon historical loss patterns, the number of days that billings are past due, and an evaluation of potential risk of loss associated with specific accounts. Account balances are charged against the allowance after all means of collection have been exhausted and the potential recovery is considered remote.

Estimating credit losses based on risk characteristics requires significant judgement by the Organization. Significant judgements included but are not limited to assessing current economic conditions and the extent to which they would be relevant to the existing characteristics of the Organization's financial assets, the estimated life of financial assets and the level of reliance on historical experience in light of economic conditions. The Organization reviews and updates, when necessary, its historical risk characteristics that are meaningful to estimating credit losses, any new risk characteristics that arise in the natural course of business and the estimated life of its financial assets. There was an allowance for credit losses of $2,947 as of December 31, 2023.

Contributions and bequests receivable: Contributions are recognized when a donor makes a promise to give to the Organization that is, in substance, unconditional. Unconditional contributions receivable are reported at net realizable value if at the time the promise is made payment is expected to be received in one year or less. Unconditional promises that are expected to be collected in more than one year are reported at fair value initially and at net realizable value thereafter. Bequests are recognized when a legally enforceable document is received or will have been validated after a donor's passing.

The Organization uses the allowance method to determine uncollectible contributions receivable. The allowance is based on prior years' collection experience and management's analysis of specific promises made. There was no allowance for uncollectible contributions and bequests receivable as of December 31, 2023.

Inventory: Inventory, principally publications held for sale, is stated at the lower of cost or net realizable value, using the average cost method. The Organization has established an allowance for obsolete inventory of $0 as of December 31, 2023.

Property and equipment: Property and equipment are reported at cost or, if donated, at the approximate fair value at the date of donation. Depreciation and amortization is computed by the straight-line method, based on the following useful lives:

Automobiles	2-5 years
Buildings and improvements	3-50 years
Computer equipment and software	3-10 years
General equipment	3-15 years
Land improvements	5-21 years

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Impairment of long-lived assets: In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 360-10-05, *Accounting for the Impairment or Disposal of Long-Lived Assets*, management reviews long-lived assets for impairment when circumstances indicate the carrying amount of an asset may not be recoverable based on the undiscounted future cash flows of the asset. If the carrying amount of an asset may not be recoverable, a write-down to fair value is recorded. Fair values are determined based on the discounted cash flows, quoted market values, or external appraisals, as applicable. Long-lived assets are reviewed for impairment at the individual asset or the asset group level for which the lowest level of independent cash flows can be identified.

Leases: The Organization 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. 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 Organization also considers whether its service arrangements include the right to control the use of an asset.

The Organization recognizes most leases on its consolidated statement of financial position as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. Leases are classified as either finance leases or operating leases based on certain criteria. Classification of the lease affects the pattern of expense recognition in the consolidated statement of activities.

The Organization made an accounting policy election available not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease (or January 1, 2022, for existing leases upon the adoption of ASC Topic 842, Leases). 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 received. To determine the present value of lease payments, the Organization made an accounting policy election available to non-public companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date (or remaining term for leases existing upon the adoption of Topic 842).

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

The Organization has made an accounting policy election to account for lease and nonlease components in its contracts as a single lease component for its real estate, vehicle and equipment asset classes. The nonlease components typically represent additional services transferred to the Organization, such as common area maintenance for real estate, which are variable in nature and recorded in variable lease expense in the period incurred.

See Note 8 for further detail on leases.

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Investments: The Organization reports investments in equity securities and debt securities at their fair values in the consolidated statement of financial position in accordance with FASB ASC Topic 958, *Accounting for Certain Investments Held by Not-for-Profit Organizations* and FASB ASC Topic 820, *Fair Value Measurements and Disclosures*. Unrealized gains and losses are included in the change in net assets in the accompanying consolidated statement of activities. Investment related expenses netted against investment revenues in 2023 were $21,261.

This guidance requires expanded disclosures surrounding the Organization's investments and has been included in Note 6.

Edgar Cayce readings: The Organization owns the transcribed collection of Edgar Cayce's readings. The value of these readings is not reported in these consolidated financial statements since it is not susceptible to objective measurement or valuation.

Split-interest agreements: Split-interest agreements are contributions to be shared by the Organization and other beneficiaries. The contributions of this type received by the Organization are unconditional, irrevocable split-interest agreements and consist of two basic types: charitable gift annuities received and administered by the Organization and gifts to a pooled (life) income fund administered by a third-party trustee.

Charitable gift annuities are contributions of assets directly to the Organization in exchange for distributions of a fixed amount for a specified period of time to the donor or other beneficiary. The contributed assets are considered general unrestricted assets of the Organization, and the related annuity liability is recorded as an unrestricted general obligation.

Donations made to the Organization's pooled life income fund are received by a third-party trustee and used to purchase investment units in the fund. The fair value of any donation to this fund is compared to the fair value of the investment pool at the date of the donation to determine the number of units acquired. During the term of these life income gifts, the donors, or beneficiaries specified by the donor, if any, receive the actual income earned on the donor's units in the pooled fund. Upon the death of the donor, the donor's units revert to the Organization. Until that time, the assets in the pooled income fund are included in net assets with donor restrictions.

When the assets are received, they are recognized at fair value. Contribution revenue is recorded at the present value of the assets expected to be received upon the death of the donor using life expectancies specified in publications of the Internal Revenue Service. The difference between the fair value of the assets received and the contribution recognized represents the amount of discount associated with the gift, and is presented in the accompanying consolidated statement of financial position as deferred income. During the term of the agreement, amortization of this discount as well as re-valuations based on changes in life expectancy and other actuarial assumptions are recognized as a change in the value of split-interest agreements in the consolidated statement of activities.

All assets recognized from either charitable gift annuities or pooled life income fund donations are recorded at their fair value at the date of donation. Thereafter, investments are adjusted to their fair market value.

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Donations structured as gift annuities and pooled life income agreements are discounted at various rates and are also calculated using life expectancies specified in publications of the Internal Revenue Service.

Deferred income: In addition to the deferred income from pooled life income agreements explained above, deferred income results from tuition, payments for future tours and events, and similar payments received in advance. This income is recognized in subsequent years as services are rendered.

Advertising: Advertising costs are expensed to operations when incurred.

Noncash contributions and donated assets: Noncash contributions include donated real estate, donated stock, and donated other assets. Noncash contributions and are recorded at fair value on the date of donation and analyzed for potential impairment thereafter. Noncash contributions for the year ended December 31, 2023 includes $4,345 of donated stock, which was immediately liquidated.

A substantial number of unpaid volunteers have made significant contributions of their time to the Organization. The value of this contributed time is not reported in these consolidated financial statements since it is not susceptible to objective measurement or valuation nor does it meet the criteria for recognition in accordance with generally accepted accounting principles.

Included in donated real estate is $874,000 of retained life estate gifts that cannot be sold until the death of certain specified beneficiaries in accordance with the agreements and is therefore included in net assets with donor restrictions. Included among other assets are interests in other real estate, collections, and trust interests.

Functional expense allocations: The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities and functional expenses. Directly identifiable expenses are allocated to program services, support services and fundraising. Expenses related to more than one function are charged to program services, support services, and fund raising based on estimates made by management. Allocations are based on departmental staffing levels and other methodologies. Support services include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Revenue recognition: The Organization derives its revenue from sales, contributions, membership dues, fees for services, tuition, rental income, and other miscellaneous income sources.

Sales consist of amounts earned from the sale of metaphysical media, Cayce healthcare products, jewelry, gemstones, and other miscellaneous retail products. Retail and wholesale items can be purchased online or at the Organization’s physical bookstore located in Virginia Beach, Virginia. Payment is collected at the point of sale for retail products sold through direct mail and at the bookstore. Wholesale orders are sold on credit with various payment terms, typically due within 90 to 120 days. Discounts are offered to A.R.E. members and wholesale orders based on payment terms. Sales revenues are recognized at a point in time as the Organization has no further performance obligations.

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Fees for services consist of conferences, program tours, and other miscellaneous fees. The Organization holds several conferences each year, located at the Organization's headquarters in Virginia Beach, as well as various other locations and online. Conferences are typically a few days long and allow attendees to experience the wisdom of the Edgar Cayce readings in meaningful and practical ways. The Organization holds four to six program tours annually, which are typically to locations outside of the United States of America. Annual tours allow attendees to explore concepts in the Edgar Cayce material while visiting a variety of travel destinations. The tour content provides an education enrichment element that is not found on many tours, focusing on insights from the Cayce readings, dreams, past lives, and meditation. Fee-related revenue is recognized at a point in time as the Organization has no further performance obligation, generally when the services, conference or tour occurs. Tour deposits are held by the Organization to reserve an attendee's place for upcoming tours. Deposits are potentially refundable should the tour be cancelled.

Tuition revenue is generated from A.U. courses and A.R.E.'s Cayce-Reilly School of Massage. Tuition revenue is recognized over time as the semester occurs. Semester dates end for the Fall semester before the year closes, and the Winter semester starts after the new year begins. As a result, if classes are cancelled or students withdraw from courses, revenue is reversed before year-end for any amounts refunded.

Contributions and membership dues are recognized as revenue in accordance with FASB Topic 958 when a donor makes a contribution or promise to give that is unconditional. Membership dues are treated as contributions as there are no portion of the dues considered to be exchange transactions.

Rental income is recognized pursuant to FASB ASC 842. All leases are one year or less in duration and rental income is recognized on a straight-line basis over the lease term.

Income taxes: A.R.E. and its affiliates, E.C.F. and A.U., are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income, if any, resulting from unrelated business taxable income.

FASB ASC Topic 740, *Income Taxes*, prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The Organization's management has evaluated the impact of the standard to its consolidated financial statements. The Organization's income tax returns are subject to examination by taxing authorities, generally for a period of three years from the date the returns are filed. The Organization's policy is to classify income tax related interest and penalties in interest expense and other expenses, respectively.

Note 2. Liquidity and Availability

Financial assets and liquidity resources available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated statement of financial position date, comprise the following:

Financial assets:		
Cash and cash equivalents	$	(417,969)
Trade accounts receivable		236,053
Contributions and bequests receivable		200,000
Total financial assets available within one year	$	18,084

The Organization's cash flows have seasonal variations during the year attributable mainly to tuition billing, timing of conferences and tours, and a concentration of contributions received at year end. A significant portion of the Organization's operations and programs are funded by fees, membership dues and tuition that are charged and collected on an annual basis. Any significant reduction in these revenues could necessitate the Organization to have a corresponding reduction in programs and services offered.

In addition, the Organization had $3,164,062 of investments and property functioning as a board-designated endowment, which is available for general expenditure with approval by the Board of Trustees.

Note 3. Contributions and Bequests Receivable

FASB ASC 820, *Fair Value Measurements,* established a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Long-term contributions and bequests receivables are initially recorded by the Organization at fair value and at net realizable thereafter. The present value technique is the primary input for this valuation and other inputs include an analysis of the donor's payment history, relationship with the donor, the donor's creditworthiness and other factors. In addition, a provision for uncollectible receivables is recorded as appropriate.

The table below presents information about the Organization's changes in contributions and bequests receivable for the year ended December 31, 2023:

Beginning balance	$	606,679
New promises received		9,539
Collections		(198,642)
Ending balance	$	417,576

Note 3. Contributions and Bequests Receivable (Continued)

The Organization's estimated future contributions receivable and bequest collections for the years subsequent to December 31, 2023 are as follows:

Due in less than one year	$	200,000
Due in one to five years		217,576
Contribution and bequests receivable	$	417,576

Note 4. Net Assets with Donor Restrictions

Net assets included in the net assets with donor restrictions classification have been received from donors that have restricted the use of the funds for a specific purpose and/or future period. The restrictions expire when obligations are incurred to fulfill the specified purpose or when time restrictions are satisfied.

Net assets with donor restrictions at December 31, 2023 are restricted for the following purposes or periods.

Subject to expenditure for specified purpose:		
Special projects	$	2,000,000
Outreach		183,304
Library		161,585
Renovations		35,834
Scholarships		47,839
Search for God study group		31,962
Tarsia Center		313,804
Other programs		77,079
Atlantic University programs		142,415
Edgar Cayce Foundation programs		127,282
		3,121,104
Subject to the passage of time:		
Retained life estate gifts		874,000
Pooled income		1,171,880
		2,045,880
Endowments:		
Unappropriated endowment investment losses		83,181
Original donor restricted gift amounts to be maintained in perpetuity		7,283,025
Total endowments		7,366,206
Total net assets with donor restrictions	$	12,533,190

Note 5. Property and Equipment

Property and equipment at December 31, 2023 is summarized below. Depreciation and amortization expense for 2023 was $377,797. As of December 31, 2023, $1,239,000 of the Organization's land and improvements was board designated for the endowment and included in net assets without donor restrictions. See Note 13 for more information on the endowment:

Automobiles	$ 20,000
Buildings and improvements	6,978,812
Computer equipment and software	847,663
General equipment	1,628,208
Land and improvements	744,192
Construction in progress	39,364
	10,258,239
Less accumulated depreciation	5,376,407
Net property and equipment	$ 4,881,832

Note 6. Investments

Investments are presented in the consolidated financial statements at their fair value and are summarized below at December 31, 2023:

	Cost	Market
Split interest agreements:		
Corporate bond funds	$ 1,166,659	$ 1,114,242
Stocks and mutual funds	520,896	697,047
Money market funds	33,884	33,884
Total split interest agreements	1,721,439	1,845,173
Cash and securities:		
Stocks and mutual funds	6,439,564	6,350,603
Money market funds	3,320,595	3,320,595
Total cash and securities	9,760,159	9,671,198
Total investments	$ 11,481,598	$ 11,516,371

Note 6. Investments (Continued)

Fair value is determined using different valuation inputs. Pursuant to FASB ASC Topic 820, the levels of valuation hierarchy are as follows:

Level 1 - Valuation is based on quoted prices in active markets for identical assets and liabilities.

Level 2 - Valuation is based on observable inputs including quoted prices in active markets for similar assets and liabilities, quoted prices for identical or similar assets and liabilities in less active markets, and model-based valuation techniques for which significant assumptions can be derived primarily from or corroborated by observable data in the market.

Level 3 - Unobservable inputs where fair value is based on estimates using the best information available.

As of December 31, 2023, assets measured at fair value on a recurring basis are as follows:

	Level 1	Total
Corporate bond funds	$ 1,114,242	$ 1,114,242
Stocks and mutual funds	7,047,650	7,047,650
Money market funds	3,354,479	3,354,479
Total	$ 11,516,371	$ 11,516,371

Note 7. Intangibles

Intangible assets for the Organization at December 31, 2023 are summarized below. Management reviews intangible assets for potential impairment annually. No impairments were identified by management for 2023.

Description	Term	Expiration	Cost	Impairment to Date	Net Book Value
Domain name	indefinite	N/A	$ 80,405	$ -	$ 80,405
			$ 80,405	$ -	$ 80,405

Note 8. Leases

In 2020, the Organization entered into a five-year copier lease agreement with Konica Minolta through October 24, 2025. The lease provides for monthly payments of $9,010.

The following amounts were recorded in the Organization's consolidated statements of operations relating to its leases:

Lease Expense		
Operating lease expense	$	120,241
Short-term lease expense		712
Total lease expense	$	120,953

The following is other supplemental information relating to the Organization's operating lease:

Other Supplemental Information		
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	$	110,520
Weighted-average remaining lease term in years for operating leases		2
Weighted-average discount rate for operating leases		1.22%

Future maturities of the Organization's operating lease are as follows:

Years Ending December 31,		Amount
2024	$	110,520
2025		82,890
Total undiscounted cash flows		193,410
Less: Present value discount		(2,147)
Total lease liabilities	$	191,263

Note 9. Employee Benefit Plan

The Organization offers a defined contribution benefit plan available to all qualifying employees. Employees are not required to complete any number of hours of service to receive credit for eligibility to the plan. Discretionary employer-based contributions are permitted in accordance with the plan document. The Organization did not contribute to the plan in the year ended December 31, 2023.

Note 10. Concentration of Credit Risk

At December 31, 2023, and at various times during the year, the Organization had on deposit with a single financial institution more than $250,000, which is the limit currently insured by the Federal Deposit Insurance Corporation.

Note 11. Line of Credit

The Organization had a $500,000 line of credit with Truist Bank (Truist or the Bank). The line was secured by specified real property and improvements of the Organization and bear interest at the Bank's prime rate and provided for a minimum interest rate of 3.25%. The line of credit matured on August 3, 2023 and was not renewed.

Note 12. Notes Payable

The Organization has a loan with an original loan principal balance of $1,846,005 Truist. The loan is payable in 120 consecutive monthly installments of $18,266 and bears a fixed interest rate at 3.49%. The loan is collateralized by real property, improvements and equipment owned by the Organization. The principal balance as of December 31, 2023 was $1,360,556.

Notes payable and related current maturities consist of the following as of December 31, 2023:

Notes payable	$	1,360,556
Less current maturities		174,683
	$	1,185,873

Future aggregate maturities required on principal are as follows:

Year		Amount
2024	$	174,863
2025		180,878
2026		187,292
2027		193,935
2028		200,812
Thereafter		422,776
	$	1,360,556

Note 13. Endowment

FASB ASC 958-205-55 which, among other things, provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) and additional disclosures about an organization's endowment funds. The Commonwealth of Virginia adopted UPMIFA on July 1, 2008. The following disclosures are made as required by FASB ASC 958-205-55.

The Organization's endowment consists of various individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. Net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor imposed restrictions.

Note 13. Endowment (Continued)

The Board of Trustees of the Organization has interpreted the UPMIFA as requiring the preservation of the historic value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as perpetual 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. The remaining portion of the donor-restricted endowment fund is included in accumulated investment gains and classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

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

(1) The duration and preservation of the fund
(2) The purposes of the Organization and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Organization
(7) The investment policies of the Organization

As of December 31, 2023, the Board of Trustees had designated $3,164,062 of net assets without donor restrictions as a general endowment fund to specifically support general operations, expenses, outreach, and staffing, essentially those infrastructure costs that are not directly supported by sales, fundraising, fees and general contributions. Since that amount resulted from an internal designation and is not donor-restricted, it is classified as net assets without donor restrictions.

The Organization has a spending policy of appropriating for distribution each year 5% of its endowment fund's market value as of June 30 of the previous year. In establishing this policy, the Organization considered the long-term expected investment return on its endowment. Accordingly, over the long term, the Organization expects the current spending policy to be less than the annual return, allowing its general endowment fund to grow. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return.

To achieve that objective, the Organization has adopted an investment policy that attempts to maximize total return consistent with an acceptable level of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of 5%, while growing the fund if possible. Accordingly, the Organization expects its endowment assets, over time, to produce an average rate greater than its 5% spending policy. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Note 13. Endowment (Continued)

From time to time, the fair value of assets associated with individual donor-restricted endowment funds could fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. In accordance with U.S. GAAP, a deficiency of this nature is reported in net assets with donor restrictions. As of December 31, 2023, there were no funds with deficiencies.

As of December 31, 2023, the endowment net asset composition by type of fund was as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	$ 3,164,062	$ -	$ 3,164,062
Donor-restricted endowment funds			
Original donor restricted gift amounts to be maintained in perpetuity	-	7,283,025	7,283,025
Unappropriated earnings	-	83,181	83,181
	$ 3,164,062	$ 7,366,206	$ 10,530,268

Changes in endowment net assets for the year ended December 31, 2023 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 2,418,925	$ 5,300,064	$ 7,718,989
Investment income	117,066	779,338	896,404
Contributions	1,623,071	1,286,804	2,909,875
Amounts appropriated for expenditure	(995,000)	-	(995,000)
Endowment net assets, end of year	$ 3,164,062	$ 7,366,206	$ 10,530,268

Note 14. Related Party Transactions

The Organization is affiliated with other independently controlled nonprofit organizations that promote its missions in throughout the United States. These organizations, referred to as “Regions,” are similarly exempt from income taxes as a group under Section 501(c)(3) of the Internal Revenue Code. The financial information for these Regions are not included in these consolidated financial statements.

In September 2023, a residential property located in Virginia Beach, VA with an appraised value of approximately $900,000 was sold to a member of the Board of Trustees for $1,000,000. Gains related to the sale of real estate are included in gain on sale of property and equipment in the accompanying consolidated statement of activities. Also, a Board member and their spouse own a business received payments for teaching classes. Lastly, certain employees live in properties owned by the Organization and paid rent of $39,275 for the year ended December 31, 2023.

Note 15. Financial Responsibility Standards

The Organization participates in the federal Title IV student financial assistance programs, which require the Organization to meet standards of financial responsibility based on criteria determined by the U.S. Department of Education (ED), as set forth in 34 CFR 668.171. The criteria for private institutions include the annual calculation by ED of a financial responsibility composite score, as further outlined in 34 CFR 668.172, using audited financial statements submitted through ED's eZ-Audit system. The composite score has been and will continue to be based on three ratios: Primary Reserve Ratio, Equity Ratio and Net Income Ratio. These ratios utilize the following financial data of the Organization, which are not presented elsewhere within the notes to these consolidated financial statements, as of and for the year ended December 31, 2023.

The basis for the property and equipment, net - pre-implementation is based on the amounts reported in the Organization's most recently accepted financial statement submission to the ED prior to the effective date and implementation of 34 CFR 668.171, which for the Organization was December 31, 2018. These pre-implementation amounts have been adjusted by depreciation and amortization and other reductions for property, plant and equipment, net – pre-implementation. Post implementation property, plant and equipment, net are amounts of property, plant and equipment that the Organization has obtained since December 31, 2018, adjusted for depreciation and amortization and other reductions.

Property, plant and equipment: post-implementation – without outstanding debt for acquisition is calculated as follows:

Property, plant and equipment acquired after December 31, 2018	$ 930,779
Less: accumulated depreciation related to post-implementation property, plant and equipment as of December 31, 2023	341,978
	$ 588,801

Note 16. Contingencies

Various lawsuits have been filed against the Organization. Legal counsel has advised there is at least a 50% chance of an unfavorable outcome but that there is very little chance an unfavorable outcome will exceed the Organization's insurance coverage limits. As a result, management has not accrued any loss contingency related to these matters.

Note 17. Subsequent Events

The Organization has evaluated all events subsequent to December 31, 2023 through August 26, 2024, which is the date these consolidated financial statements were available to be issued. Management has determined that there are no subsequent events that are required to be disclosed pursuant to the FASB ASC.

SUPPLEMENTARY INFORMATION

ASSOCIATION FOR RESEARCH AND ENLIGHTENMENT, INC. AND AFFILIATES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION
December 31, 2023 with Comparative Totals for December 31, 2022

	A.R.E.	E.C.F.	A.U.	Eliminations	Consolidated 2023	Consolidated 2022
ASSETS						
Current Assets						
Cash and cash equivalents	$ 1,462,954	$ 109,560	$ 334,915	$ -	**$ 1,907,429**	$ 1,849,958
Trade accounts receivable, net of allowance	192,795	-	43,258	-	**236,053**	263,868
Contributions and bequests receivable	417,576	-	-	-	**417,576**	606,679
Inventory, net of allowance	242,763	-	-	-	**242,763**	251,547
Prepaid expenses	287,251	914	-	-	**288,165**	394,805
Due from affiliates	363,726	64,691	-	(428,417)	**-**	-
Total current assets	2,967,065	175,165	378,173	(428,417)	**3,091,986**	3,366,857
Net Property and Equipment	4,818,088	63,744	-	-	**4,881,832**	5,579,948
Right-of-Use Asset for Operating Lease	196,069	-	-	-	**196,069**	301,141
Investments						
Split interest agreements	1,845,173	-	-	-	**1,845,173**	1,679,539
Cash and securities	9,128,552	46,160	496,486	-	**9,671,198**	6,050,767
Total investments	10,973,725	46,160	496,486	-	**11,516,371**	7,730,306
Other Assets						
Donated assets						
Real estate	874,000	-	-	-	**874,000**	874,000
Other	102,225	-	-	-	**102,225**	102,622
Intangibles	80,405	-	-	-	**80,405**	80,405
Total other assets	1,056,630	-	-	-	**1,056,630**	1,057,027
Total assets	$ 20,011,577	$ 285,069	$ 874,659	$ (428,417)	**$ 20,742,888**	$ 18,035,279
LIABILITIES AND NET ASSETS						
Current Liabilities						
Current portion of note payable	$ 174,683	$ -	$ -	$ -	**$ 174,683**	$ 168,700
Current portion of split interest agreements payable	55,903	-	-	-	**55,903**	127,450
Current portion of operating lease liability	108,793	-	-	-	**108,793**	107,475
Line of credit	-	-	-	-	**-**	500,000
Accounts payable, trade	251,936	-	-	-	**251,936**	228,516
Accrued salaries, wages and employee benefits	164,333	-	7,670	-	**172,003**	196,686
Deferred income	270,332	-	20,969	-	**291,301**	238,207
Due to affiliate	-	-	428,417	(428,417)	**-**	-
Other current liabilities	66,787	-	-	-	**66,787**	24,265
Total current liabilities	1,092,767	-	457,056	(428,417)	**1,121,406**	1,591,299
Long-Term Liabilities, net of current portions						
Deferred income - pooled life income fund	663,287	-	-	-	**663,287**	691,820
Note payable	1,185,873	-	-	-	**1,185,873**	1,359,674
Operating lease liability	82,470	-	-	-	**82,470**	191,263
Split interest agreements payable	439,936	-	-	-	**439,936**	439,552
Total long-term liabilities	2,371,566	-	-	-	**2,371,566**	2,682,309
Total liabilities	3,464,333	-	457,056	(428,417)	**3,492,972**	4,273,608
Net Assets						
Without donor restrictions	4,817,205	112,728	(213,207)	-	**4,716,726**	5,246,087
With donor restrictions	11,730,039	172,341	630,810	-	**12,533,190**	8,515,584
Total net assets	16,547,244	285,069	417,603	-	**17,249,916**	13,761,671
Total liabilities and net assets	$ 20,011,577	$ 285,069	$ 874,659	$ (428,417)	**$ 20,742,888**	$ 18,035,279

ASSOCIATION FOR RESEARCH AND ENLIGHTENMENT, INC. AND AFFILIATES

CONSOLIDATING STATEMENT OF ACTIVITIES
Year Ended December 31, 2023 with Comparative Totals for the Year Ended December 31, 2022

	A.R.E.	E.C.F.	A.U.	Eliminations	Consolidated 2023	Consolidated 2022
Revenues, Gains and Other Support						
Sales	$ 659,456	$ -	$ -	$ -	**$ 659,456**	$ 674,183
Cost of sales	272,604	-	-	-	**272,604**	279,352
Gross profit from sales	386,852	-	-	-	**386,852**	394,831
Contributions						
Contributions, without donor restrictions	2,546,716	5,124	15,365	-	**2,567,205**	985,094
Contributions, with donor restrictions	2,595,796	5,500	217,000	-	**2,818,296**	597,672
Bequests, without donor restrictions	408,519	-	-	-	**408,519**	2,251,648
Bequests, with donor restrictions	619,868	-	-	-	**619,868**	-
Noncash, contributions without donor restrictions	4,345	-	-	-	**4,345**	36,537
Noncash, contributions with donor restrictions	-	-	-	-	**-**	13,978
Change in value of split-interest agreements						
With donor restrictions	28,534	-	-	-	**28,534**	14,774
Dues						
Life membership	44,850	-	-	-	**44,850**	63,550
Other categories	438,087	-	-	-	**438,087**	476,288
Fees for services						
Conference fees	260,770	-	-	-	**260,770**	313,558
Health services fees	767,391	-	-	-	**767,391**	768,536
Tour fees	200,270	-	-	-	**200,270**	384,522
All other fees for services	134,015	-	-	-	**134,015**	120,039
Gain (loss) on sale of property and equipment and other assets						
Without donor restrictions	461,432	-	-	-	**461,432**	(641,381)
Investment income (loss)						
Dividends and interest						
Without donor restrictions	27,605	-	5,727	-	**33,332**	24,874
With donor restrictions	144,705	993	4,754	-	**150,452**	100,221
Gains (losses) on investments						
Without donor restrictions	67,202	-	16,859	-	**84,061**	(239,031)
With donor restrictions	770,152	4,154	19,890	-	**794,196**	(1,382,300)
Rental income	41,340	-	-	-	**41,340**	34,570
Other income	62,452	376	8,322	-	**71,150**	229,740
Royalty income	18,872	1,491	-	-	**20,363**	21,915
Tuition	224,627	-	197,640	-	**422,267**	638,876
Total revenues, gains and other support	10,254,400	17,638	485,557	-	**10,757,595**	5,208,511
Program services	5,756,238	49,303	337,359	-	**6,142,900**	6,603,681
Support services	725,559	-	2,885	-	**728,444**	612,897
Fundraising	397,044	-	962	-	**398,006**	490,864
Total expenses	6,878,841	49,303	341,206	-	**7,269,350**	7,707,442
Changes in net assets	3,375,559	(31,665)	144,351	-	**3,488,245**	(2,498,931)
Net Assets, beginning of year	13,171,685	316,734	273,252	-	**13,761,671**	16,260,602
Net Assets, end of year	$ 16,547,244	$ 285,069	$ 417,603	$ -	**$ 17,249,916**	$ 13,761,671
Change in Net Assets Accounted for as Follows:						
Without donor restrictions	$ (430,593)	$ (5,975)	$ (92,793)	$ -	**$ (529,361)**	$ (1,451,024)
With donor restrictions	3,806,152	(25,690)	237,144	-	**4,017,606**	(1,047,907)
Change in net assets	$ 3,375,559	$ (31,665)	$ 144,351	$ -	**$ 3,488,245**	$ (2,498,931)

ASSOCIATION FOR RESEARCH AND ENLIGHTENMENT, INC.
AND AFFILIATES

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2023 with Comparative Totals for the Year Ended December 31, 2022

	A.R.E.				E.C.F.	A.U.						
	Program Services	Support Services	Fundraising	A.R.E. Total	Program Services	Program Services	Support Services	Fundraising	A.U. Total	Eliminations	Consolidated 2023	Consolidated 2022
Advertising and promotion	$ 103,541	$ 1,099	$ 15,482	$ 120,122	$ -	$ 5,267	$ -	$ -	$ 5,267	$ -	**$ 125,389**	$ 152,425
Bank fees	100,732	5,080	6,509	112,321	-	-	-	-	-	-	**112,321**	108,558
Board expenses	2,531	2,215	1,582	6,328	-	-	-	-	-	-	**6,328**	5,712
Books and tapes	8,803	144	316	9,263	-	-	-	-	-	-	**9,263**	10,077
Contracted services	1,195,093	114,682	47,413	1,357,188	-	173,879	-	-	173,879	-	**1,531,067**	1,204,957
Curriculum development	-	-	-	-	-	310	-	-	310	-	**310**	5,775
Damaged goods expense	619	-	-	619	-	-	-	-	-	-	**619**	1,502
Depreciation and amortization	305,850	51,998	11,143	368,991	8,806	-	-	-	-	-	**377,797**	494,903
Dues and subscriptions	111,752	12,961	5,301	130,014	-	372	-	-	372	-	**130,386**	114,134
Employee recreation and welfare	28,685	4,572	858	34,115	-	-	-	-	-	-	**34,115**	41,592
Employee training	6,791	157	63	7,011	-	-	-	-	-	-	**7,011**	5,374
Equipment rental	209	31	-	240	-	472	-	-	472	-	**712**	9,810
External storage	21,927	632	-	22,559	-	-	-	-	-	-	**22,559**	19,619
General insurance	296,823	48,232	10,335	355,390	-	-	-	-	-	-	**355,390**	267,844
Graduation expense	701	-	-	701	-	-	-	-	-	-	**701**	383
Health insurance	227,765	38,418	8,232	274,415	-	-	-	-	-	-	**274,415**	319,455
Interest expense	174,317	26,047	-	200,364	-	-		-	-	-	**200,364**	188,586
Licenses and fees	33,091	3,385	4,317	40,793	-	17,844	-	-	17,844	-	**58,637**	56,465
Mail service	6,303	-	7,673	13,976	-	-	-	-	-	-	**13,976**	22,882
Materials	990	-	-	990	- -	-	-	-	-	-	**990**	13,362
Miscellaneous expense	590	376	248	1,214	795	-	-	-	-	-	**2,009**	3,667
Office supplies	94,100	7,101	4,968	106,169	-	375	-	-	375	-	**106,544**	133,393
Operating lease expense	120,241	-	-	120,241	-	-	-	-	-	-	**120,241**	108,117
Payroll services	28,858	4,312	-	33,170	-	3,874	-	-	3,874	-	**37,044**	37,435
Payroll taxes	144,193	17,885	12,829	174,907	2,805	8,765	-	-	8,765	-	**186,477**	209,968
Postage	54,148	(306)	7,340	61,182	-	1,670	-	-	1,670	-	**62,852**	82,792
Preservation expense	-	-	-	-	368	-	-	-	-	-	**368**	5,446
Printing	33,561	-	25,236	58,797	-	-	-	-	-	-	**58,797**	30,284
Professional services	61,026	21,456	10,627	93,109	-	-	-	-	-	-	**93,109**	76,459
Program expense	280,649	3,833	35,244	319,726	-	3,932	-	-	3,932	-	**323,658**	425,676
Repairs and maintenance	232,938	32,068	-	265,006	-	-	-	-	-	-	**265,006**	290,463
Salaries	1,901,384	299,466	174,944	2,375,794	36,529	120,314	2,885	962	124,161	-	**2,536,484**	3,035,536
Scholarship expense	-	-	-	-	-	-	-	-	-	-	**-**	2,000
Telephone expense	59,635	8,804	13	68,452	-	-	-	-	-	-	**68,452**	66,655
Travel and entertainment	27,568	8,174	6,371	42,113	-	-	-	-	-	-	**42,113**	44,916
Uncollectible accounts	403	-	-	403	-	285	-	-	285	-	**688**	690
Utilities and fuel	90,421	12,737	-	103,158	-	-	-	-	-	-	**103,158**	110,530
Total expenses	$ 5,756,238	$ 725,559	$ 397,044	$ 6,878,841	$ 49,303	$ 337,359	$ 2,885	$ 962	$ 341,206	$ -	**$ 7,269,350**	$ 7,707,442

ASSOCIATION FOR RESEARCH AND ENLIGHTENMENT, INC. AND AFFILIATES

CONSOLIDATING STATEMENT OF CASH FLOWS
Year Ended December 31, 2023 with Comparative Totals for the Year Ended December 31, 2022

	A.R.E.	E.C.F.	A.U.	Eliminations	Consolidated 2023	Consolidated 2022
Cash Flows from Operating Activities						
Change in net assets	$ 3,375,559	$ (31,665)	$ 144,351	$ -	**$ 3,488,245**	$ (2,498,931)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities						
Realized and unrealized (gains) losses	(837,354)	(4,154)	(36,749)	-	**(878,257)**	1,621,331
Dividends and interest reinvested	(172,310)	(993)	(10,481)	-	**(183,784)**	(125,095)
Depreciation and amortization	368,991	8,806	-	-	**377,797**	494,903
Amortization of right-of-use asset for operating lease	105,072	-	-	-	**105,072**	103,769
Contributions restricted for property and equipment and other long-term purposes	(1,104,343)	-	(192,000)	-	**(1,296,343)**	(290,288)
Non-cash contributions						
Fair market value when received	(4,345)	-	-	-	**(4,345)**	(50,515)
Cash proceeds from sales	4,810	-	-	-	**4,810**	91,818
(Gain) loss on sale of property and equipment	(461,364)	-	-	-	**(461,364)**	645,474
(Gain) loss on sale of other assets	(68)	-	-	-	**(68)**	(4,093)
Provision for inventory obsolescence	(4,128)	-	-	-	**(4,128)**	-
(Increase) decrease in operating assets						
Trade accounts receivable	633	-	27,182	-	**27,815**	28,003
Contributions and bequests receivable	-	-	-	-	**-**	(319,715)
Inventory	12,912	-	-	-	**12,912**	(38,611)
Prepaid expenses	106,060	-	580	-	**106,640**	33,111
Due from affiliate	(135,801)	2,427	-	133,374	**-**	-
Increase (decrease) in operating liabilities						
Accounts payable	23,420	-	-	-	**23,420**	(25,960)
Accrued salaries, wages and employee benefits	(17,686)	-	(6,997)	-	**(24,683)**	(178,602)
Deferred income	64,621	-	(40,060)	-	**24,561**	(53,893)
Due to affiliate	-	-	133,374	(133,374)	**-**	-
Split interest agreements payable	(71,163)	-	-	-	**(71,163)**	(86,757)
Operating lease liability	(107,475)	-	-	-	**(107,475)**	(106,172)
Other current liabilities	42,522	-	-	-	**42,522**	(22,437)
Net cash provided by (used in) operating activities	1,188,563	(25,579)	19,200	-	**1,182,184**	(782,660)
Cash Flows from Investing Activities						
Proceeds from sale of investments	995,000	-	-	-	**995,000**	246,390
Purchases of investments	(3,596,024)	(9,000)	(114,000)	-	**(3,719,024)**	-
Proceeds from sale of property and equipment	1,000,000	-	-	-	**1,000,000**	-
Purchases of property and equipment	(218,317)	-	-	-	**(218,317)**	(164,591)
Net cash provided by (used in) investing activities	$ (1,819,341)	$ (9,000)	$ (114,000)	$ -	**$ (1,942,341)**	$ 81,799

ASSOCIATION FOR RESEARCH AND ENLIGHTENMENT, INC. AND AFFILIATES

CONSOLIDATING STATEMENT OF CASH FLOWS (Continued)
Year Ended December 31, 2023 with Comparative Totals for the Year Ended December 31, 2022

					Consolidated	
	A.R.E.	E.C.F.	A.U.	Eliminations	**2023**	2022
Cash Flows from Financing Activities						
Repayments on note payable	$ (167,818)	$ -	$ -	$ -	**$ (167,818)**	$ (161,993)
Collection of contributions restricted for property and equipment and other long-term purposes	1,293,446	-	192,000	-	**1,485,446**	290,288
Principal payments on finance lease obligations	-	-	-	-	**-**	(9,239)
Repayments on line of credit	(500,000)	-	-	-	**(500,000)**	-
Net cash provided by (used in) financing activities	625,628	-	192,000	-	**817,628**	119,056
Net increase (decrease) in cash and cash equivalents	(5,150)	(34,579)	97,200	-	**57,471**	(581,805)
Cash and Cash Equivalents, beginning of year	1,468,104	144,139	237,715	-	**1,849,958**	2,431,763
Cash and Cash Equivalents, end of year	$ 1,462,954	$ 109,560	$ 334,915	$ -	**$ 1,907,429**	$ 1,849,958
Supplemental Disclosure of Cash Flow Information						
Interest paid	$ 200,364	$ -	$ -	$ -	**$ 200,364**	$ 188,586

ASSOCIATION FOR RESEARCH AND ENLIGHTENMENT, INC. AND AFFILIATES

FINANCIAL RESPONSIBILITY RATIO SUPPLEMENTAL SCHEDULE
December 31, 2023

Financial Statement & Financial Statement Line Item or Footnote Disclosure		Financial Statement Line Item Amount	Amount Used for Ratio
Primary Reserve Ratio			
Expendable Net Assets			
Statement of Financial Position - Net Assets without Donor Restrictions	Net assets without donor restrictions		$ 4,716,726
Note 4 to the Financial Statements - Net Assets with Donor Restrictions	Net assets with donor restrictions		12,533,190
Note 4 to the Financial Statements - Net Assets with Donor Restrictions	Net assets with donor restrictions; restricted in perpetuity		7,366,206
N/A	Annuities with donor restrictions		-
Note 4 to the Financial Statements - Net Assets with Donor Restrictions	Term endowments with donor restrictions		83,181
Note 4 to the Financial Statements - Net Assets with Donor Restrictions	Life income funds with donor restrictions		2,045,880
N/A	Secured and unsecured related party receivable	-	
N/A	Unsecured related party receivable		-
Subtotal of rows 18-21, Statement of Financial Position	Property, plant and equipment, net, including construction in progress	4,881,832	
Statement of Financial Position - Net Property and Equipment	Property, plant and equipment; pre-implementation, leases grandfathered		4,293,031
N/A	Property, plant and equipment; post-implementation - with outstanding debt for acquisition		-
Note 15 to the Financial Statements - Financial Responsibility Standards	Property, plant and equipment: post-implementation - without outstanding debt for acquisition		588,801
N/A	Construction in progress		-
Subtotal of rows 23-24, Statement of Financial Position	Lease right of use assets, net	196,069	
N/A	Lease right of use assets; pre-implementation, leases are grandfathered		-
Statement of Financial Position - Right-of-Use Asset for Operating Lease	Lease right of use assets; post-implementation		196,069
Note 7 to the Financial Statements - Intangibles	Intangible assets		80,405
N/A	Post-employment and pension liabilities		-
Subtotal of rows 28-29, Statement of Financial Position	Long-term debt; for long term purposes	1,360,556	
Note 12 to the Financial Statements - Note Payable	Long-term debt; for long term purposes pre-implementation, debt grandfathered		1,360,556
N/A	Long-term debt; for long term purposes post-implementation		-
N/A	Line of Credit for Construction in progress		-
Note 8 to the Financial Statements - Leases	Right of use asset lease obligation	191,263	
N/A	Right of use asset lease obligation; pre-implementation, leases grandfathered		-
Statement of Financial Position - Right-of-Use Asset for Operating Lease	Right of use asset lease obligation; post-implementation		191,263
	Total Expendable Net Assets		4,148,162
Total Expenses and Losses			
Statement of Activities - total expenses	Total expenses without donor restrictions		7,269,350
N/A	Investment loss, net investment return appropriated for spending	-	

N/A	Other components of net periodic pension costs	-	
N/A	Change in value of split interest agreements	-	
N/A	Other losses	-	
N/A	Pension-related changes other than net periodic pension costs	-	
Subtotal of rows 37-41	Non-operating and net investment loss		-
N/A	Investment loss, net investment return appropriated for spending		-
N/A	Pension-related changes other than net periodic costs		-
	Total expenses and losses		7,269,350

	Equity Ratio		
	Modified Net Assets		
Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions		4,716,726
Statement of Financial Position - Net assets with donor restrictions	Net assets with donor restrictions		12,533,190
Note 7 to the Financial Statements - Intangibles	Intangible assets		80,405
N/A	Secured and Unsecured related party receivable	-	
N/A	Unsecured related party receivable		-
	Total modified net assets		17,169,511
	Modified Assets		
Statement of Financial Position - total assets	Total assets		20,742,888
N/A	Lease right-of-use asset; pre-implementation, leases grandfathered		-
N/A	Lease right-of-use liability; pre-implementation, leases grandfathered		-
Note 7 to the Financial Statements - Intangibles	Intangible assets		80,405
N/A	Secured and Unsecured related party receivable	-	
N/A	Unsecured related party receivable		-
	Total modified assets		20,662,483
	Net Income Ratio		
	Change in Net Assets Without Donor Restrictions		
Statement of Activities - change in net assets without donor restrictions	Change in Net Assets Without Donor Restrictions; increase (decrease)		(529,361)
	Total Revenue and Gains		
Statement of Activities - total revenues, gains and other support without donor restrictions	Total revenue without donor restrictions, including net assets released from restrictions (Includes total net investment return, including investment return appropriated for spending)	6,739,989	
Note 13 to the Financial Statements - Endowment (without donor restrictions)	Net investment return appropriated for spending	995,000	
Statement of Activities - Dividends and interest, Gain on investments	Total net investment return, including investment return appropriated for spending	1,062,041	
Statement of Activites - Change in value of split-interest agreements	Change in value of split-interest agreements	28,534	
Statement of Activities - Gain on sale of property and equipment and other assets	Other gains	461,432	
N/A	Pension-related changes other than net periodic pension	-	
	Total revenues and gains without donor restrictions		7,296,996

PBMares
CPAs and Consultants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees
Association for Research and Enlightenment, Inc. and Affiliates

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of Association for Research and Enlightenment, Inc. and Affiliates (the "Organization") which comprise the consolidated statement of financial position as of December 31, 2023, and 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, and have issued our report thereon dated August 26, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's consolidated financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control described in the accompanying Schedule of Finding and Response as item 2023-01 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Organization's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Organization's response to the findings identified in our audit and described in the accompanying Schedule of Finding and Response. The Organization's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PBMares, LLP

Norfolk, Virginia
August 26, 2024

SCHEDULE OF FINDING AND RESPONSE
Year Ended December 31, 2023

Section 1. FINANCIAL STATEMENT FINDING

A. Material Weakness in Internal Control

Finding No. 2023-01

Criteria: Proper accounting and reporting of donor-restricted net assets and board-designated net assets are required by generally accepted accounting principles generally accepted in the United States of America (GAAP). According to GAAP, organizations must ensure that all donor-restricted contributions are correctly classified and recorded based on donor-imposed restrictions. This classification is essential to accurately reflect the nature and availability of net assets in financial statements.

Condition: During our audit of the Organization, we noted that certain transactions involving donor restricted net assets and board designated net assets were not properly recorded. Typically, the issues encountered involved complex gifts comprising of unrestricted and donor restricted components.

Cause: The misclassification and improper recording of transactions involving donor-restricted and board-designated net assets appear to be due turnover within the organization and miscommunication or a lack of understanding between fundraising, accounting, and management functions. Additionally, there may have been insufficient internal controls in place to review and monitor these types of transactions to ensure their proper classification.

Effect: Failure to properly record transactions involving donor-restricted and board-designated net assets may lead to the following:

- Misstatement of net assets and related disclosures in the financial statements.
- Inaccurate representation of the Organization's financial position.
- Potential non-compliance with donor restrictions and organizational policies.
- Misinterpretation of the Organization’s financial health by donors, board members, and other stakeholders.

Recommendation: We recommend the Organization implement the following actions to address this material weakness:

- Training and Education: Provide comprehensive training for accounting, development, and management staff on the proper classification and recording of donor-restricted and board-designated net assets. Training should include specific examples of complex gift transactions and their appropriate accounting treatment.
- Review and Monitoring Procedures: Establish or enhance internal controls for the review and monitoring of transactions involving donor-restricted and board-designated net assets. These controls should include a detailed review process to ensure compliance with GAAP and donor stipulations.
- Documentation: Implement standardized documentation procedures for complex gifts, including clearly identifying any donor restrictions and board designations. This will help ensure that all components of a gift are appropriately accounted for and can be tracked through to financial reporting.

SCHEDULE OF FINDING AND RESPONSE
Year Ended December 31, 2023

Section 1. FINANCIAL STATEMENT FINDING (Continued)

A. Material Weakness in Internal Control (Continued)

Finding No. 2023-01 (Continued)

Management's Response: The Organization agrees with the finding and is committed to enhancing its internal controls over the recording and classification of net assets. Management will take the following actions:

- Accounting staff will receive training on the specific requirements related to donor-restricted and board-designated net assets by the end of the next fiscal quarter.
- The Organization will review its current policies and procedures and implement additional review and monitoring steps to ensure accuracy and compliance. This will include a review process for complex gifts to be conducted by senior accounting staff.
- The Organization will develop standardized documentation procedures for tracking complex gifts and net asset classifications.
- Implementation Date: Management expects to complete these corrective actions by December 31, 2024.