GROSS MENDELSOHN
ACCOUNTING | TECHNOLOGY | WEALTH ADVISORY

CENTER FOR CARBON REMOVAL
DBA CARBON180

FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

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Independent Auditor's Report

To the Board of Directors
Center for Carbon Removal
dba Carbon180

Opinion

We have audited the accompanying financial statements of Center for Carbon Removal dba Carbon180 (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, 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 Center for Carbon Removal dba Carbon180 as of December 31, 2023 and 2022, 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 Center for Carbon Removal dba Carbon180 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 Center for Carbon Removal dba Carbon180's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Independent Auditor's Report (Continued)

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 Center for Carbon Removal dba Carbon180'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 Center for Carbon Removal dba Carbon180'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.

Gross, Mendelsohn & Associates, P.A.

Baltimore, Maryland
August 29, 2024

CENTER FOR CARBON REMOVAL
DBA CARBON180
Statements of Financial Position
December 31, 2023 and 2022

	2023	2022
Assets		
Current Assets		
Cash and cash equivalents	**$ 6,116,541**	$ 2,667,443
Accounts receivable	**107,582**	62,719
Contributions receivable, current	**2,803,987**	2,183,334
Investments	**15,583,364**	14,906,762
Accrued interest	**37,214**	16,441
Prepaid expenses	**42,699**	33,200
Total Current Assets	**24,691,387**	19,869,899
Other Assets		
Contributions receivable, net of current portion	**959,417**	-0-
Security deposits	**46,256**	32,443
Total Other Assets	**1,005,673**	32,443
Total Assets	**$ 25,697,060**	$ 19,902,342
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	**$ 620,791**	$ 480,400
Commitments and Contingencies (Notes 8, 9 and 10)		
Net Assets		
Without donor restrictions:		
Undesignated	**17,961,180**	12,860,514
Board designated reserve	**2,500,000**	2,500,000
Total Without Donor Restrictions	**20,461,180**	15,360,514
With donor restrictions	**4,615,089**	4,061,428
Total Net Assets	**25,076,269**	19,421,942
Total Liabilities and Net Assets	**$ 25,697,060**	$ 19,902,342

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

CENTER FOR CARBON REMOVAL
DBA CARBON180
Statements of Activities
Years Ended December 31, 2023 and 2022

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
Foundation and corporate grants	$ 6,792,654	$ 4,603,247	$ 11,395,901
Contributions	1,790,607	-0-	1,790,607
In-kind contributions	2,109	-0-	2,109
Contract service revenue	384,901	-0-	384,901
Net investment return	723,733	-0-	723,733
Other income	2,559	-0-	2,559
Net assets released from restrictions:			
Satisfaction of program restrictions	2,016,252	(2,016,252)	-0-
Satisfaction of time restrictions	2,033,334	(2,033,334)	-0-
Total Support and Revenue	13,746,149	553,661	14,299,810
Expenses			
Program services	7,529,205	-0-	7,529,205
Support services:			
Management and general	1,082,591	-0-	1,082,591
Fundraising	33,687	-0-	33,687
Total Support Services	1,116,278	-0-	1,116,278
Total Expenses	8,645,483	-0-	8,645,483
Change in Net Assets	5,100,666	553,661	5,654,327
Net Assets at Beginning of Year	15,360,514	4,061,428	19,421,942
Net Assets at End of Year	$ 20,461,180	$ 4,615,089	$ 25,076,269

CENTER FOR CARBON REMOVAL
DBA CARBON180
Statements of Activities (Continued)
Years Ended December 31, 2023 and 2022

	2022		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Support and Revenue			
Foundation and corporate grants	$ 1,297,808	$ 1,502,942	$ 2,800,750
Contributions	4,805,677	-0-	4,805,677
In-kind contributions	12,562	-0-	12,562
Contract service revenue	191,226	-0-	191,226
Net investment return	(373,334)	-0-	(373,334)
Other income	-0-	-0-	-0-
Net assets released from restrictions:			
Satisfaction of program restrictions	3,566,307	(3,566,307)	-0-
Satisfaction of time restrictions	2,133,333	(2,133,333)	-0-
Total Support and Revenue	11,633,579	(4,196,698)	7,436,881
Expenses			
Program services	6,197,157	-0-	6,197,157
Support services:			
Management and general	875,726	-0-	875,726
Fundraising	44,418	-0-	44,418
Total Support Services	920,144	-0-	920,144
Total Expenses	7,117,301	-0-	7,117,301
Change in Net Assets	4,516,278	(4,196,698)	319,580
Net Assets at Beginning of Year	10,844,236	8,258,126	19,102,362
Net Assets at End of Year	$ 15,360,514	$ 4,061,428	$ 19,421,942

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

CENTER FOR CARBON REMOVAL
DBA CARBON180
Statement of Functional Expenses
Year Ended December 31, 2023

	Program Services				
	Research & Analysis	Innovation	Communications	Other	Total Program Services
Personnel expenses:					
Salaries and wages	$ 2,858,406	$ 510,414	$ 656,008	$ 26,363	$ 4,051,191
Payroll taxes	203,293	36,513	46,712	1,923	288,441
Pension	136,488	24,199	29,968	1,204	191,859
Employee benefits	297,419	52,698	69,059	2,614	421,790
Total personnel expenses	3,495,606	623,824	801,747	32,104	4,953,281
Professional fees	394,174	13,273	488,698	100,660	996,805
Grants	675,500	-0-	2,700	-0-	678,200
Conferences and meetings	141,759	16,685	87,299	492	246,235
Occupancy	155,574	27,841	37,343	1,565	222,323
Travel	166,038	50,338	38,704	1,020	256,100
Office expenses	52,312	5,267	9,612	96	67,287
Information technology	40,862	4,208	5,891	216	51,177
Dues and subscriptions	55,924	-0-	1,873	-0-	57,797
Accounting	-0-	-0-	-0-	-0-	-0-
Insurance	-0-	-0-	-0-	-0-	-0-
Legal	-0-	-0-	-0-	-0-	-0-
Total Expenses	$ 5,177,749	$ 741,436	$ 1,473,867	$ 136,153	$ 7,529,205

CENTER FOR CARBON REMOVAL
DBA CARBON180
Statement of Functional Expenses (Continued)
Year Ended December 31, 2023

	Support Services			
	Management and General	Fundraising	Total Support Services	Total Expenses
Personnel expenses:				
Salaries and wages	$ 602,547	$ 18,509	$ 621,056	$ 4,672,247
Payroll taxes	49,295	1,262	50,557	338,998
Pension	31,511	838	32,349	224,208
Employee benefits	67,969	2,066	70,035	491,825
Total personnel expenses	751,322	22,675	773,997	5,727,278
Professional fees	54,360	467	54,827	1,051,632
Grants	-0-	-0-	-0-	678,200
Conferences and meetings	39,984	2,940	42,924	289,159
Occupancy	56,284	971	57,255	279,578
Travel	14,888	624	15,512	271,612
Office expenses	54,740	1,522	56,262	123,549
Information technology	13,787	4,488	18,275	69,452
Dues and subscriptions	8,110	-0-	8,110	65,907
Accounting	60,481	-0-	60,481	60,481
Insurance	18,298	-0-	18,298	18,298
Legal	10,337	-0-	10,337	10,337
Total Expenses	$ 1,082,591	$ 33,687	$ 1,116,278	$ 8,645,483

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

CENTER FOR CARBON REMOVAL
DBA CARBON180
Statement of Functional Expenses
Year Ended December 31, 2022

	Program Services				
	Research & Analysis	Innovation	Communications	Other	Total Program Services
Personnel expenses:					
Salaries and wages	$ 1,837,554	$ 446,221	$ 493,560	$ 56,280	$ 2,833,615
Payroll taxes	130,326	31,243	34,924	4,002	200,495
Pension	80,709	20,203	21,757	2,295	124,964
Employee benefits	173,443	42,708	47,330	4,834	268,315
Total personnel expenses	2,222,032	540,375	597,571	67,411	3,427,389
Professional fees	818,650	39,180	229,156	91,500	1,178,486
Grants	1,095,000	-0-	-0-	-0-	1,095,000
Occupancy	110,535	27,276	29,923	3,481	171,215
Conferences and meetings	143,547	2,130	15,857	8	161,542
Travel	52,527	12,355	13,631	116	78,629
Office expenses	28,952	1,102	6,278	-0-	36,332
Accounting	-0-	-0-	-0-	-0-	-0-
Dues and subscriptions	46,971	-0-	614	-0-	47,585
Information technology	659	91	229	-0-	979
Insurance	-0-	-0-	-0-	-0-	-0-
Legal	-0-	-0-	-0-	-0-	-0-
Total Expenses	$ 4,518,873	$ 622,509	$ 893,259	$ 162,516	$ 6,197,157

CENTER FOR CARBON REMOVAL
DBA CARBON180
Statement of Functional Expenses (Continued)
Year Ended December 31, 2022

	Support Services			
	Management and General	Fundraising	Total Support Services	Total Expenses
Personnel expenses:				
Salaries and wages	$ 432,318	$ 32,556	$ 464,874	$ 3,298,489
Payroll taxes	30,476	2,545	33,021	233,516
Pension	19,132	1,298	20,430	145,394
Employee benefits	42,108	3,048	45,156	313,471
Total personnel expenses	524,034	39,447	563,481	3,990,870
Professional fees	62,769	-0-	62,769	1,241,255
Grants	-0-	-0-	-0-	1,095,000
Occupancy	26,678	2,103	28,781	199,996
Conferences and meetings	20,342	1,068	21,410	182,952
Travel	35,685	1,800	37,485	116,114
Office expenses	62,670	-0-	62,670	99,002
Accounting	82,311	-0-	82,311	82,311
Dues and subscriptions	5,247	-0-	5,247	52,832
Information technology	37,878	-0-	37,878	38,857
Insurance	12,628	-0-	12,628	12,628
Legal	5,484	-0-	5,484	5,484
Total Expenses	$ 875,726	$ 44,418	$ 920,144	$ 7,117,301

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

CENTER FOR CARBON REMOVAL
DBA CARBON180
Statements of Cash Flows
Years Ended December 31, 2023 and 2022

	2023	2022
Cash Flows from Operating Activities		
Change in net assets	**$ 5,654,327**	$ 319,580
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Realized losses (gains) on investments	**(39,220)**	4,125
Unrealized losses (gains) on investments	**(376,232)**	416,177
Donated stock	**(8,606)**	(32,394)
Changes in operating assets and liabilities:		
Accounts receivable	**(44,863)**	(31,469)
Contributions receivable	**(1,580,070)**	2,040,896
Prepaid expenses	**(9,499)**	(12,918)
Accounts payable and accrued expenses	**140,391**	7,401
Net Cash Provided by Operating Activities	**3,736,228**	2,711,398
Cash Flows from Investing Activities		
Purchases of investments	**(12,528,500)**	(5,846,554)
Proceeds from sale of investments	**12,255,183**	1,504,000
Proceeds from sale of donated stock	**-0-**	74,524
Increase in security deposits	**(13,813)**	(10,600)
Net Cash Used in Investing Activities	**(287,130)**	(4,278,630)
Net Increase (Decrease) in Cash and Cash Equivalents	**3,449,098**	(1,567,232)
Cash and Cash Equivalents at Beginning of Year	**2,667,443**	4,234,675
Cash and Cash Equivalents at End of Year	**$ 6,116,541**	$ 2,667,443

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

Note 1: Nature of Organization and Summary of Significant Accounting Policies

Center for Carbon Removal dba Carbon180 (the Organization) is a Washington, DC nonprofit corporation dedicated to bringing together the people, resources, and vision to realize a carbon-removing world. The Organization designs and champions equitable, science-based policies to bring carbon removal solutions to scale, with a vision to eliminate legacy emissions and create a livable climate in which current and future generations can thrive. The Organization's initiatives include:

Federal Policy: Developing innovative climate policy that supports equitable and just deployment of high-quality carbon removal technologies and practices.

Environmental Justice: Supporting environmental justice organizations as they build expertise on carbon removal and embedding equity and justice into the carbon removal field.

Science & Innovation: Connecting with scientists, entrepreneurs, and on-the-ground practitioners to share knowledge and ensure policy development is rooted in the best available science and information.

The accounting and reporting policies of the Organization conform to accounting principles generally accepted in the United States of America. Following is a description of the most significant of those policies:

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents: The Organization classifies all investments which are readily convertible to cash (except for investments held by investment custodians) and that have a maturity of three months or less when purchased to be cash equivalents except investments held by investment custodians.

Investments: Investments with readily determinable fair values are reported at fair value in the statements of financial position. Investments whose fair values are not readily determinable are recorded at cost. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Realized and unrealized gains and losses on investments are reported in the statements of activities as part of net investment return.

Accounts Receivable: Accounts receivable arise from services rendered and are carried at original invoice amount less an estimate made for credit losses. Management determines the allowance for credit losses by reviewing its outstanding accounts and its historical collection experience with individual accounts and payor sources, existing economic conditions and supportable forecast of future events. Receivables are written off by management when, in their determination, all collection efforts have been exhausted. Recoveries of receivables previously written off are recorded when collected. The Organization does not require collateral or other security to support accounts receivable. The Organization has not recorded an allowance for credit losses based on their analysis of expected losses at December 31, 2023 and 2022. There were no write offs of accounts receivable during the years ended December 31, 2023 and 2022.

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

Contributions Receivable: Unconditional promises to give are recorded as contributions receivable and recognized as revenue in the period the pledge is received. Unconditional promises to give in a future period are discounted to their net present value at the time the revenue is recorded. A provision is made for uncollectible contributions based on anticipated collections losses. Estimated losses are generally determined from historical collection experience and a review of outstanding contributions receivable. Contributions are written off by management when, in its determination, all appropriate collection efforts have neem taken. The Organization has not established an allowance for uncollectible contributions as of December 31, 2023 and 2022, since in the opinion of management, all outstanding contributions and pledges are considered collectible.

Leases: The Organization determines if an arrangement is a lease at the inception of the contract. As of the lease commencement date, each lease is evaluated to determine if it will be classified as an operating or finance lease. Leases with a term of 12 months or less are considered short-term leases and lease assets and liabilities are not recognized. Lease terms include the noncancellable portion of the leases and reasonably certain renewal periods, termination options and purchase options. The Organization accounts for lease and non-lease components as a single lease. The Organization uses the risk-free discount rate when the rate implicit in the lease is not available. Variable lease payments that cannot be determined at the commencement of the lease such as increases in the lease payments based on changes in index rates or usage are not included in the lease assets or liabilities. Short-term lease costs for the years ended December 31, 2023 and 2022 were $279,578 and $199,996, respectively, and are included in occupancy in the statements of functional expenses.

Net Assets: Net assets, revenue, support, gains and losses are classified based on the existence or absence of donor-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 restrictions. The governing board has designated from net assets without donor restrictions, net assets for a reserve for future operations.

Net Assets with Donor Restrictions: Net assets subject to donor-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.

Revenue Recognition: The Organization generates revenue primarily from grants, contributions, consulting income and net investment return. Conditional grants are earned and recognized as revenue in proportion to the related expenditures incurred or when all conditions of the of the grant have been substantially met. Contributions are recognized in the year the contributions are pledged and/or received. Grants earned and contributions not yet received are recorded as grants or contribution receivable. Grant proceeds received in advance and not yet earned are recorded as deferred revenue. Contract service revenue is primarily composed of consulting income or other fee for service contract revenue. Contract service revenue is recognized as revenue when the service is performed. Net investment return is recognized as revenue when earned.

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

The Organization recognizes revenue in the statements of activities and contract assets on the statements of financial position only when services have been provided. Since the Organization has performed its obligation under contract, it has conditional rights to the consideration recorded as contract assets and therefore classified those billed and unbilled contract assets as accounts receivable.

Performance obligations are determined based on the nature of the goods and services provided. Contract service revenue has one performance obligation and is recognized over a specific time period. The Organization determines the transaction price based on contractually agreed-upon amounts.

Grants and Contributions: Grants and contributions received are recorded with donor restrictions or without donor restrictions depending on the existence and/or nature of any donor restrictions.

Recognition of Donor Restrictions: All donor-restricted support is reported as an increase in net assets with donor restrictions. Upon the expiration of a temporary restriction, net assets with donor restrictions are reclassified to net assets without donor restrictions in the statements of activities.

In-kind Contributions: In-kind contributions can include both donated goods and services and are recorded at their estimated fair market value on the date of receipt.

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by individuals with those skills, and would otherwise be purchased by the Organization.

During the years ended December 31, 2023, the Organization received donated legal services of $2,109 which were recorded at their estimated fair value, typically provided by the donor on the date of receipt. These services were used in the Organization's management and general services and are included in legal in the statements of functional expenses. During the year ended December 31, 2022, the Organization received donated commodities of $10,000 and $2,562 of donated legal services which were recorded at their estimated fair value, typically provided by the donor on the date of receipt. These donated commodities and services were used in the Organization's management and general services and are included in travel and legal, respectively, in the statements of functional expenses.

Functional Allocation of Expenses: The costs of providing various programs and other support activities have been summarized on a functional basis in the statements of activities and by natural classification in the statements of functional expenses. Costs that can be identified with specific programs or support services are allocated directly. Costs that cannot be specifically identified with a particular function and that benefit more than one functional category are allocated based on estimates such as time and effort.

Income Taxes: The Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and Section RTC 23701(d) of the California Revenue and Taxation Code (CRTC). Income that is not related to its exempt purposes, less applicable deductions, is subject to federal and state income taxes. The Organization had no unrelated business income for the years ended December 31, 2023 and 2022. Accordingly, no provision for income taxes is reflected in these financial statements.

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

The Organization's federal and state tax returns are subject to examination by the Internal Revenue Service (IRS) and the California Franchise Tax Board, generally, for a period of three and four years, respectively, after the returns are filed.

Recently Adopted Accounting Standard: The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-13, *Financial Instruments - Credit Losses* (ASC 326), which significantly changed how entities will measure credit losses for most financial assets. The most significant change is a shift from the incurred loss model to the expected loss model for estimating the allowance for credit losses. Under this standard, disclosures are required to provide the financial statement users with information for analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Organization that are subject to the guidance in ASC 326 are accounts receivable. The impact of the adoption was not material to the financial statements and primarily resulted in new disclosures only.

Reclassifications: Certain amounts previously reported in the 2022 financial statements have been reclassified to conform to the financial statement presentation for the year ended December 31, 2023.

Subsequent Events: In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through August 29, 2024, the date the financial statements were available to be issued. During the period from January 1, 2024 through August 29, 2024 the Organization did not have any material recognizable subsequent events.

Note 2: Liquidity and Availability of Funds

A summary of the financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date comprise the following:

	2023	2022
Cash and cash equivalents	$ 6,116,541	$ 2,667,443
Accounts receivable	107,582	62,719
Contributions receivable, current	2,803,987	2,183,334
Investments	15,583,364	14,906,762
Accrued interest	37,214	16,441
Less: Net assets without donor restrictions, board designated reserve	(2,500,000)	(2,500,000)
Less: Net assets with donor restrictions, purpose	(1,155,672)	(2,028,094)
Financial Assets Available for General Expenditure	$ 20,993,016	$ 15,308,605

Note 2: Liquidity and Availability of Funds (Continued)

As part of the liquidity management plan, the Organization maintains funds in excess of daily requirements in short-term investments and money market funds. The Board of Directors (the Board) of the Organization has designated certain investments to be held for future operations of the Organization (see Note 7). Even though there is no intent of the Board to remove this designation, the Board could make these amounts available, as necessary. The amount designated for future operations and not included within the liquidity calculation as of December 31, 2023 and 2022 was $2,500,000.

Note 3: Accounts Receivable

Accounts receivable consisted of the following at December 31, 2023, 2022, and 2021:

	2023	2022	2021
Accounts receivable	$ 107,582	$ 62,719	$ 31,250

Note 4: Contributions Receivable

The Organization is the recipient of unconditional promises to give as of December 31, 2023 and 2022, which are generally expected to be received as follows:

	2023	2022
Receivable in less than one year	$ 2,803,987	$ 2,183,334
Receivable in one to five years	1,000,000	-0-
Total unconditional promises to give	3,803,987	2,183,334
Less: Discount to net present value (4.23% effective rate)	40,583	-0-
Contributions receivable, net	3,763,404	2,183,334
Long-term contributions receivable, net	959,417	-0-
Contributions receivable (current), net	$ 2,803,987	$ 2,183,334

Note 5: Investments

A summary of the investment portfolio, at fair value, as of December 31, 2023 and 2022 is as follows:

	2023	2022
Money market funds	$ 7,556,889	$ 1,037,607
Government securities	6,516,769	12,675,757
Certificates of deposit	1,499,941	1,191,929
Common stocks	9,739	-0-
Cash and cash equivalents	26	1,469
Total investments	$ 15,583,364	$ 14,906,762

Net investment return consisted of the following for the years ended December 31, 2023 and 2022:

	2023	2022
Investment income	$ 308,281	$ 46,968
Realized gains (losses) on investments	39,220	(4,125)
Unrealized gains (losses) on investments	376,232	(416,177)
Net investment return	$ 723,733	$ (373,334)

Note 6: Fair Value Measurement

Generally Accepted Accounting Principles (GAAP) establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy are as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Note 6: Fair Value Measurement (Continued)

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The valuation techniques used by the Organization include the following:

Cash and Cash Equivalents and Money Market Funds: Valued at original cost, which approximates fair value.

Certificates of Deposit and Government Securities: Valued using inputs such as benchmark yields, reported trades, broker/dealer quotes and issuer spreads.

Common Stocks: Valued at the last sales price reported on the active market in which the individual securities are traded.

In determining the appropriate levels, the Organization performs a detailed analysis of the assets and liabilities that are subject to fair value measurements.

The table below presents the balances of investments as of December 31, 2023, measured at fair value on a recurring basis by level within the hierarchy:

December 31, 2023	Total	Level 1	Level 2	Level 3
Money market funds	$ 7,556,889	$ 7,556,889	$ -0-	$ -0-
Government securities	6,516,769	-0-	6,516,769	-0-
Certificates of deposit	1,499,941	-0-	1,499,941	-0-
Common stocks	9,739	9,739	-0-	-0-
Cash and cash equivalents	26	26	-0-	-0-
	$ 15,583,364	$ 7,566,654	$ 8,016,710	$ -0-

The table below presents the balances of investments as of December 31, 2022, measured at fair value on a recurring basis by level within the hierarchy:

December 31, 2022	Total	Level 1	Level 2	Level 3
Government securities	$ 12,675,757	$ -0-	$ 12,675,757	$ -0-
Certificates of deposit	1,191,929	-0-	1,191,929	-0-
Money market funds	1,037,607	1,037,607	-0-	-0-
Cash and cash equivalents	1,469	1,469	-0-	-0-
	$ 14,906,762	$ 1,039,076	$ 13,867,686	$ -0-

Note 7: Net Assets

Net Assets without Donor Restrictions:

Undesignated net assets without donor restrictions - consists of the resources and obligations related to the daily operations of the Organization.

Board designated reserve - The Organization's Board has established a designated reserve to help ensure the long-term ability of the Organization to meet its mission. This reserve is a result of an internal designation and not restrictions placed by donors. Accordingly, income earned on investments related to the designated reserve is not designated and is used by the Organization to fund annual operating expenses. The Board may direct specific sources of revenue to be set aside for the designated reserve at its discretion and any releases from the reserve requires the approval of the Board.

Net Assets with Donor Restrictions:

The Organization has several restricted funds, which may be fully expended but only for the purpose, and subject to restrictions, established by the respective donors.

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

	2022	Current Year Activity		2023
		Contributions	Released from Restrictions	
Subject to expenditure for a specified purpose:				
Global CR Partnership	$ 431,083	$ -0-	$ (75,000)	$ 356,083
Regional direct air capture hubs	-0-	383,557	(59,600)	323,957
Federal carbon removal technology policy	496,626	150,000	(496,626)	150,000
Agroforestry	-0-	50,000	(408)	49,592
Environmental justice	400,000	-0-	(400,000)	-0-
Other programs	700,385	560,273	(984,618)	276,040
	2,028,094	1,143,830	(2,016,252)	1,155,672
Subject to the passage of time:				
Time restrictions	2,033,334	3,459,417	(2,033,334)	3,459,417
	$ 4,061,428	$ 4,603,247	$ (4,049,586)	$ 4,615,089

Note 7: Net Assets (Continued)

Net assets with donor restrictions were available for the following purposes as of December 31, 2022:

	2021	Prior Year Activity Contributions	Prior Year Activity Released from Restrictions	2022
Subject to expenditure for a specified purpose:				
Global CR Partnership	$ 2,112,833	$ -0-	$ (1,681,750)	$ 431,083
Environmental justice	1,000,000	-0-	(600,000)	400,000
Federal carbon removal technology policy	948,115	600,000	(1,051,489)	496,626
Federal policy and communication	-0-	-0-	-0-	-0-
Fellowship program	-0-	-0-	-0-	-0-
Other programs	341,623	591,830	(233,068)	700,385
	4,402,571	1,191,830	(3,566,307)	2,028,094
Subject to the passage of time:				
Time restrictions	3,855,555	311,112	(2,133,333)	2,033,334
	$ 8,258,126	$ 1,502,942	$ (5,699,640)	$ 4,061,428

Note 8: Retirement Plan

The Organization has a defined contribution retirement plan that qualifies under Section 401(k) of the IRC covering all full-time employees who are employed by the Organization for no less than thirty days. Under the terms of the plan, employees can elect to contribute pre-tax and after-tax dollars up to the maximum limit established by the IRS for each calendar year. The Organization matches employee contributions up to 5% of all contributing and non-contributing employee salaries. During the years ended December 31, 2023 and 2022, the Organization made contributions totaling $224,208 and $145,394, respectively.

Note 9: Grant Commitments

As of December 31, 2023, the Organization has outstanding conditional grant commitments to be made totaling $450,000. Grant payments are subject to the fulfillment of certain conditions, as defined in the respective grant agreements. Future expected conditional grant payments are $450,000 for the year ended December 31, 2023.

Note 10: Certain Significant Risks and Uncertainties

Uninsured Deposits: The Organization maintains its cash balances at one financial institution. Periodically during the year, the Organization's cash balances may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to significant risk on cash balances.

Investment Risk: The Organization invests in a professionally managed portfolio that may contain government securities, money market funds, and other types of investments. Such investments are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risk in the near term could materially affect investment balances and the amounts reported in the financial statements.

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