

**STUDENT LEADERSHIP NETWORK, INC.**

**Financial Statements  
for the years ended  
June 30, 2025  
and  
June 30, 2024**



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## **Independent Auditor's Report**

To the Board of Directors  
Student Leadership Network, Inc.

### ***Opinion***

We have audited the accompanying financial statements of the Student Leadership Network, Inc. (the "Network"), which comprise the statement of financial position as of June 30, 2025 and June 30, 2024, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

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

### ***Basis for Opinion***

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

### ***Responsibilities of Management for the 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 Network's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Network'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 Network'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

*Condon O'Keefe McGinty + Donnelly LLP*

**STUDENT LEADERSHIP NETWORK, INC.**

**Statement of Financial Position**

**Assets**

	<b>June 30</b>	
	<b>2025</b>	<b>2024</b>
<b>Current assets</b>		
Cash and cash equivalents	\$ 1,967,529	\$ 2,799,030
Investments, at fair value	13,225,403	12,842,269
Accounts receivable	1,400,110	1,411,842
Current portion of pledges receivable	1,864,050	1,278,714
Prepaid expenses	424,113	495,745
Total current assets	18,881,205	18,827,600
<b>Pledges receivable, net of current portion</b>	1,467,912	-
<b>Cash held for security deposit</b>	82,325	82,325
<b>Property and equipment, at cost</b>	1,673,411	1,542,908
Less: accumulated depreciation	1,336,791	1,208,258
Net property and equipment	336,620	334,650
<b>Right-of-use assets, net – operating leases</b>	1,174,050	1,614,265
<b>Total assets</b>	<b>\$21,942,112</b>	<b>\$20,858,840</b>

**Liabilities and Net Assets**

<b>Current liabilities</b>		
Accounts payable and accrued expenses	\$ 442,820	\$ 473,847
Unearned revenue	101,580	27,145
Operating lease liability, net	609,875	595,000
Total current liabilities	1,154,275	1,095,992
<b>Operating lease liability, net – long-term portion</b>	888,013	1,446,512
Total liabilities	2,042,288	2,542,504
<b>Net assets</b>		
Without donor restrictions		
Operations	3,103,400	3,100,607
Board designated	3,478,488	3,478,488
Growth designated	7,702,724	7,481,707
Total without donor restrictions	14,284,612	14,060,802
With donor restrictions	5,615,212	4,255,534
Total net assets	19,899,824	18,316,336
<b>Total liabilities and net assets</b>	<b>\$21,942,112</b>	<b>\$20,858,840</b>

See notes to financial statements.

**STUDENT LEADERSHIP NETWORK, INC.**

**Statement of Activities**

	<b>Year Ended June 30</b>											
	<b>2025</b>					<b>2024</b>						
	<b>Without Donor Restrictions</b>				<b>With Donor Restrictions</b>	<b>Total All Funds</b>	<b>Without Donor Restrictions</b>			<b>With Donor Restrictions</b>	<b>Total All Funds</b>	
<b>Operations</b>	<b>Board-Designated</b>	<b>Growth Designated</b>	<b>Total</b>	<b>Operations</b>			<b>Board-Designated</b>	<b>Growth Designated</b>	<b>Total</b>			
<b>Revenue and support</b>												
Contributions	\$ 4,287,730	\$ -	\$ -	\$ 4,287,730	\$ 4,400,412	\$ 8,688,142	\$ 4,431,185	\$ -	\$ -	\$ 4,431,185	\$ 3,229,034	\$ 7,660,219
In-kind support	169,552	-	-	169,552	-	169,552	263,001	-	-	263,001	-	263,001
Grants	252,841	-	-	252,841	-	252,841	258,141	-	-	258,141	-	258,141
Program service	4,283,286	-	-	4,283,286	-	4,283,286	4,331,689	-	-	4,331,689	-	4,331,689
Special events	1,016,133	-	-	1,016,133	75,000	1,091,133	1,151,311	-	-	1,151,311	126,500	1,277,811
Net investment return	542,427	-	669,017	1,211,444	-	1,211,444	483,749	-	682,707	1,166,456	-	1,166,456
Net assets released from restrictions	3,115,734	-	-	3,115,734	(3,115,734)	-	2,564,274	-	-	2,564,274	(2,564,274)	-
Interfund transfer	448,000	-	(448,000)	-	-	-	461,000	-	(461,000)	-	-	-
<b>Total revenue and support</b>	<b>14,115,703</b>	<b>-</b>	<b>221,017</b>	<b>14,336,720</b>	<b>1,359,678</b>	<b>15,696,398</b>	<b>13,944,350</b>	<b>-</b>	<b>221,707</b>	<b>14,166,057</b>	<b>791,260</b>	<b>14,957,317</b>
<b>Expenses</b>												
Program services	11,759,703	-	-	11,759,703	-	11,759,703	11,644,334	-	-	11,644,334	-	11,644,334
Supporting activities												
Management and general	1,104,800	-	-	1,104,800	-	1,104,800	1,076,647	-	-	1,076,647	-	1,076,647
Fundraising	1,248,407	-	-	1,248,407	-	1,248,407	1,222,705	-	-	1,222,705	-	1,222,705
<b>Total expenses</b>	<b>14,112,910</b>	<b>-</b>	<b>-</b>	<b>14,112,910</b>	<b>-</b>	<b>14,112,910</b>	<b>13,943,686</b>	<b>-</b>	<b>-</b>	<b>13,943,686</b>	<b>-</b>	<b>13,943,686</b>
<b>Increase in net assets</b>	<b>2,793</b>	<b>-</b>	<b>221,017</b>	<b>223,810</b>	<b>1,359,678</b>	<b>1,583,488</b>	<b>664</b>	<b>-</b>	<b>221,707</b>	<b>222,371</b>	<b>791,260</b>	<b>1,013,631</b>
<b>Net assets, beginning of year</b>	<b>3,100,607</b>	<b>3,478,488</b>	<b>7,481,707</b>	<b>14,060,802</b>	<b>4,255,534</b>	<b>18,316,336</b>	<b>3,099,943</b>	<b>3,478,488</b>	<b>7,260,000</b>	<b>13,838,431</b>	<b>3,464,274</b>	<b>17,302,705</b>
<b>Net assets, end of year</b>	<b>\$ 3,103,400</b>	<b>\$ 3,478,488</b>	<b>\$ 7,702,724</b>	<b>\$ 14,284,612</b>	<b>\$ 5,615,212</b>	<b>\$ 19,899,824</b>	<b>\$ 3,100,607</b>	<b>\$ 3,478,488</b>	<b>\$ 7,481,707</b>	<b>\$ 14,060,802</b>	<b>\$ 4,255,534</b>	<b>\$ 18,316,336</b>

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See notes to financial statements.

**STUDENT LEADERSHIP NETWORK, INC.**

**Statement of Functional Expenses**

**Year Ended June 30, 2025**

**(with Summarized Comparative Information for the Year Ended June 30, 2024)**

	2025						2024
	Program Services			Supporting Activities			Total
	College Bound	Girls' Education	Total	Management and General	Fund-raising	Total	
Compensation	\$ 5,387,455	\$ 1,400,182	\$ 6,787,637	\$ 666,174	\$ 598,625	\$ 8,052,436	\$ 7,862,293
Contracted services	191,389	37,278	228,667	104,266	89,985	422,918	514,725
Employee benefits	1,417,750	312,996	1,730,746	164,708	162,330	2,057,784	1,927,105
Insurance	30,238	6,719	36,957	3,621	3,314	43,892	37,762
Occupancy	396,035	87,246	483,281	47,079	42,786	573,146	568,036
Postage	2,018	881	2,899	600	1,618	5,117	4,794
Printing and multi-media	102,880	24,993	127,873	12,519	16,094	156,486	147,230
Subscriptions and books	2,503	136	2,639	190	841	3,670	1,151
Supplies	23,421	3,726	27,147	3,815	1,862	32,824	27,685
Technology and equipment rental	174,501	32,022	206,523	42,755	28,495	277,773	261,497
Telephone and telecommunications	19,681	4,281	23,962	2,310	2,099	28,371	23,097
Training and recruitment	90,195	8,812	99,007	5,930	10,157	115,094	87,987
Travel	48,946	17,102	66,048	12,038	4,984	83,070	75,490
TYWLS Network Programs							
Professional development	-	344,791	344,791	-	-	344,791	374,765
Student programs	-	332,516	332,516	-	-	332,516	421,740
Summer programs	-	265,891	265,891	-	-	265,891	254,589
Consulting	-	61,060	61,060	-	-	61,060	37,342
College Bound Network Programs							
College/Partner trips	208,580	-	208,580	-	-	208,580	251,144
Bridge to college	85,347	-	85,347	-	-	85,347	68,152
Alumni programming	60,310	-	60,310	-	-	60,310	63,396
Coaching	147,180	-	147,180	-	-	147,180	183,212
Other	280,172	-	280,172	-	-	280,172	245,145
Special events							
Venue	-	-	-	-	67,086	67,086	67,245
Event planner	-	-	-	-	48,600	48,600	48,600
Program and audio visual	-	-	-	-	128,463	128,463	105,186
Other	-	-	-	-	26,644	26,644	61,122
Depreciation and amortization	88,733	19,606	108,339	10,580	9,614	128,533	152,047
Other	34,330	7,801	42,131	28,215	4,810	75,156	71,149
<b>Total expenses</b>	<b>\$ 8,791,664</b>	<b>\$ 2,968,039</b>	<b>\$ 11,759,703</b>	<b>\$ 1,104,800</b>	<b>\$ 1,248,407</b>	<b>\$ 14,112,910</b>	<b>\$ 13,943,686</b>

See notes to financial statements.

**STUDENT LEADERSHIP NETWORK, INC.**

**Statement of Functional Expenses**

**2024**

	<u>Program Services</u>			<u>Supporting Activities</u>		
	<u>College Bound</u>	<u>Girls' Education</u>	<u>Total</u>	<u>Management and General</u>	<u>Fund-raising</u>	<u>Total</u>
Compensation	\$ 5,360,175	\$ 1,244,368	\$ 6,604,543	\$ 681,787	\$ 575,963	\$ 7,862,293
Contracted services	287,034	61,304	348,338	63,323	103,064	514,725
Employee benefits	1,320,597	294,879	1,615,476	172,383	139,246	1,927,105
Insurance	25,722	5,899	31,621	3,152	2,989	37,762
Occupancy	386,286	88,887	475,173	47,717	45,146	568,036
Postage	586	1,510	2,096	268	2,430	4,794
Printing and multi-media	94,836	22,224	117,060	12,835	17,335	147,230
Subscriptions and books	142	176	318	105	728	1,151
Supplies	21,236	2,437	23,673	2,595	1,417	27,685
Technology and equipment rental	166,598	27,974	194,572	40,480	26,445	261,497
Telephone and telecommunications	15,497	3,599	19,096	2,169	1,832	23,097
Training and recruitment	77,631	3,637	81,268	3,075	3,644	87,987
Travel	40,879	22,763	63,642	7,544	4,304	75,490
TYWLS Network Programs						
Professional development	-	374,765	374,765	-	-	374,765
Student programs	-	421,740	421,740	-	-	421,740
Summer programs	-	254,589	254,589	-	-	254,589
Consulting	-	37,342	37,342	-	-	37,342
College Bound Network Programs						
College/Partner trips	251,144	-	251,144	-	-	251,144
Bridge to college	68,152	-	68,152	-	-	68,152
Alumni programming	63,396	-	63,396	-	-	63,396
Coaching	183,212	-	183,212	-	-	183,212
Other	245,145	-	245,145	-	-	245,145
Special events						
Venue	-	-	-	-	67,245	67,245
Event planner	-	-	-	-	48,600	48,600
Program and audio visual	-	-	-	-	105,186	105,186
Other	-	-	-	-	61,122	61,122
Depreciation and amortization	103,584	23,741	127,325	12,690	12,032	152,047
Other	33,130	7,518	40,648	26,524	3,977	71,149
<b>Total expenses</b>	<b>\$ 8,744,982</b>	<b>\$ 2,899,352</b>	<b>\$ 11,644,334</b>	<b>\$ 1,076,647</b>	<b>\$ 1,222,705</b>	<b>\$ 13,943,686</b>

See notes to financial statements.

**STUDENT LEADERSHIP NETWORK, INC.**

**Statement of Cash Flows**

	<b>Year Ended</b>	
	<b>June 30</b>	
	<b><u>2025</u></b>	<b><u>2024</u></b>
<b>Cash flows from operating activities</b>		
Increase in net assets	\$1,583,488	\$1,013,631
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation and amortization	128,533	152,047
Change in right-of-use assets, net – operating lease	440,215	491,191
Change in discount on contribution receivable	44,588	-
Realized (gain) on sale of investments	(271,323)	(36,444)
Unrealized (gain) on investments	(438,811)	(635,127)
Donated investments	(50,682)	(50,621)
Proceeds from the sale of donated investments	50,682	50,621
(Increase) decrease in current assets		
Accounts receivable	11,732	1,067,278
Prepaid expenses	71,632	(128,860)
(Increase) in pledges receivable	(2,097,836)	(376,264)
Increase (decrease) in current liabilities		
Accounts payable and accrued expenses	(31,027)	(262,479)
Unearned revenue	74,435	(40,001)
(Repayment) of operating lease liability	<u>(543,624)</u>	<u>(580,488)</u>
Net cash provided by (used in) operating activities	<u>(1,027,998)</u>	<u>664,484</u>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(130,503)	(23,148)
Proceeds from sales of investments	800,000	3,513,060
Purchases of investments	<u>(473,000)</u>	<u>(5,396,019)</u>
Net cash provided by (used in) investing activities	<u>196,497</u>	<u>(1,906,107)</u>
<b>Net (decrease) in cash and cash equivalents</b>	<b>(831,501)</b>	<b>(1,241,623)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b><u>2,881,355</u></b>	<b><u>4,122,978</u></b>
<b>Cash and cash equivalents, end of year</b>	<b><u>\$2,049,854</u></b>	<b><u>\$2,881,355</u></b>
<b>Consist of:</b>		
Cash and cash equivalents for operations	\$1,967,529	\$2,799,030
Cash held for security deposit	<u>82,325</u>	<u>82,325</u>
<b>Total</b>	<b><u>\$2,049,854</u></b>	<b><u>\$2,881,355</u></b>

See notes to financial statements.

**STUDENT LEADERSHIP NETWORK, INC.****Notes to Financial Statements  
June 30, 2025 and June 30, 2024****Note 1 – Nature of organization**

Student Leadership Network, Inc. (the “Network”), formerly known as the Young Women’s Leadership Network, was incorporated on May 14, 1998 under the General Corporation Law of the State of Delaware. The Network is a non-stock, non-profit corporation. The Network supports young people growing up in diverse underserved communities to gain access to higher education, helping them fulfill their dreams. Through our work in college access and success and girl’s education, we are working towards a future without barriers to the educational opportunities all students deserve.

1. Girls’ Education (TYWLS) programs encompass both our six The Young Women's Leadership Schools in New York City and the Young Women's Leadership Network (YWLN) which is a national network of single-gender public schools providing an excellent whole girl education model that challenges the educational and gender inequities that persist in our country. Our NYC schools’ high-quality education and comprehensive college guidance programs ensure that 96% of our girls’ school graduates are accepted to college. Over 50% of these girls are first-generation college students.
2. CollegeBound Initiative (CBI): CBI is a comprehensive school-based college guidance program for low-income single-sex and co-ed public schools that supports 6<sup>th</sup> through 12<sup>th</sup> grade students in achieving their college-going dreams. CBI’s goal is to raise parents’ and students’ expectations, create a school wide culture of success, increase students’ college enrollment rates, and secure critical financial aid to make higher education affordable. The Network supported the development and operation of CollegeBound in twenty-six public high schools in New York City, one Charter School in Rochester, New York and seven public high schools in Buffalo.

**Note 2 – Summary of significant accounting policies****Basis of presentation**

The financial statements of the Network have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

**Net assets**

Under GAAP, the Network’s net assets, revenues, gains and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

**Net assets without donor restrictions**

The Network’s net assets without donor restrictions consists of three funds as outlined on the next page.

**STUDENT LEADERSHIP NETWORK, INC.****Notes to Financial Statements (continued)  
June 30, 2025 and June 30, 2024****Note 2 – Summary of significant accounting policies (continued)****Net assets (continued)****Net assets without donor restrictions (continued)****Operations**

These net assets are expendable for any purpose in performing the primary objectives of the Network and consist of amounts that can be spent at the discretion of the Network.

**Board-Designated**

The Board-Designated fund consists of amounts set aside for any future operating needs including infrastructure spending for the expansion of CollegeBound Initiative as approved by the Board of Directors. The Network is required to act prudently when making decisions to spend or accumulate board designated funds and in doing so to consider a number of factors including the duration and preservation of its Board-Designated fund.

**Board-Designated Growth**

The Board-Designated Growth fund consists of amounts set aside for future expansion plans including adding capacity building to new school districts, expanding our CollegeJourney Program and adding more TYWLS Schools, among other initiatives. During the fiscal years ended June 30, 2025 and 2024; the Network made an interfund transfer of \$448,000 and \$461,000, respectively, from the Board-Designated Growth fund to operations. Included in the Board-Designated Growth fund is the Network's quasi endowment.

**Net assets with donor restrictions**

Net assets with donor restrictions include contributions received with donor stipulations that limit the use of the donated assets for a specific purpose or relate to future periods. When a donor time restriction expires or the purpose restriction is accomplished, temporarily restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. During the 2025 and 2024 fiscal years, \$3,115,534 and \$2,564,274, respectively, were released from restrictions for the programs and events discussed in notes 1 and 11.

**Operating measure**

The Network has elected to present an operating measure in its statement of activities. Accordingly, items affecting operations are segregated from those not affecting operations. The Network includes in its measure of operations all revenues and expenses that are an integral part of its program and supporting activities and excludes contributions that are time restricted in nature or purpose restricted.

**STUDENT LEADERSHIP NETWORK, INC.****Notes to Financial Statements (continued)  
June 30, 2025 and June 30, 2024****Note 2 – Summary of significant accounting policies (continued)****Donated services**

The Network receives donated services rendered by volunteers who have donated significant amounts of their time to the Network's activities. These services do not meet the criteria to be recorded and have not been included in the financial statements.

**Contributed nonfinancial assets**

In-kind contributions are estimated at their fair value and reported as both support and expenses in the period in which they are used. In-kind contributions are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Network. For the fiscal years ended June 30, 2025 and June 30, 2024, the Network received donated legal services totaling \$169,552 and \$263,001, respectively, which are reflected as contributed nonfinancial assets and a corresponding expense in contracted services on the statement of functional expenses. The donated legal services are valued and reported at the estimated fair value based on current rates for similar legal services.

**Functional allocation of expenses**

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

**Revenue recognition**

The Network reports contributions as net assets with temporary donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor stipulation expires, that is, when a stipulated time restriction ends or the purpose for restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions with temporary donor restrictions are reported as increases in net assets without donor restrictions if the restrictions are satisfied within the same fiscal year the contributions are received. Bequests and wills are recorded as revenue when a legally binding obligation notice is received and when a fair value can reasonably be determined.

Government grants and contributions are recognized as revenue in the period received and when the conditions on which they depend have been substantially met. The Network has received government grants and contributions through contracts, where certain conditions have to be met, in order for the revenue to be recognized.

**STUDENT LEADERSHIP NETWORK, INC.****Notes to Financial Statements (continued)  
June 30, 2025 and June 30, 2024****Note 2 – Summary of significant accounting policies (continued)****Revenue recognition (continued)**

Reimbursements under government grants are subject to audit by the various government agencies. The effects of any potential audit disallowances are not reflected in these financial statements as management does not believe any disallowance will have a material effect on the financial statements.

**Program services**

Program service fees are from public programming to which the Network expects to be entitled in exchange for providing education services. Performance obligations are determined based on the nature of the goods or services provided by the Network. Revenue for performance obligations satisfied over time is recognized ratably over the period as the Network satisfies its performance obligations. The Network believes this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation.

**Special events revenue**

The Network considers special event revenue to include both exchange transaction and contribution portions. The Network's performance obligation and condition of the contribution are to host the event for its registered attendees. Payments are received upon the event registration. Revenue is recognized at a point in time when the event takes place for both exchange transaction and contribution portions. There was no deferred special events revenue as of June 30, 2025.

**Cash equivalents**

The Network considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Cash equivalents that are part of the Network's investment portfolio are reported as investments and included in Note 4.

**Investments**

The Network records investment purchases at cost, or if donated, at fair value on the date of donation. The fair value of the investments has been determined by using publicly reported market values for exchange traded funds and the net asset value of the underlying investments calculated at the close of each business day for mutual funds. Interest, dividends and net realized gain on investments, less external and direct internal investment expenses are reported net in the statement of activities.

**STUDENT LEADERSHIP NETWORK, INC.****Notes to Financial Statements (continued)  
June 30, 2025 and June 30, 2024****Note 2 – Summary of significant accounting policies (continued)****Fair value measurements**

For assets measured at fair value on a recurring basis, accounting standards require quantitative disclosures about the fair value measurement separately for each major category of assets. The Network's investments are classified in the highest level of the hierarchy (Level 1). Their quoted prices are in active markets for identical assets.

**Contributions Receivable**

The Network records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years, are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, the change of the discounts is included in contribution revenue in the statement of activities.

**Allowance for credit losses**

As of June 30, 2025 and June 30, 2024, the Network does not have an allowance for credit losses for potentially uncollectible receivables. However, the Network does write off account receivable when necessary. For the fiscal year ended June 30, 2025, the Network wrote off \$8,391. There were no write-off during the fiscal year-ended June 30, 2024. Such estimate is based on management's experience, the aging of the receivables, subsequent receipts and current and future anticipated economic conditions.

**Use of estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from these estimates.

**Concentration of credit risk**

The Network's financial instruments that are potentially exposed to concentration of credit risk consist primarily of cash, cash equivalents, investments and receivables. The Network maintains its cash and cash equivalents balances with what it believes to be quality financial institutions. At times, cash balances may be in excess of F.D.I.C. insurance limits. The Network has not experienced any losses in these accounts to date. The Network's investments are subject to certain risks including interest rate, market volatility, liquidity and credit risk. Due to the uncertainty related to the aforementioned risks, it is reasonably possible that changes in these risks could materially affect the fair value of the Network's investments reported in the accompanying statement of financial position. The Network routinely assesses the financial strength of its financial institutions. Account receivables consist of amounts due for services rendered. Contribution receivable consist of unconditional promises to make donation from various donors. Management monitors the collectability of the receivables. The Network believes no significant concentrations of credit risk exist with respect to its cash, cash equivalents, investments and receivables.

**STUDENT LEADERSHIP NETWORK, INC.**

**Notes to Financial Statements (continued)**

**June 30, 2025 and June 30, 2024**

**Note 2 – Summary of significant accounting policies (continued)**

**Property and equipment**

The Network's property and equipment is recorded at cost. The Network capitalizes, as property and equipment expenditures for assets in excess of a nominal amount with a useful life of greater than one year. Depreciation is being provided in the financial statements utilizing the straight-line method over the estimated useful lives of the assets ranging from three to ten years.

Property and equipment consist of the following as of June 30, 2025 and June 30, 2024:

<u>Description</u>	<u>2025</u>	<u>2024</u>
Leasehold improvements	\$ 821,006	\$ 753,657
Furniture	280,183	256,159
Equipment	495,972	456,842
Website	<u>76,250</u>	<u>76,250</u>
Sub-total	1,673,411	1,542,908
Less:		
Accumulated amortization – leasehold improvements	(540,434)	(502,945)
Accumulated depreciation – furniture	(231,910)	(216,232)
Accumulated depreciation – equipment/website	<u>(564,447)</u>	<u>(489,081)</u>
Net property and equipment	<u>\$ 336,620</u>	<u>\$ 334,650</u>

**Subsequent events**

The Network has evaluated events and transactions for potential recognition or disclosure through December 9, 2025, which is the date the financial statements were available to be issued. During October 2025, the Network received a \$5 million grant to be received over five annual installments.

**Note 3 – Financial assets and liquidity resources**

The Network's working capital and cash flows have seasonal variations during the year attributable to the timing when donors make contributions and other revenue items.

As of June 30, 2025, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, were as follows:

	<u>2025</u>	<u>2024</u>
Financial assets		
Cash and cash equivalents	\$ 1,967,529	\$ 2,799,030
Investments, at fair value	13,225,403	12,842,269
Current receivables	<u>3,264,160</u>	<u>2,690,556</u>
Sub-total	18,457,092	18,331,855
Less: Net assets with donor restrictions	(5,615,412)	(4,255,534)
Board/Growth designated net assets	<u>(11,181,212)</u>	<u>(10,960,195)</u>
Total	<u>\$ 1,660,468</u>	<u>\$ 3,116,126</u>

**STUDENT LEADERSHIP NETWORK, INC.**

**Notes to Financial Statements (continued)**  
**June 30, 2025 and June 30, 2024**

**Note 4 - Investments**

The following is a summary of investments at June 30, 2025 and June 30, 2024:

	2025		2024	
	Cost	Fair Value	Cost	Fair Value
Cash equivalents	\$ 10,903	\$ 10,903	\$ 5,538	\$ 5,538
Mutual funds	4,502,756	5,330,285	4,009,246	4,581,936
Exchange-Traded-Funds	329,568	360,404	492,396	510,255
Bonds Intermediate-term	3,827,990	3,568,934	3,906,349	3,529,410
Bonds Short-term	4,012,744	3,954,877	4,326,109	4,215,130
Total	\$12,683,961	\$13,225,403	\$12,739,638	\$12,842,269
Unrealized gain		\$ 541,442		\$ 102,631
Change in unrealized gain		\$ 438,811		\$ 635,127

The following schedule summarizes the net investment return for the years ended June 30, 2025 and June 30, 2024:

	2025	2024
Interest and dividends, net	\$ 501,310	\$ 494,885
Realized gain on sale of investments	271,323	36,444
Unrealized gain on investments	438,811	635,127
Net investment return	\$ 1,211,444	\$ 1,166,456

**Note 5 – Pledge receivable, net**

Pledges receivable are unconditional promises from external individuals and businesses to make donations to the Network. Pledges receivable due within one year are \$1,864,050. Pledges due in two to five years are \$1,467,912 less a present value discount of \$44,588 to reduce the contribution receivable to its present value. Except for contributions receivable due within one year, the Network discounts its receivables to its present value using a discount rate of 3.80% per annum.

As of June 30, 2025, pledges/contributions receivable that are due to be collected were as follows:

Fiscal year	Amount
2026	\$ 1,864,050
2027	200,000
2028	200,000
2029	1,112,500
Total	3,376,550
Less: current portion	(1,864,050)
Less: present value discount	(44,588)
Total	\$ 1,467,912

The Network's designated funds were established as a reserve for future use. The funds can be released from designation by the Board of Directors, if deemed necessary.

**STUDENT LEADERSHIP NETWORK, INC.**

**Notes to Financial Statements (continued)**  
**June 30, 2025 and June 30, 2024**

**Note 6 – Lease agreements**

The Network has an agreement to lease office space beginning on January 1, 2018 and terminating December 31, 2027. The lease requires an annual base rent of \$477,300 with an escalating increase of 2.5% per annum plus a \$3 per square foot increase on the 6<sup>th</sup> year of the lease. The lease also included a landlord contribution of \$610,500 for construction costs. These costs and contribution will be recognized on a straight-line basis over the life of the lease rather than in accordance with actual lease payments. In connection with the amended leases, the Network has paid a total of \$82,325 in security deposits.

The following is the required annual payments under the lease agreement (exclusive of certain increases in operating costs of the landlord):

<u>Fiscal year</u>	<u>Total</u>
2026	\$ 609,875
2027	625,122
2028	<u>316,420</u>
Total	1,551,417
Less: current portion	(609,875)
Less: present value	<u>(53,529)</u>
Net long-term operating lease liability	<u>\$ 888,013</u>

**Note 7 – Retirement plan**

The Network maintains a 401(k)-retirement plan, which is available to all eligible employees. Participants may contribute up to 15% of their compensation, not to exceed the limitations established by the Internal Revenue Code. The Network makes matching contributions equal to 100% of the employee's contributions, not to exceed 4% of the employee's compensation.

During the years ended June 30, 2025 and June 30, 2024, the Network's contributions to the plan amounted to \$254,117 and \$235,871, respectively.

**Note 8 – Tax status**

The Network is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code"). In addition, the Network is a Section 509(a) organization as defined in the Code, and, therefore, is not a private foundation and qualifies for the maximum charitable contribution deduction for donors.

**STUDENT LEADERSHIP NETWORK, INC.****Notes to Financial Statements (continued)  
June 30, 2025 and June 30, 2024****Note 9 – Board Designated Quasi Endowment fund**

The Network's quasi endowment fund is designated internally by the Board. As required by accounting principles generally accepted in the United States of America ("GAAP"), net assets associated with endowment fund, including funds designated by the Board to function as endowment, are classified and reported based on the existence or absence of donor-imposed restrictions. The activities of the Board designated quasi-endowment fund are recorded in the growth designated fund, net assets without donor restrictions, in the statement of activities.

The Network follows the New York State Not-For-Profit Corporation Law (N-PCL). The Network preserves the fair value of the original gift, absent explicit donor stipulations to the contrary. In a manner consistent with the standard of prudence prescribed by N-PCL, the Network considers the following factors in making a determination to appropriate or accumulate board designated endowment fund:

- (1) General economic conditions;
- (2) The possible effect of inflation or deflation;
- (3) The expected tax consequences, if any, of investment decisions or strategies;
- (4) The role that each investment or course of action plays within the overall investment portfolio of the fund;
- (5) The expected total return from income and the appreciation of investments;
- (6) Other resources of the institution;
- (7) The needs of the institution and the fund to make distributions and to preserve capital;
- (8) An asset's special relationship or special value, if any, to a charitable purpose of the Network.

**Objectives and goals**

The Network relies on its longer-term investment funds to provide support to the various missions of the organization, and desires to maintain that support both now and into the future. Accordingly, the longer-term objective of this portfolio is to support a spending rate, as determined by the Board, of the value of the portfolio, plus enough return to protect the assets from inflation and preserve the purchasing power of the assets over time. The Network takes a total return approach to its investment portfolio, and does not need to generate returns solely from current yield or dividend income. The Network recognizes that the optimal portfolio structure to meet this objective will be partially equity-oriented, and also acknowledges the role of more tactical and non-traditional assets in a well-balanced portfolio. The role of fixed income in the portfolio is to provide more reliable current income, liquidity and stability to offset more volatile asset classes elsewhere in the portfolio. Accordingly, the Network anticipates that the equity exposure in the portfolio will be 70% with Global Equity and 30% in Investment Grade Fixed Income, as defined in the Network's Endowment Investment Guidelines.

The Network acknowledges that the actual allocations over time may vary widely depending on market conditions, investment opportunities, and strategies employed by the Network's investment advisor.

**STUDENT LEADERSHIP NETWORK, INC.****Notes to Financial Statements (continued)  
June 30, 2025 and June 30, 2024****Note 9 – Board Designated Quasi Endowment fund (continued)****Cash flow expectations**

The Network currently has moderate cash flow needs from this portfolio of investments.

**Risk tolerance**

The portfolio will invest in accordance with the Target Allocations and Minimum-Maximum Asset Class Allocation Limits set forth in the Network's Endowment Investment Guidelines. Measured at the time of purchase, the allocation to each Asset Category is limited by the corresponding and applicable Minimum-Maximum Allocation Limit (expressed as a percentage of the account's net assets). The Manager, at its sole discretion, will determine how each investment is classified within the Target Allocation categories.

Given the need to generate returns to support a spending rate, as determined by the Board, while protecting against inflation, the Network recognizes that shorter-term equity investment return may exhibit a more volatile pattern. Taking a long-term investment viewpoint, the Network defines risk as the possibility of a shortfall in the support of the mission of the organization, not short-term volatility of returns. The Network appreciates the role of non-traditional assets in providing returns that are uncorrelated with more traditional asset classes, thereby providing the possibility of smoother returns over time.

**Rebalancing**

The Minimum-Maximum Allocation Limits will not be deemed to have been breached as a result of changes in the value of the assets in the account brought about solely through movements in the market value thereof. In the event that market action results in a Minimum-Maximum Allocation Limit being exceeded, the Manager will reallocate the account as soon as reasonably practicable to bring the account into conformity with the terms of Network's Endowment Investment Guidelines.

**Funds with deficiencies**

From time to time, the fair value of assets associated with individual donor-restricted endowment funds, if any, may fall below the level that the donor requires the Network, to retain as a fund of perpetual duration. There were no perpetually donor restricted endowment fund deficiencies as of June 30, 2025 and June 30, 2024.

**STUDENT LEADERSHIP NETWORK, INC.**

**Notes to Financial Statements (continued)  
June 30, 2025 and June 30, 2024**

**Note 9 – Board Designated Quasi Endowment fund (continued)**

**Changes in Board Designated Quasi Endowment Net Assets and the operating growth fund for the Years Ended June 30, 2025 and Ended June 30, 2024, are as follows:**

	<u>2025</u>	<u>2024</u>
	Without Donor Restrictions/ Designated	Without Donor Restrictions/ Designated
<b>Board-designated endowment net assets beginning of year</b>	<b><u>\$ 5,787,126</u></b>	<b><u>\$ 5,104,419</u></b>
Interest and dividends	125,374	105,047
Net appreciation (realized and unrealized, net)	556,414	586,870
Total investment return	681,788	691,917
Less: fees	(12,771)	(9,210)
<b>Board-designated endowment net assets, end of year</b>	<b><u>\$ 6,456,143</u></b>	<b><u>\$ 5,787,126</u></b>

**Note 10 – Net assets with donor restrictions**

The transactions in the net assets with temporary donor restrictions during the year ended June 30, 2025 were as follows:

<u>Purpose</u>	<u>Balance June 30, 2024</u>	<u>Contributions and Special events</u>	<u>Net Assets Released from Restrictions</u>	<u>Balance June 30, 2025</u>
To support CollegeBound programs	\$ 1,645,000	\$ 2,209,166	\$ (1,255,000)	\$ 2,599,166
To support GE programs	856,300	455,000	(706,500)	604,800
To support College Access @YWLN	600,000	600,000	(600,000)	600,000
Special Event-Restricted & Wish List	126,500	75,000	(126,500)	75,000
To support alumni programming	125,834	315,834	(125,834)	315,834
Individuals	901,900	50,000	(301,900)	650,000
Time-restricted	-	770,412	-	770,412
Total	<u>\$ 4,255,534</u>	<u>\$ 4,475,412</u>	<u>\$ (3,115,734)</u>	<u>\$ 5,615,212</u>

<u>Purpose</u>	<u>Balance June 30, 2023</u>	<u>Contributions and Special events</u>	<u>Net Assets Released from Restrictions</u>	<u>Balance June 30, 2024</u>
To support CollegeBound programs	\$ 1,087,000	\$ 1,645,000	\$ (1,087,000)	\$ 1,645,000
To support GE programs	353,835	856,300	(353,835)	856,300
To support College Access @YWLN	600,000	600,000	(600,000)	600,000
Special Event-Restricted & Wish List	75,000	126,500	(75,000)	126,500
To support alumni programming	88,439	125,834	(88,439)	125,834
Individuals	1,260,000	1,900	(360,000)	901,900
Total	<u>\$ 3,464,274</u>	<u>\$ 3,355,534</u>	<u>\$ (2,564,274)</u>	<u>\$ 4,255,534</u>