

1% for the Planet, Inc.

Financial Statements
December 31, 2022 and 2021

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Independent Auditor's Report

To the Board of Directors
1% for the Planet, Inc.

Opinion

We have audited the financial statements of 1% for the Planet, Inc. (the Organization), which comprise the statements of financial position as of December 31, 2022 and 2021, 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 accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2022 and 2021, and the changes in its net assets, its functional expenses, 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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.

Change in Accounting Principle

As discussed in Note 2 to the financial statements, the Organization adopted new accounting guidance, Accounting Standards Update 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, effective January 1, 2022. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

Gallagher, Flynn & Company, LLP

South Burlington, Vermont
July 6, 2023

1% for the Planet, Inc.

**Statements of Financial Position
December 31, 2022 and 2021**

	2022	2021
Assets		
Current assets:		
Cash and cash equivalents	\$ 5,653,391	\$ 5,074,236
Accounts receivable	152,049	162,960
Pledges receivable due within one year	25,044	25,044
Prepaid expenses and other current assets	187,841	81,068
Restricted cash	5,509,965	8,349,313
Total current assets	11,528,290	13,692,621
Pledges receivable, noncurrent	-	25,000
Property and equipment	80,996	71,069
Website development costs	152,630	54,192
Other assets	49,252	-
Total assets	\$ 11,811,168	\$ 13,842,882
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 99,210	\$ 73,471
Accrued expenses	496,356	367,657
Deferred revenues	484,088	679,895
Refundable advances	-	129,000
Funds held for others	5,510,010	8,349,328
Total current liabilities	6,589,664	9,599,351
Long-term debt	149,259	149,259
Other liabilities	25,392	-
Total liabilities	6,764,315	9,748,610
Net assets:		
Without donor restrictions	4,988,607	3,902,254
With donor restrictions	58,246	192,018
Total net assets	5,046,853	4,094,272
Total liabilities and net assets	\$ 11,811,168	\$ 13,842,882

The accompanying notes are an integral part of these statements.

1% for the Planet, Inc.

**Statement of Activities
Year Ended December 31, 2022**

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues:			
Program services:			
Corporate memberships	\$ 3,594,729	\$ -	\$ 3,594,729
Summit registration	164,300	-	164,300
Contributions:			
Cash and other financial assets	2,436,082	33,246	2,469,328
Nonfinancial assets	265,129	-	265,129
Corporate sponsorships	276,345	-	276,345
Individual memberships	70,029	-	70,029
Net assets released from restrictions	167,018	(167,018)	-
Other	40,880	-	40,880
Total revenues	7,014,512	(133,772)	6,880,740
Expenses:			
Program	4,575,133	-	4,575,133
Supporting:			
Fundraising	595,813	-	595,813
Management and general	757,213	-	757,213
Total supporting	1,353,026	-	1,353,026
Total expenses	5,928,159	-	5,928,159
Increase (decrease) in net assets	1,086,353	(133,772)	952,581
Net assets, beginning of year	3,902,254	192,018	4,094,272
Net assets, end of year	\$ 4,988,607	\$ 58,246	\$ 5,046,853

The accompanying notes are an integral part of these statements.

1% for the Planet, Inc.

**Statement of Activities
Year Ended December 31, 2021**

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues:			
Program services:			
Corporate memberships	\$ 2,781,542	\$ -	\$ 2,781,542
Contributions:			
Cash and other financial assets	1,484,282	192,018	1,676,300
Nonfinancial assets	69,209	-	69,209
Corporate sponsorships	26,150	-	26,150
Individual memberships	63,296	-	63,296
Net assets released from restrictions	149,847	(149,847)	-
Other	21,230	-	21,230
Total revenues	4,595,556	42,171	4,637,727
Expenses:			
Program	2,455,689	-	2,455,689
Supporting:			
Fundraising	525,399	-	525,399
Management and general	445,983	-	445,983
Total supporting	971,382	-	971,382
Total expenses	3,427,071	-	3,427,071
Increase in net assets	1,168,485	42,171	1,210,656
Net assets, beginning of year	2,733,769	149,847	2,883,616
Net assets, end of year	\$ 3,902,254	\$ 192,018	\$ 4,094,272

1% for the Planet, Inc.

**Statement of Functional Expenses
Year Ended December 31, 2022**

	Program Expenses	Supporting Expenses			Total Expenses
		Fundraising	Management and General	Total Supporting	
Salaries and wages	\$ 2,269,859	\$ 338,234	\$ 420,111	\$ 758,345	\$ 3,028,204
Employee benefits	607,617	90,542	109,986	200,528	808,145
Total personnel	2,877,476	428,776	530,097	958,873	3,836,349
Advertising and promotion	42,920	277	2,217	2,494	45,414
Bank and other transaction fees	67,808	10,104	12,274	22,378	90,186
Contract services	331,745	40,903	49,687	90,590	422,335
Facilities	37,045	5,520	6,705	12,225	49,270
Information technology	282,575	42,107	51,149	93,256	375,831
Legal and professional	151,166	22,525	62,541	85,066	236,232
Other	50,764	7,564	9,189	16,753	67,517
Summit conference - facility rental, food and beverage, and other event-related costs	589,688	3,418	6,660	10,078	599,766
Travel	128,470	19,143	23,255	42,398	170,868
	4,559,657	580,337	753,774	1,334,111	5,893,768
Depreciation and amortization	15,476	15,476	3,439	18,915	34,391
Total	\$ 4,575,133	\$ 595,813	\$ 757,213	\$ 1,353,026	\$ 5,928,159

The accompanying notes are an integral part of these statements.

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**Statement of Functional Expenses
Year Ended December 31, 2021**

	Program Expenses	Supporting Expenses			Total Expenses
		Fundraising	Management and General	Total Supporting	
Salaries and wages	\$ 1,334,504	\$ 276,355	\$ 233,119	\$ 509,474	\$ 1,843,978
Employee benefits	405,951	84,066	70,914	154,980	560,931
Total personnel	1,740,455	360,421	304,033	664,454	2,404,909
Advertising and promotion	11,387	-	201	201	11,588
Bank and other transaction fees	59,280	12,276	10,355	22,631	81,911
Contract services	197,514	54,026	52,934	106,960	304,474
Facilities	26,625	5,514	4,651	10,165	36,790
Information technology	169,541	35,109	29,616	64,725	234,266
Legal and professional	149,561	30,972	26,126	57,098	206,659
Other	57,800	11,969	10,098	22,067	79,867
Travel	35,835	7,421	6,260	13,681	49,516
	2,447,998	517,708	444,274	961,982	3,409,980
Depreciation and amortization	7,691	7,691	1,709	9,400	17,091
Total	\$ 2,455,689	\$ 525,399	\$ 445,983	\$ 971,382	\$ 3,427,071

The accompanying notes are an integral part of these statements.

1% for the Planet, Inc.

Statements of Cash Flows
Years Ended December 31, 2022 and 2021

	2022	2021
Cash flows from operating activities:		
Increase in net assets	\$ 952,581	\$ 1,210,656
Noncash items included in increase in net assets:		
Provision for (decrease in) allowance for doubtful accounts	(19,600)	83,535
Depreciation and amortization	34,391	17,091
Changes in assets and liabilities:		
Accounts receivable	30,511	1,011
Pledges receivable	25,000	90,070
Prepaid expenses and other current assets	(106,773)	(18,419)
Other assets	(49,252)	-
Accounts payable	25,739	7,543
Accrued expenses	128,699	232,803
Deferred revenues	(195,807)	144,682
Refundable advances	(129,000)	90,300
Other liabilities	25,392	-
	(230,700)	648,616
Net cash provided by operating activities	721,881	1,859,272
Cash flows from investing activities:		
Capital expenditures	(40,256)	(43,812)
Website development costs	(102,500)	(46,917)
Net cash used in investing activities	(142,756)	(90,729)
Cash flows from financing activities:		
Funds held for others	(2,839,318)	1,099,028
Net cash provided by (used in) financing activities	(2,839,318)	1,099,028
Net increase (decrease) in cash and cash equivalents, and restricted cash	(2,260,193)	2,867,571
Cash and cash equivalents, and restricted cash, beginning of year	13,423,549	10,555,978
Cash and cash equivalents, and restricted cash, end of year	\$ 11,163,356	\$ 13,423,549

The accompanying notes are an integral part of these statements.

1% for the Planet, Inc.

Notes to Financial Statements

Note 1. Operations

1% for the Planet, Inc. (the Organization) is a Vermont nonprofit organization founded in 2001. Its mission is to build and support an alliance of businesses and individuals throughout the world that are financially committed to creating a healthy planet. The Organization carries out this mission by marketing to build visibility and demand for the 1% for the Planet brand, building and maintaining partnerships to create opportunities to extend the Organization's mission, adding new members to the Organization, and providing member services to matriculate and renew membership to the Organization and certify member giving. The Organization's members commit to donating at least 1% of their annual revenues to approved not-for-profit organizations. The Organization licenses its trademarks to corporate and individual members worldwide in accordance with membership agreements, which automatically renew on an annual basis. Total revenues derived from foreign members and donors represent approximately 29% of total revenues in 2022 and 52% of total revenues in 2021.

The Organization works internationally with 1% for the Planet France, an independent chapter in France whose operations are not under the control of the Organization. The separate activities and balances of 1% for the Planet France are not required to be, and are not, consolidated in the Organization's financial statements.

Note 2. Summary of Significant Accounting Policies

A summary of the Organization's significant accounting policies applied in the preparation of the accompanying financial statements follows:

Basis of presentation: The Organization's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of management and the Board of Directors (the Board) and include Board-designated funds that may be expended with the approval of the Board.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity.

Cash and cash equivalents, and restricted cash: The Organization considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (continued)

Restricted cash represents amounts required to be reserved in a separate bank account based on an agreement between the Organization and one of its members, which is offset by a corresponding “funds held for others” liability. Pursuant to this agreement, cash received from the member is required to be maintained in this separate account, unless the member clearly communicates it, in writing, as a contribution to the Organization. Distributions from the account require approval from the member, at which time they are disbursed to designated recipients during the member’s fiscal year.

The following table provides a reconciliation of cash and cash equivalents, and restricted cash as reported in the statements of cash flows as of December 31:

	2022		2021
Cash and cash equivalents	\$ 5,653,391	\$	5,074,236
Restricted cash	5,509,965		8,349,313
	<u>\$ 11,163,356</u>	<u>\$</u>	<u>13,423,549</u>

Program services revenues: Transactions in which the member or other resource provider receives commensurate value in exchange for consideration provided to the Organization are considered contracts with customers and are recognized when the promised goods or services are transferred in an amount that reflects the consideration expected to be received in exchange for those goods or services. Related revenues are measured based on the consideration specified in contracts with customers. Revenues related to prepayments and advance billings are reported as deferred revenues until the period in which such amounts are earned.

The following are considered to be contracts with customers (exchange transactions):

Corporate memberships: Corporate members receive various benefits, including the ability to use the Organization’s logo. Corporate membership fees are recorded as revenue on a straight-line basis over the of the related membership period, which is generally based on the member’s fiscal year. Prior to November 1, 2022, the Organization charged new corporate members a standard one-time activation fee, the revenues and expenses of which were recognized at the time of the activation. As the revenues and related expenses substantially offset one another, there is no net impact on the statements of activities. Total recognized activation revenues and related expenses approximated \$278,000 in 2022 and \$363,000 in 2021.

Summit registration: The Organization holds an annual global summit that offers programming and networking opportunities to members for a separate registration fee. Related registration fees are recognized as revenue when the event takes place. An annual summit was not held in 2021 due to the global coronavirus pandemic.

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (continued)

Contribution revenues: Contributions received are composed of transactions in which the Organization receives resources without providing commensurate value to the resource provider and are described more fully below. Contributions received are recognized when the donor or grantor makes an unconditional promise to give to the Organization. Contributions with conditions that have not yet been satisfied are not recorded as revenues until the conditions are substantially met. Advances made to the Organization under conditional contributions are reported as refundable advances. Unconditional contributions that are restricted by the donor or grantor are reported as increases in net assets without donor restrictions if the restrictions expire in the year the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified as net assets without donor restrictions. Contributions are classified as either financial or nonfinancial assets based on the nature of the resources provided to the Organization.

Cash and other financial assets: Contributed financial assets include contributions received in the form of grants, pledges, or donations to the Organization through a current or future transfer of monetary funds.

Contributed nonfinancial assets: Effective January 1, 2022, the Organization adopted Accounting Standards Update (ASU) 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which requires additional disclosures about contributed nonfinancial assets. This ASU is required to be adopted on a retrospective basis; however, contributed nonfinancial assets were not material in 2021. The new disclosure requirements are included in the 2022 financial statements.

The Organization receives various forms of contributed nonfinancial assets (also referred to as gifts in kind), as described in Note 9. Nonfinancial assets include free or discounted tangible items, such as equipment and supplies, as well as specialized services, voluntary labor, and facilities. These assets are not sold by the Organization to other parties and are distributed only for program or administrative use. The Organization recognizes these contributions at their estimated fair value on the date of receipt and reports related expenses when the assets are utilized. Fair value is determined based on the estimated amount that would be paid to obtain the goods or services in their principal market, which is generally provided by the contributor. Nonspecialized contributed services are not recognized in the financial statements, in accordance with GAAP.

Corporate sponsorships: The Organization receives corporate sponsorships primarily to support its global annual summit. As sponsors do not receive commensurate value in exchange for their sponsorships, they are accounted for as contributions and are recognized as increases in unrestricted net assets when the sponsored event takes place.

Individual memberships: Individual members receive de minimis value in exchange for their membership dues, which, therefore, are accounted for as contributions and recognized as increases in unrestricted net assets at the time the annual membership period commences.

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (continued)

Accounts receivable: Accounts receivable are program services customer obligations due under normal trade terms and are stated at the amount billed to the customer, reduced by a valuation allowance that reflects management's best estimate of the amounts that will not be collected. Management determines the allowance by regularly evaluating certain individual customer receivables and considering a customer's financial condition, credit history, and economic conditions, along with a general reserve for all other receivables. After all attempts to collect a receivable have failed, it is written off against the allowance. The Organization estimated its allowance to be approximately \$110,000 and \$130,000 at December 31, 2022 and 2021, respectively.

Pledges receivable: Pledges receivable are unconditional promises made by donors and grantors to give contributions to the Organization. Pledges that are expected to be collected within one year are recorded at net realizable value. Pledges that are expected to be collected in subsequent years are recorded at the net present value of their estimated cash flows, which is calculated using risk-free interest rates applicable to the years in which payments are expected. Present value discounts and estimated losses on pledges receivable were not significant to the 2022 or 2021 financial statements and, therefore, were not recognized.

Property and equipment: The Organization records purchased property and equipment at cost. Donations of property and equipment, if any, are recorded as contributions at their estimated fair market value. Depreciation and amortization are provided for in amounts sufficient to relate the cost of depreciable and amortizable assets to activities over their estimated service lives. Leasehold improvements are amortized over the lives of the respective leases or the service lives of the improvements, whichever are shorter. The straight-line method of depreciation and amortization is followed for substantially all assets.

Website development costs: The costs of website development are capitalized during the application development phase, which occurs once management has committed to fund the project and it is probable that the project will be completed for its intended use, and concludes upon the demonstration of technological feasibility. Costs incurred prior to and after the application development phase are expensed as incurred. Capitalized costs are amortized on a straight-line basis over the economic life of the related project (generally four years). Related amortization expense was approximately \$4,000 in 2022 and \$1,000 in 2021.

Impairment of long-lived assets: Long-lived assets, such as property and equipment, and website development costs, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows. An impairment charge is recognized in the amount by which the carrying amount of the asset exceeds its fair value. No impairment review was necessary in 2022 or 2021.

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (continued)

Funds held for others: Pursuant to an agreement with one of its members, the Organization holds certain amounts received from this member in a separate restricted cash account in order to fund the member's annual contributions and other purposes as directed by the member. The funds may be refunded to the member upon request. Changes in the related restricted cash balance upon the receipt of additional cash or due to disbursements authorized by the member are reported as increases and decreases, respectively, in the "funds held for others" liability.

Functional expenses and allocation of shared costs: Expenses are charged to program and supporting services based on direct expenses incurred and allocations of common expenses. Common costs are allocated to program and supporting expenses based upon related utilization. Specifically, employee benefits and facility costs are allocated based on relative salaries and wages.

Income taxes: The Organization is a not-for-profit organization, as described in Section 501(c)(3) of the Internal Revenue Code (the Code), and is exempt from federal income taxes on related income, pursuant to Section 501(a) of the Code. Accordingly, the Organization has not provided for income taxes in these financial statements.

Each year, management considers whether any material tax position the Organization has taken is more likely than not to be sustained upon examination by the applicable tax authority. Management believes that any positions the Organization has taken are supported by substantial authority and, therefore, do not need to be measured or disclosed in these financial statements. The Organization is subject to income tax examinations by tax authorities for three years following the date of filing.

Use of estimates: In preparing financial statements in accordance with GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Evaluation of subsequent events: In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through July 6, 2023, the date the financial statements were available to be issued.

1% for the Planet, Inc.

Notes to Financial Statements

Note 3. Availability and Liquidity

The following reflects the Organization's financial assets that are estimated to be available to meet general expenditure needs within one year as of December 31:

	2022	2021
Cash and cash equivalents	\$ 5,653,391	\$ 5,074,236
Accounts receivable	152,049	162,960
Pledges receivable due within one year	25,044	25,044
	<u>\$ 5,830,484</u>	<u>\$ 5,262,240</u>

As part of its liquidity management process, the Organization structures its financial assets to be available as general and program expenditures, liabilities, and other obligations become due.

Note 4. Concentrations

Cash balance: The Organization maintains bank balances that, at times, may exceed federally insured limits. The Organization has not experienced any losses with these accounts. Management believes that the Organization is not exposed to any significant credit risk on cash balances.

Major resource provider: In 2022, the Organization recognized 14% of its total revenues from one company. The Organization did not recognize 10% or more of its total revenues from any resource provider in 2021.

Note 5. Property and Equipment

Property and equipment consist of the following at December 31:

	2022	2021
Computers and equipment	\$ 78,828	\$ 65,049
Furniture and fixtures	31,052	31,052
Leasehold improvements	15,410	11,000
	<u>125,290</u>	<u>107,101</u>
Less accumulated depreciation and amortization	<u>44,294</u>	<u>36,032</u>
	<u>\$ 80,996</u>	<u>\$ 71,069</u>

1% for the Planet, Inc.

Notes to Financial Statements

Note 6. Website Development Costs

Website development costs consist of the following at December 31:

	2022	2021
Website development costs	\$ 243,917	\$ 94,500
Less accumulated amortization	91,287	87,225
	<u>152,630</u>	<u>7,275</u>
Website development in progress	-	46,917
	<u>\$ 152,630</u>	<u>\$ 54,192</u>

Note 7. Long-Term Debt

In May 2020, the Organization received a \$150,000 unsecured loan from the U.S. Small Business Administration (SBA) under the Economic Injury Disaster Loan (EIDL) Assistance program, which was designed to provide economic relief to businesses experiencing a temporary loss in revenue due to the coronavirus pandemic. Proceeds from the loan were required to be used to fund working capital needs caused by the coronavirus. The loan bears interest at 2.75%. In March 2022, the SBA provided for an additional deferral of EIDL loan payments until 30 months after the original loan date.

Accordingly, as of December 31, 2022, the loan is payable in monthly installments of \$641 commencing in January 2023, with a final maturity date of July 2053. Payments are to be applied first to accrued interest. At December 31, 2022 and 2021, the outstanding balance was \$149,259.

As of December 31, 2022, long-term debt matures as follows:

Years ending December 31:	
2025	\$ 479
2026	3,646
2027	3,748
Thereafter	<u>141,386</u>
	<u>\$ 149,259</u>

1% for the Planet, Inc.

Notes to Financial Statements

Note 8. Net Assets With Donor Restrictions

Net assets with donor restrictions consist of the following at December 31:

	2022	2021
Pledges receivable - operating	\$ 25,044	\$ 50,044
Operating grants restricted for use in future years	33,202	141,974
	<u>\$ 58,246</u>	<u>\$ 192,018</u>

Note 9. Contributed Nonfinancial Assets

Contributed nonfinancial assets consist of the following in 2022 and do not have donor-imposed restrictions:

Professional services	\$ 113,400
Promotional items	96,133
Other	55,596
	<u>\$ 265,129</u>

Contributed nonfinancial assets were not material for the disclosure of composition in 2021.

Note 10. Retirement Plan

The Organization sponsors a 403(b) retirement plan that covers substantially all of its employees. The Organization matches contributions up to 6% of each employee's eligible salary, as defined. The Organization's contributions to the plan charged to expenses were approximately \$154,000 in 2022 and \$74,000 in 2021.