

TECHNOLOGY ASSOCIATION OF GRANTMAKERS, INC.

REPORT ON AUDIT OF
FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2024 AND 2023

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O'CONNELL
& COMPANY^{LLC}

INDEPENDENT AUDITOR'S REPORT

July 23, 2025

Board of Directors
Technology Association of Grantmakers, Inc.
Chicago, Illinois

Opinion

We have audited the accompanying financial statements of Technology Association of Grantmakers, Inc. (the "Organization") which comprise the statements of financial position as of December 31, 2024 and 2023, 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 Organization as of December 31, 2024 and 2023, and the changes in its net assets 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 Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibility 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 available to be issued.

Auditor's Responsibility

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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies 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.



O'Connell and Company, LLC

TECHNOLOGY ASSOCIATION OF GRANTMAKERS, INC.

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 941,972	\$ 1,231,077
Grants receivable	75,000	144,260
Other assets	<u>25,976</u>	<u>12,500</u>
TOTAL ASSETS	<u>\$ 1,042,948</u>	<u>\$ 1,387,837</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	\$ 56,186	\$ 112,223
Deferred revenue	<u>59,958</u>	<u>108,485</u>
Total Liabilities	116,144	220,708
Net Assets		
Without donor restrictions	783,054	909,212
With donor restrictions		
Time restrictions	<u>143,750</u>	<u>257,917</u>
Total Net Assets	<u>926,804</u>	<u>1,167,129</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,042,948</u>	<u>\$ 1,387,837</u>

The accompanying notes are an integral part of these financial statements.

TECHNOLOGY ASSOCIATION OF GRANTMAKERS, INC.

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE						
Grants and contributions	\$ 14,291	\$ 15,000	\$ 29,291	\$ 44,862	\$ 345,000	\$ 389,862
Membership dues	898,299	-	898,299	797,014	-	797,014
Conference fees	44,850	-	44,850	507,275	-	507,275
Sponsorship revenue	120,000	-	120,000	95,000	-	95,000
Program income	10,165	-	10,165	5,670	-	5,670
Other income	-	-	-	20,000	-	20,000
Interest and dividends	46,630	-	46,630	15,752	-	15,752
Satisfaction of restrictions	129,167	(129,167)	-	87,083	(87,083)	-
TOTAL REVENUE	<u>1,263,402</u>	<u>(114,167)</u>	<u>1,149,235</u>	<u>1,572,656</u>	<u>257,917</u>	<u>1,830,573</u>
EXPENSES						
Program services	954,206	-	954,206	1,319,459	-	1,319,459
Management and general	370,935	-	370,935	400,626	-	400,626
Development	64,419	-	64,419	47,563	-	47,563
TOTAL EXPENSES	<u>1,389,560</u>	<u>-</u>	<u>1,389,560</u>	<u>1,767,648</u>	<u>-</u>	<u>1,767,648</u>
(DECREASE) INCREASE IN NET ASSETS	(126,158)	(114,167)	(240,325)	(194,992)	257,917	62,925
NET ASSETS - Beginning of Year	<u>909,212</u>	<u>257,917</u>	<u>1,167,129</u>	<u>1,104,204</u>	<u>-</u>	<u>1,104,204</u>
NET ASSETS - End of Year	<u>\$ 783,054</u>	<u>\$ 143,750</u>	<u>\$ 926,804</u>	<u>\$ 909,212</u>	<u>\$ 257,917</u>	<u>\$ 1,167,129</u>

The accompanying notes are an integral part of these financial statements.

TECHNOLOGY ASSOCIATION OF GRANTMAKERS, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024				2023			
	Program Services	Management & General	Development	Total	Program Services	Management & General	Development	Total
Salaries and wages	\$ 410,533	\$ 192,803	\$ 31,069	\$ 634,405	\$ 416,009	\$ 158,823	\$ 35,755	\$ 610,587
Employee benefits	58,899	27,662	4,457	91,018	42,928	16,389	3,690	63,007
Payroll taxes	29,528	13,868	2,235	45,631	26,754	10,214	2,300	39,268
Total Personnel	498,960	234,333	37,761	771,054	485,691	185,426	41,745	712,862
Bank charges	8,135	21,865	-	30,000	-	14,637	-	14,637
Board expense	-	1,078	1,079	2,157	-	5,819	5,818	11,637
Conference expense	150,573	-	-	150,573	483,061	-	-	483,061
Consulting	162,316	36,906	25,579	224,801	247,975	-	-	247,975
Dues and subscriptions	6,939	-	-	6,939	4,341	-	-	4,341
Hosting fees	102,807	33,771	-	136,578	82,580	82,579	-	165,159
Insurance	-	1,760	-	1,760	-	1,611	-	1,611
Office supplies	-	5,650	-	5,650	-	7,621	-	7,621
Professional fees	-	35,572	-	35,572	-	102,933	-	102,933
Travel	24,476	-	-	24,476	15,811	-	-	15,811
	<u>\$ 954,206</u>	<u>\$ 370,935</u>	<u>\$ 64,419</u>	<u>\$ 1,389,560</u>	<u>\$ 1,319,459</u>	<u>\$ 400,626</u>	<u>\$ 47,563</u>	<u>\$ 1,767,648</u>

The accompanying notes are an integral part of these financial statements.

TECHNOLOGY ASSOCIATION OF GRANTMAKERS, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (240,325)	\$ 62,925
Adjustments to reconcile change in net assets to net cash used by operating activities:		
(Increase) Decrease		
Accounts receivable	-	14,335
Grants receivable	69,260	(144,260)
Other accounts receivable	-	47,718
Other assets	(13,476)	22,500
Increase (Decrease)		
Accounts payable	(56,037)	29,238
Deferred revenue	<u>(48,527)</u>	<u>68,755</u>
NET CASH (USED) PROVIDED BY OPERATING ACTIVITIES	<u>(289,105)</u>	<u>101,211</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(289,105)	101,211
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>1,231,077</u>	<u>1,129,866</u>
CASH AND CASH EQUIVALENTS - End of Year	<u>\$ 941,972</u>	<u>\$ 1,231,077</u>
SUPPLEMENTAL INFORMATION		
Interest paid	<u>\$ -</u>	<u>\$ -</u>
Interest capitalized	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

TECHNOLOGY ASSOCIATION OF GRANTMAKERS, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

Technology Association of Grantmakers, Inc. (the "Organization") is a non-profit membership association incorporated in 2007 in the state of Florida. The Organization's mission is to cultivate the strategic, equitable and innovative use of technology to advance the capacities of philanthropic organizations. The Organization's work builds knowledge, strengthens networks, and advances the social sector. The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code; accordingly, there is no income tax applicable to its activities.

1 Summary of Significant Accounting Policies

Accrual Basis -- The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP").

Cash and Cash Equivalents -- Cash and cash equivalents consist primarily of checking, money market accounts and certificates of deposit.

Grants receivable -- The Organization receives grants and contributions which may be granted and paid within the same year or granted and payable to the Organization over multiple years. The Organization records the multi-year contributions and grants receivable at fair value and uses a reasonable rate of interest for discounting to present value when material to the financial statements.

Revenue and Revenue Recognition -- The Organization's revenue is generated primarily from membership dues, conference and other program fees, sponsorships of those programs and grants. The Organization recognizes revenue when the performance obligation has been met and the related services are provided. Revenues from membership dues are recognized in the period covered by the membership. Revenues from conference and program fees and their sponsorship are recognized in the period the events take place.

Deferred Revenues -- Membership dues related to future periods are recorded as deferred revenue when received and are recognized as revenue as services are rendered which is in the year of membership.

	<u>2024</u>	<u>2023</u>
Balance January 1	\$ 108,485	\$ 39,730
Deferred revenue recognized	(108,485)	(39,730)
Cash received in advance of performance	<u>59,958</u>	<u>108,485</u>
Balance December 31	<u>\$ 59,958</u>	<u>\$ 108,485</u>

TECHNOLOGY ASSOCIATION OF GRANTMAKERS, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

1 Summary of Significant Accounting Policies (Continued)

Contributions -- The Organization records contributions of cash and other assets when an unconditional promise to give such assets is received from a donor. Contributions are recorded at the fair value of the assets received and are classified as either without donor restriction or with donor restriction, depending on whether the donor has imposed a restriction on the use of such assets.

Contributions and grants that are expected to be collected in future years are recorded at the net present value using an appropriate discount rate commensurate with the risks involved. Amortization of the discount is included in grants and contributions revenue. Conditional promises to give are not recognized until contributions have been substantially met and they become unconditional; that is when the related barrier has been overcome and right of release/right of return no longer exists.

Net Assets -- 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 -- Net assets available for use in general operations and not subject to donor or grantor restrictions.

Net Assets With Donor Restrictions -- Net assets subject to donor or grantor imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets are limited by donor-imposed restrictions. Expirations of restrictions on net assets (i.e. the donor-stipulated purpose has been fulfilled and/or the stipulated time has elapsed) are reported as releases from net assets with donor restrictions. Contributions and grants received with donor-imposed restrictions that are met in the same year as received are reported as revenue within net assets with donor restrictions, and a reclassification to net assets without donor restrictions is made to reflect the expiration of such restrictions.

TECHNOLOGY ASSOCIATION OF GRANTMAKERS, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

1 Summary of Significant Accounting Policies (Continued)

Functional Allocation of Expenses -- The Organization's expenses have been allocated between program services, management and general, and development, based on actual activity as well as estimates made by management. Program service expenses pertain to the mission-driven activities of the Organization, including conferences and education programs. Management and general expenses and development expenses include costs related to managing the Organization and fundraising efforts to raise money to support the Organization.

Use of Estimates -- The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes -- The Organization is exempt from income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Organization has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations; and to identify and evaluate other matters that may be considered tax positions. The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

2 Liquidity

The table below represents financial assets available for general expenditures within one year at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 941,972	\$ 1,231,077
Grants receivable	75,000	144,260
Total financial assets	1,016,972	1,375,337
Less amounts not available to be used within one year	<u>-</u>	<u>94,260</u>
Financial assets available to meet general expenditures within one year	<u>\$ 1,016,972</u>	<u>\$ 1,281,077</u>

TECHNOLOGY ASSOCIATION OF GRANTMAKERS, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

2 Liquidity (Continued)

The Organization has certain donor-restricted assets limited to use which are available for general expenditure within one year in the normal course of operations. Accordingly, these assets have been included in the qualitative information above for financial assets to meet general expenditures within one year.

As part of the Organization's liquidity management plan, cash in excess of daily requirements is invested in short-term investments.

3 Grants Receivable

The Organization had outstanding grants receivable valued at \$75,000 at December 31, 2024. This grant is expected to be collected in full during the year ending December 31, 2025. Management has not established a provision for uncollectible accounts.

4 Concentration of Risk

The Organization maintains its cash and cash equivalents in bank deposit accounts, which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. Management believes the Organization is not exposed to any significant credit risk related to cash and cash equivalents.

5 Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes as of December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Subject to expenditure over time	<u>\$ 143,750</u>	<u>\$ 257,917</u>

Net assets were reduced from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrences of other events specified by donors as follows:

	<u>2024</u>	<u>2023</u>
Purpose Restriction Accomplished		
Board Training	\$ 15,000	\$ -
Conference	-	25,000
	<u>15,000</u>	<u>25,000</u>
Time Restriction Accomplished	<u>114,167</u>	<u>62,083</u>
Total Satisfaction of Restrictions	<u>\$ 129,167</u>	<u>\$ 87,083</u>

TECHNOLOGY ASSOCIATION OF GRANTMAKERS, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

6 Defined Contribution Retirement Savings Plan

The Organization sponsors a defined contribution pension plan that covers substantially all employees who meet the plan requirements. The Organization can choose to make matching contributions to the plan, annually. Pension expense for the years ended December 31, 2024 and 2023 was \$29,160 and \$19,743, respectively.

7 Compensated Absences

Employees of the Organization are entitled to paid vacations, sick days and other time off depending on length of services and other factors. It is impractical to estimate the amount of compensation for future absences and, accordingly, no liability has been recorded in the accompanying financial statements. The Organization's policy is to recognize the costs of compensated absences when paid to employees.

8 Reclassification

Certain prior year amounts have been reclassified to conform to the current year presentation.

9 Subsequent Events

The Organization has evaluated all subsequent events through July 23, 2025, the date the financial statements were available to be issued.