Community Service Society

CONSOLIDATED FINANCIAL STATEMENTS WITH INDEPENDENT AUDITORS' REPORT

YEARS ENDED JUNE 30, 2025 AND 2024

COMMUNITY SERVICE SOCIETY OF NEW YORK AND AFFILIATES

Years Ended June 30, 2025 and 2024

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INDEPENDENT AUDITORS' REPORT

To The Board of Trustees
Community Service Society of New York and Affiliates
New York, New York

Opinion

We have audited the accompanying consolidated financial statements of the Community Service Society of New York (a nonprofit organization) and Affiliates, (the Society), which comprise the consolidated balance sheets as of June 30, 2025 and 2024, and the related consolidated statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Community Service Society of New York and Affiliates as of June 30, 2025 and 2024, and the changes in their net assets and their 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Community Service Society of New York and Affiliates 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 consolidated 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 consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Society's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 Society'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Society'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.

Dorfman Abrams Music, LLC

Saddle Brook, New Jersey
December 19, 2025

COMMUNITY SERVICE SOCIETY OF NEW YORK AND AFFILIATES

CONSOLIDATED BALANCE SHEETS
(in thousands)

ASSETS

	June 30, 2025	June 30, 2024
Assets:		
Cash and cash equivalents	$ 5,740	$ 7,567
Investments	183,139	169,769
Government grants and other receivables	21,454	19,738
Prepaid pension and post-retirement benefits	10,182	8,427
Prepaid expenses and other assets	470	654
Beneficial interest in perpetual trusts	49,045	45,693
Property and equipment, net	26,079	27,183
Total assets	$ 296,109	$ 279,031

LIABILITIES AND NET ASSETS

	June 30, 2025	June 30, 2024
Liabilities:		
Accounts payable and accrued expenses	$ 10,406	$ 9,507
Refundable advances	968	926
Total liabilities	11,374	10,433
Net assets:		
Without donor restrictions:		
Board designated:		
Quasi-endowment fund	111,244	103,617
Operating reserve	5,000	5,000
Other	1,450	1,338
Bequest	8,040	7,226
Undesignated	64,518	59,382
Total net assets without donor restrictions	190,252	176,563
With donor restrictions:		
Donor restricted endowment funds	29,095	29,095
Beneficial interest in perpetual trusts	49,045	45,693
Purpose restricted	16,343	17,247
Total net assets with donor restrictions	94,483	92,035
Total net assets	284,735	268,598
Total liabilities and net assets	$ 296,109	$ 279,031

See Notes to Financial Statements.

COMMUNITY SERVICE SOCIETY OF NEW YORK AND AFFILIATES

CONSOLIDATED STATEMENTS OF ACTIVITIES
(in thousands)

	Year ended June 30, 2025			Year ended June 30, 2024		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
Operating revenue and support:						
Government grants	$	$ 35,551	$ 35,551	$	$ 27,607	$ 27,607
Direct contributions and federated campaigns	617	1,931	2,548	627	3,272	3,899
Bequests	180		180	453		453
Program fees and other revenue	174		174	153		153
Investment return used for operations, net	4,652	3,448	8,100	7,894	1,606	9,500
Special events, net of expenses of $69 and $51 in 2025 and 2024, respectively	10		10	32		32
Net assets released from restrictions	43,707	(43,707)		33,238	(33,238)	
Total operating revenue and support	49,340	(2,777)	46,563	42,397	(753)	41,644
Operating expenses:						
Program services:						
Direct program services	37,339		37,339	31,562		31,562
Policy, research and advocacy	3,893		3,893	3,359		3,359
Public interest	910		910	848		848
Total program services	42,142		42,142	35,769		35,769
Supporting services:						
Management and general	3,187		3,187	3,404		3,404
Fundraising	1,709		1,709	1,718		1,718
Total supporting services	4,896		4,896	5,122		5,122
Total operating expenses	47,038		47,038	40,891		40,891
Excess (deficit) of operating revenue over operating expenses	2,302	(2,777)	(475)	1,506	(753)	753
Non-operating activities:						
Investment return in excess of amount used for operations, net	12,074	5,225	17,299	10,746	8,882	19,628
Total non-operating activities	12,074	5,225	17,299	10,746	8,882	19,628
Change in net assets before pension and post-retirement related charges	14,376	2,448	16,824	12,252	8,129	20,381
Pension and post-retirement related charges other than periodic pension cost	(687)		(687)	6,283		6,283
Change in total net assets	13,689	2,448	16,137	18,535	8,129	26,664
Net assets, beginning of year	176,563	92,035	268,598	158,028	83,906	241,934
Net assets, end of year	$ 190,252	$ 94,483	$ 284,735	$ 176,563	$ 92,035	$ 268,598

See Notes to Financial Statements.

COMMUNITY SERVICE SOCIETY OF NEW YORK AND AFFILIATES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)

	Year ended June 30,	
	2025	2024
Cash flows from operating activities:		
Change in net assets	$ 16,137	$ 26,664
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	1,307	1,298
Net realized and unrealized gains on investments	(17,125)	(19,391)
Increase in beneficial interest in perpetual trusts	(3,352)	(4,547)
Pension and post-retirement related changes other than net periodic pension cost	687	(6,283)
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Government grants and other receivables	(1,716)	(4,303)
Prepaid expenses and other assets	184	(242)
Prepaid pension and post-retirement benefits	(2,442)	(2,205)
Increase (decrease) in:		
Accounts payable and accrued expenses	899	2,941
Refundable advances	42	489
Net cash used by operating activities	(5,379)	(5,579)
Cash flows from investing activities:		
Purchases of investments	(61,095)	(30,410)
Proceeds from sales/maturities of investments	64,844	35,633
Purchases of property and equipment	(197)	(210)
Net cash provided by investing activities	3,552	5,013
Net change in cash and cash equivalents	(1,827)	(566)
Cash and cash equivalents, beginning of year	7,567	8,133
Cash and cash equivalents, end of year	$ 5,740	$ 7,567

See Notes to Financial Statements.

COMMUNITY SERVICE SOCIETY OF NEW YORK AND AFFILIATES

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
(in thousands)

Years Ended June 30, 2025 and 2024

	Program services expenses							
	Direct program services		Policy, research and advocacy		Public interest		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Salaries	$ 13,776	$ 12,102	$ 2,104	$ 2,047	$ 504	$ 434	$ 16,384	$ 14,583
Fringe benefits and payroll taxes	3,434	3,081	295	261	129	109	3,858	3,451
Total salaries and related expenses	17,210	15,183	2,399	2,308	633	543	20,242	18,034
Professional fees	18,047	14,094	1,118	696	148	180	19,313	14,970
Occupancy	595	535	99	89	22	18	716	642
Software and equipment expenses	215	177	23	22	14	20	252	219
Direct assistance	20	305					20	305
Telephone and communication	266	236	20	19	4	5	290	260
Insurance	10	10					10	10
Support payments	28	57	3	2	47	52	78	111
Conferences, conventions and meetings	50	42	18	12			68	54
Printing and other office expenses	16	6	6	8	2		24	14
Transportation	98	88	28	17			126	105
Supplies	103	88	5	9			108	97
Postage and shipping	30	20	1	1			31	21
Other expenses	34	35	35	41	2	3	71	79
Depreciation	617	686	138	135	38	27	793	848
Total operating expenses	$ 37,339	$ 31,562	$ 3,893	$ 3,359	$ 910	$ 848	$ 42,142	$ 35,769

See Notes to Financial Statements.

COMMUNITY SERVICE SOCIETY OF NEW YORK AND AFFILIATES

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
(in thousands)

Years Ended June 30, 2025 and 2024

	Supporting services expenses							
	Management and general		Fundraising		Total		Total operating expenses	
	2025	2024	2025	2024	2025	2024	2025	2024
Salaries	$ 784	$ 1,066	$ 866	$ 952	$ 1,650	$ 2,018	$ 18,034	$ 16,601
Fringe benefits and payroll taxes	152	187	178	177	330	364	4,188	3,815
Total salaries and related expenses	936	1,253	1,044	1,129	1,980	2,382	22,222	20,416
Professional fees	678	674	204	86	882	760	20,195	15,730
Occupancy	138	148	36	33	174	181	890	823
Software and equipment expenses	333	309	13	6	346	315	598	534
Direct assistance							20	305
Telephone and communication	68	66	6	7	74	73	364	333
Insurance	217	200			217	200	227	210
Support payments							78	111
Conferences, conventions and meetings	133	138	2	2	135	140	203	194
Printing and other office expenses			7	104	7	104	31	118
Transportation	96	84			96	84	222	189
Supplies	61	65	2	8	63	73	171	170
Postage and shipping	4	3	337	289	341	292	372	313
Other expenses	58	62	9	6	67	68	138	147
Depreciation	465	402	49	48	514	450	1,307	1,298
Total operating expenses	$ 3,187	$ 3,404	$ 1,709	$ 1,718	$ 4,896	$ 5,122	$ 47,038	$ 40,891

See Notes to Financial Statements.

1. Nature of the Organizations

Community Service Society of New York (CSS) and its affiliated organizations, Institute for Community Empowerment (Institute), and Friends of R.S.V.P., Inc. (CSS and its affiliates are collectively referred to as the Society), are affiliated through common board control. CSS is a 501(c)(3) nonprofit corporation operating under a Certificate of Consolidation granted by the State of New York in 1939, merging the New York Association for Improving the Condition of the Poor and The Charity Organization Society of the City of New York. It is a private, nonsectarian, voluntary social service agency. The mission of CSS is to identify problems which create a permanent poverty class in New York City and to advocate the systemic changes required to eliminate such problems. CSS's primary goals are to advocate for better job opportunities to break the cycle of intergenerational poverty that particularly affects communities of color; promote policies and programs that advance the economic security of the poor and working poor; and promote health care reform as an essential strategy for alleviating barriers to employment and economic stability.

The Institute is a 501(c)(4) not-for-profit corporation which was established in November 1988 to perform certain electoral advocacy, research, and lobbying activities with other community-based organizations. The Institute did not engage in any activities during either of the years ended June 30, 2025 and 2024.

Friends of R.S.V.P., Inc. is a 501(c)(3) private foundation created in 1986 as a fund-raising vehicle for the Retired and Senior Volunteer Program administered by CSS. On January 23, 2005, the Board of Trustees voted to dissolve the Friends of R.S.V.P., Inc. Implementation of this decision has yet to occur citing the potential of a name change or reorganization.

The Society's primary sources of revenues are government grants, contributions, and investment income.

2. Summary of significant accounting policies

Principles of consolidation

The consolidated financial statements include the accounts of CSS, Institute and Friends of R.S.V.P., Inc. All material intercompany balances and transactions have been eliminated in consolidation.

2. Summary of significant accounting policies (continued)

Basis of presentation

The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (U.S. GAAP). Net assets, revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Society and changes therein are classified and reported as follows:

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 Society. These net assets may be used at the discretion of the Society's management and its Board of Trustees. Included within net assets without donor restrictions are board-designated net assets of $117,694 and $109,955 as of June 30, 2025 and 2024, respectively.

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 Society or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Functional allocation of expenses

The costs of providing various programs and support services have been summarized on a functional basis in the consolidated statement of activities and in the consolidated statement of functional expenses. Accordingly, natural expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques, such as time and effort, and square footage.

Measure of operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Society's ongoing services and amounts appropriated and spent from the Society's investments. Non-operating activities are limited to other investment activity not used in operations, pension related charges other than net periodic pension cost and other activities considered to be of a more unusual or nonrecurring nature.

Fair value of financial instruments

The carrying amounts reported on the consolidated balance sheet of the Society approximate their fair value.

Income taxes

The Society is comprised of tax-exempt organizations as defined by the Internal Revenue Code, though they are subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Society has processes presently in place to ensure the maintenance of their tax-exempt status; to identify and report unrelated income; to determine their filing and tax obligations in jurisdictions for which they have nexus; and to identify and evaluate other matters that may be considered tax positions. The Society has determined that there are no material uncertain tax positions that require recognition or disclosure in the consolidated financial statements.

2. Summary of significant accounting policies (continued)

Operating revenue and support

The Society recognizes contributions when cash, investments, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Bequests are recognized when the Society receives notification that the probate court has declared the will valid. Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. Conditional promises to give are contributions with a measurable performance or other barrier and a right of return. Contributions with conditions are not recognized until the conditions upon which they depend have been met.

A significant portion of the Society's revenues are derived from cost-reimbursable federal, state, and city contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Society has incurred expenditures in compliance with specific contract or grant provisions. Amounts received on cost reimbursement grants, prior to incurring qualifying expenditures, are reported as refundable advances in the consolidated balance sheet. Under the terms of funding agreements with various governmental agencies, certain reported expenditures are subject to audit and acceptance by the funding agencies. In the opinion of management, adjustments, if any, resulting from future audits, should not have a material effect on the Society's financial position or changes in its net assets.

In-kind contributions are reflected as contributions at fair value at the date of donation and are reported as support without donor restrictions unless explicit donor stipulations specify how donated assets must be used. The Society did not recognize any in-kind donations during either of the years ended June 30, 2025 or 2024.

Several volunteers have made significant contributions of their time in furtherance of the Society's mission. These services are not reflected in the accompanying consolidated statement of activities because they do not meet the necessary criteria for recognition under U.S. GAAP.

Cash and cash equivalents

Cash and cash equivalents consist of demand deposit accounts and highly liquid financial instruments with original maturities of three months or less. Cash and money market funds held as a portion of the Organization's investment portfolio, are classified as investments and are not considered to be cash equivalents for purposes of the statement of cash flows.

Investments

Investments are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the consolidated balance sheet. Unrealized gains and losses are included in the changes in net assets without donor restriction for the gains and losses that are unrestricted, and in the changes in net assets with donor restriction for the gains and losses that are restricted for the support of certain programs. Investment fees are netted against the investment return.

2. Summary of significant accounting policies (continued)

Government grants and other receivables

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in contribution revenue. Conditional promises to give are not included as support until the conditions are met. All government grants and other receivables are expected to be collected within one year for the years ended June 30, 2025 and 2024.

Allowance for doubtful accounts

Government grants and other receivables are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review of client balances by management. Factors used to determine whether an allowance should be recorded include the age of the receivable and a review of payments subsequent to year end. As of June 30, 2025 and 2024, management determined that an allowance was not necessary.

Beneficial interest in perpetual trusts

The Society has a beneficial interest in various perpetual trusts. The Society's interest in these trusts is reported as a contribution in the year received at their fair value. Changes in the fair value of the underlying assets are recognized as increase or decrease in net assets on the consolidated statement of activities.

Property and equipment

Property and equipment are stated at cost, if purchased, or at fair value at the date of the gift, if donated, less accumulated depreciation. The cost of property and equipment purchased in the amount of $5 or more with an estimated useful life in excess of a year is capitalized. Depreciation is provided in amounts sufficient to amortize the cost of the property and equipment over the estimated useful lives on a straight-line basis.

Building	39 years
Building and improvements	7 - 15 years
Computer and office equipment	3 - 7 years

The cost of assets sold or otherwise disposed of and the accumulated depreciation thereon are eliminated from the accounts and the resulting gain or loss is reflected as increase or decrease in net assets. Expenditures for maintenance and repairs are charged to expense as incurred; replacements and betterments that extend the useful lives are capitalized.

2. Summary of significant accounting policies (continued)

Operating leases - right-of-use assets

The Society recognizes rights and obligations arising from leases as right-of-use (ROU) assets and lease liabilities in the balance sheet in accordance with Accounting Standards Update (ASU) No. 2016-02, Leases. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term. The Society does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less) and leases below the ROU assets capitalization policy of $200. Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term. The Society evaluated its leases and concluded that there are no material leases, which would require right-of-use assets and related lease liabilities to be recorded.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Reclassifications

Certain amounts in the 2024 consolidated financial statements have been reclassified to conform to the 2025 presentation.

(in thousands)

3. Availability and liquidity

The following reflects the Society's financial assets as of June 30, 2025, reduced by funds not available for general use due to restrictions imposed by either the governing board and/or donor-imposed restrictions within one year of the consolidated balance sheet date. However, funds already appropriated from donor-restricted endowment for general expenditure within one year of the consolidated balance sheet date are not deemed unavailable.

The following represents the Society's financial assets at June 30, 2025:

Financial assets:	
Cash and cash equivalents	$ 5,740
Investments	183,139
Government and other receivables	21,454
Beneficial interest in perpetual trusts	49,045
Total financial assets	259,378
Less funds unavailable for general expenditures within one year due to:	
Donor-imposed restrictions	94,483
Board designated net assets	117,694
Less: net assets with restrictions to be met in less than a year	(16,343)
Total funds unavailable for general expenditures within one year	195,834
Financial assets available for general expenditures within one year	$ 63,544

The Society's operations are substantially supported by government grants and restricted contributions. Because donor-imposed restrictions or contractual obligations require resources to be used in a particular manner or in a future period, the Society must maintain sufficient resources to meet these responsibilities. Thus, financial assets may not be available for general expenditure within one year. As part of the Society's liquidity management, there is a policy in place to structure financial assets to be available as obligations become due. The Society's goal is generally to maintain financial assets to meet 90 days of operating expenses, approximately $11,760. Cash in excess of daily requirements is invested in short-term investments.

In addition, the governing board has designated certain funds (see Note 11) that may be drawn upon in the event of financial distress or an immediate liquidity need resulting from events outside the typical life cycle of converting financial assets to cash or settling financial liabilities. The Society also had $6,000 available on its line of credit to meet unanticipated liquidity needs at June 30, 2025 (see Note 8).

4. Risks and uncertainties

Financial instruments that potentially subject the Society to concentrations of credit risk consist principally of cash and cash equivalents, investments, and government grants and other receivables. The Society maintains its cash and cash equivalents in bank deposit accounts, the balances of which, at times, may exceed federally insured limits. Exposure to credit risk is reduced by placing such deposits in high quality financial institutions. The Society limits its exposure by performing periodic evaluations of the financial institution where it maintains its cash and cash equivalents. Investments are exposed to various risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the value of investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements. Concentration of credit risk with respect to receivables is limited due to the fact that they are mainly derived from governmental agencies. The Society has not experienced, nor does it anticipate, any losses with respect to such accounts.

(in thousands)

5. Government grants and other receivables

Government grants and other receivables consist of the following at June 30:

	2025	2024
Government receivables:		
U.S. Department of Health and Human Services:		
Community Health Advocate	$ 2,578	$ 6,092
Navigator Program Grant	2,807	3,296
ABD Healthcare Program Grant	5,686	2,351
	11,071	11,739
Corporation for National and Community Service:		
RSVP Program	139	160
New York State Department of Health:		
ICAN Healthcare Program Grant	2,257	1,786
New York City DOHMH:		
MCCAP and Access Health NYC grant	633	761
New York State Department of Financial Services:		
EDCAP Program	1,789	976
New York State Department of State:		
EDCAP Program		51
Other government receivables	2,429	1,155
Total government receivables	18,318	16,628
Non-government receivables	3,136	3,110
	$ 21,454	$ 19,738

At both June 30, 2025 and 2024, all receivables were expected to be collected within one year.

6. Fair value measurements

The framework for measuring fair value 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 and 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 that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Society has the ability to access at the measurement date;

Level 2 - Inputs other than quoted prices that are observable for the assets or liability either directly or indirectly, including inputs that are not considered to be active;

Level 3 - Inputs that are unobservable.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad criteria data, liquidity statistics, and other factors.

An investment's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the Society. The Society considers observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, provided by multiple, independent sources that are actively involved in the relevant market.

The categorization of an investment within the hierarchy is based upon the pricing transparency of the investment and does not necessarily correspond to the Society's perceived risk of that investment.

The following is a description of the valuation methodologies used for assets measured at fair value.

Money market funds, fixed-income securities and equities - Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds - Valued at the net asset value (NAV) of shares held at year end as determined by the managers of the underlying funds.

Alternative investments and private equities - There are no observable inputs and certain of the underlying investments are not publicly traded and there is no secondary market for such funds. These mutual funds are valued by the managers of the underlying funds at the NAV of shares held by CSS at year end or other pricing methodologies.

Beneficial interest in perpetual trusts - Beneficial interest in perpetual trusts is valued at fair value of the Society's beneficial interest in the fair value of underlying assets.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Society believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

(in thousands)

6. Fair value measurements (continued)

Investment securities are stated at fair value and are summarized as follows at June 30:

	2025		2024	
	Cost	Fair value	Cost	Fair value
Money market funds	$ 14,416	$ 14,416	$ 8,508	$ 8,508
Fixed income:				
U.S. government and agency	6,614	6,587	5,896	5,788
Corporate bonds	2,414	2,469	2,782	2,787
Mutual funds:				
Equity	70,321	117,413	71,372	110,260
Fixed income	5,264	4,948	8,849	8,302
Alternative investment	6,222	8,404	6,086	6,868
U.S. equity	8,890	9,619	9,426	10,912
Non-U.S. equity	9,961	13,817	10,047	12,299
Private equity	4,364	5,466	2,997	4,045
	$ 128,466	$ 183,139	$ 125,963	$ 169,769

The classification of the Society's investment securities at fair value is as follows at June 30, 2025:

	Level 1	Level 2	Level 3	Total
Money market funds (at cost)	$	$	$	$ 14,416
Fixed income:				
U.S. government and agency	6,587			6,587
Corporate bonds	2,469			2,469
Mutual funds:				
Equity	117,413			117,413
Fixed income	4,948			4,948
Alternative investment			8,404	8,404
U.S. equity	9,619			9,619
Non-U.S. equity	13,817			13,817
Private equity			5,466	5,466
	154,853		13,870	183,139
Beneficial interest in perpetual trusts			49,045	49,045
	$ 154,853	$	$ 62,915	$ 232,184

(in thousands)

6. Fair value measurements (continued)

The classification of the Society's investment securities at fair value is as follows at June 30, 2024:

	Level 1	Level 2	Level 3	Total
Money market funds (at cost)	$	$	$	$ 8,508
Fixed income:				
U.S. government and agency	5,788			5,788
Corporate bonds	2,787			2,787
Mutual funds:				
Equity	110,260			110,260
Fixed income	8,302			8,302
Alternative investment			6,868	6,868
U.S. equity	10,912			10,912
Non-U.S. equity	12,299			12,299
Private equity			4,045	4,045
	150,348		10,913	169,769
Beneficial interest in perpetual trusts			45,693	45,693
	$ 150,348	$	$ 56,606	$ 215,462

(in thousands)

6. Fair value measurements (continued)

The table below sets forth a summary of changes in the fair value of the level 3 assets for the year ended June 30, 2025:

	Permanent Portfolio Fund	Wilshire Private Equity Annual Fund Series L.P.	Total	Beneficial Interest in Perpetual	Total
Balance, beginning of year	$ 6,868	$ 4,045	$ 10,913	$ 45,693	$ 56,606
Purchases		1,367	1,367		1,367
Sales		(144)	(144)		(144)
Fees		(30)	(30)		(30)
Interest/dividend income	135	(7)	128		128
Unrealized gain/(loss)	1,401	54	1,455	3,352	4,807
Realized gain/(loss)		181	181		181
Net change	1,536	1,421	2,957	3,352	6,309
Balance, end of year	$ 8,404	$ 5,466	$ 13,870	$ 49,045	$ 62,915

The table below sets forth a summary of changes in the fair value of the level 3 assets for the year ended June 30, 2024:

	Permanent Portfolio Fund	Wilshire Private Equity Annual Fund Series L.P.	Total	Beneficial Interest in Perpetual	Total
Balance, beginning of year	$ 5,770	$ 3,974	$ 9,744	$ 41,146	$ 50,890
Purchases		409	409		409
Sales		(480)	(480)		(480)
Fees		(33)	(33)		(33)
Interest/dividend income	86	43	129		129
Unrealized gain/(loss)	1,012	71	1,083	4,547	5,630
Realized gain/(loss)		61	61		61
Net change	1,098	71	1,169	4,547	5,716
Balance, end of year	$ 6,868	$ 4,045	$ 10,913	$ 45,693	$ 56,606

(in thousands)

6. Fair value measurements (continued)

The following table describes the investments that are included in level 3 of the fair value hierarchy.

Fund name	Redemption period	Notice period	Description of fund	2025	2024
Permanent Portfolio Fund			The fund seeks to preserve and increase long-term purchasing power value by investing fixed percentages in gold, silver, Swiss Franc assets, stocks of real estate and natural resource companies, aggressive growth stocks, and US Treasury securities.	$ 8,404	$ 6,868
Wilshire Private Equity Annual Fund Series, L.P.			The Fund is designed to be a turnkey private equity solution consisting of 6-12 primary fund investments and up to 6 secondary fund investments and direct co-investments diversified by sector and geography. The Fund will be structured to be diversified by sector, industry and geography. Each series containing 6-12 primary fund investments and up to 6 secondary fund investments and direct co-investments would be expected to be in excess of 60 underlying investment positions. We also believe in the importance of vintage year diversification and believe investors can achieve this objective by investing in future annual series offerings. The Fund will follow a legacy of fully discretionary private markets investment vehicles that Wilshire has sponsored. The Fund will seek to develop a diversified portfolio of private equity investments composed primarily of private equity partnerships targeting long-term net returns that are expected to exceed those available through a diversified portfolio of publicly-traded equity securities. The Fund will focus on underserved and niche markets and may include select transactions that could further diversify the portfolio and may generate incremental returns. The fund aims to generate strong risk-adjusted returns on behalf of its investors.	5,466	4,045
				$13,870	$10,913

(in thousands)

6. Fair value measurements (continued)

The following summarizes the net investment return. The classification of the investment return is reported in the consolidated statement of activities.

	2025	2024
Interest and dividend income	$ 3,097	$ 3,201
Net realized and unrealized gains on investments	17,125	19,391
Unrealized gains on perpetual trust	3,352	4,547
Perpetual trust investment income	1,825	1,989
	$ 25,399	$ 29,128

Consistent with the Society's spending policy during the years ended June 30, 2025 and 2024, $8,100 and $9,500 was appropriated and spent, respectively.

7. Property and equipment

A summary of property and equipment is as follows at June 30:

	2025	2024
Land	$ 5,035	$ 5,035
Building and improvements	32,487	32,476
Computer and office equipment	2,524	2,332
	40,046	39,843
Less accumulated depreciation	13,967	12,660
	$ 26,079	$ 27,183

Depreciation expense for the years ended June 30, 2025 and 2024 was $1,307 and $1,298, respectively.

8. Line of credit

The Society has a $6,000 revolving line of credit with a financial institution that bears interest at SOFR plus 0.95% per annum. The loan is secured by certain investments and expires on November 10, 2026.

There were no outstanding balances as of June 30, 2025 and 2024, and no interest expense was incurred during the years ended June 30, 2025 and 2024..

(in thousands)

9. Net assets with donor restrictions and net assets released from donor restrictions

Net assets with donor restrictions are available for the following purposes at June 30:

	2025	2024
Net assets with donor restrictions:		
Donor-imposed restricted endowment funds	$ 29,095	$ 29,095
Beneficial interest in perpetual trusts	49,045	45,693
Subject to expenditure for specified purpose:		
Direct program services	15,056	14,702
Policy, research and advocacy	589	1,826
Fundraising	100	
Program administration	598	719
	16,343	17,247
Net assets with donor restrictions	$ 94,483	$ 92,035

Net assets released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by donors during the fiscal years ended June 30, 2025 and 2024 were as follows:

	2025	2024
Direct service programs	$ 38,976	$ 30,652
Policy, research and advocacy	4,361	2,203
Management and general	270	283
Fundraising	100	100
	$ 43,707	$ 33,238

10. Endowment funds

The Society's endowment fund consists of both donor-restricted endowment funds which are classified and reported based on the existence or absence of donor-imposed restrictions and board-designated endowment funds. Board-designated endowment funds are portions of net assets without donor restriction which are designated or earmarked for long-term investment and functions as an endowment (Quasi-endowment). Any donated gift instructions received for particular purpose that the Society is unable to spend in the near term may be designated by the board for long-term investment and recognized as net assets with donor restrictions until those funds are used.

The Society's Board of Trustees is responsible for the long-term investment policies of the endowment funds, unless otherwise specified by the donor.

The Society has adopted the New York Prudent Management of Institutional Funds Act (NYPMIFA). As a result, the Society classifies endowment funds with donor-imposed restrictions as net assets with donor restrictions and income generated from those assets are time restricted until its Board of Trustees appropriates them for expenditure. Most of those funds are also subject to purpose restrictions that may be met before they are released from restrictions.

NYPMIFA moves away from the "historic dollar value" standard and permits charities to apply a spending policy to endowments based on certain specified standards of prudence. The Society is now governed by the NYPMIFA spending policy, which establishes a maximum prudent spending limit of 7% of the average of its previous five years' balance.

The Society's Board of Trustees has interpreted this change of policy as not requiring the maintenance of purchasing power of the original gift value contributed to the endowment fund, unless a donor stipulated to the contrary. As a result of this interpretation, when reviewing donor-restricted endowment funds, the Society considers a fund to be underwater if the fair market value of the fund is less than its original initial value of gifts donated, the original value of subsequent gifts added to the fund and or any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. NYPMIFA has permitted spending from underwater funds in accordance with prudent measures as required under the law.

In addition to NYPMIFA prudent measures, the Society consider the following factors when determining to appropriate or accumulate donor-restricted endowment funds:

- The purpose of the donor restrictions;
- Anticipated income and appreciation of the assets;
- Preservation and duration of the fund;
- General economic conditions;
- The availability of other resources;
- The investment policies of the Society.

(in thousands)

10. Endowment funds (continued)

Return objectives, strategies employed and spending policy

The overall financial objective of the endowment is to provide the operations of the Society with a relatively stable stream of spendable revenue that increases over time and matches the general rate of inflation, as measured by the Consumer Price Index.

The long-term investment objective for the endowment fund is to attain a total return (net of investment management fees) of at least 6% per year in excess of inflation. This objective assumes that withdrawals from the Fund will average, long term, no more than 6% of the Fund's value over time.

Composition of endowment funds

Endowment funds consist of the following at June 30:

	2025	2024
Donor-restricted endowment funds:		
Income restricted for specific purposes	$ 4,741	$ 4,741
Income restricted for program administration	455	455
Income available for general purposes	23,899	23,899
Total donor-restricted endowment funds	29,095	29,095
Board-designated endowment funds:		
Quasi-endowment fund	111,244	103,617
Total endowment funds	$ 140,339	$ 132,712

(in thousands)

10. Endowment funds (continued)

Activity within endowment funds

Changes in endowment net assets for the year ended June 30, 2025 are as follows:

	Board-designated endowment funds without donor restrictions	Endowment funds with donor restrictions	Total
Endowment net assets, beginning of year	$ 103,617	$ 29,095	$ 132,712
Investment return:			
Interest and dividend income	1,879	528	2,407
Realized gains	3,767	1,058	4,825
Unrealized gains	6,633	1,862	8,495
Total investment return	12,279	3,448	15,727
Appropriation of endowment income for expenditure	(4,652)	(3,448)	(8,100)
Endowment net assets, end of year	$ 111,244	$ 29,095	$ 140,339

Changes in endowment net assets for the year ended June 30, 2024 are as follows:

	Board-designated endowment funds without donor restrictions	Endowment funds with donor restrictions	Total
Endowment net assets, beginning of year	$ 97,476	$ 27,176	$ 124,652
Investment return:			
Interest and dividend income	1,919	535	2,454
Realized gains	3,050	850	3,900
Unrealized gains	9,066	2,528	11,594
Total investment return	14,035	3,913	17,948
Appropriation of endowment income for expenditure	(7,894)	(1,994)	(9,888)
Endowment net assets, end of year	$ 103,617	$ 29,095	$ 132,712

(in thousands)

11. Board designated net assets

The Society's Board of Trustees has designated from net assets without donor restrictions for the following purposes as of June 30:

	2025	2024
Quasi-endowment fund	$ 111,244	$ 103,617
Operating reserve	5,000	5,000
Other	1,450	1,338
	$ 117,694	$ 109,955

12. Employee benefit plans

Pension plan and other post-retirement benefits

The Society has a noncontributory defined benefit pension plan (DB plan) covering substantially all employees. The Society is required to accrue the estimated cost of these retiree benefit payments during the employees' active service period. The Society pays the cost of post-retirement benefits as incurred.

Effective July 1, 2021, the Society amended the DB Plan to freeze accruals under the traditional and cash balance formulas. The impact on the Society was a $7,393 change in unrestricted net assets, which will be amortized over 10 years at approximately $801 per annum.

The following table summarizes the DB Plan's funded status at June 30:

	2025	2024
Projected benefit obligation	$ (45,633)	$ (43,843)
Fair value of Plan assets	55,815	52,270
Funded status	$ 10,182	$ 8,427

(in thousands)

12. Employee benefit plans (continued)

The following table provides information about the weighted average assumptions for the pension benefits as of June 30:

	Pension cost		Pension obligations	
	2025	2024	2025	2024
Weighted-average assumptions as of June 30:				
Discount rate	5.25%	5.00%	5.50%	5.25%
Expected return on Plan assets	7.00%	7.00%	N/A	N/A
Rate of compensation increase	4.50%	4.50%	4.50%	4.50%

The following table provides information about the contributions to the Plan and benefits paid for the years ended June 30:

	2025	2024
Society's contributions	$ 1,200	$ 1,200
Benefits paid	$ 2,443	$ 2,653

The accumulated benefit obligation for the defined benefit pension plan was $45,633 and $43,843 at June 30, 2025 and 2024, respectively.

The PRI2012 table with Generational Projection Scale MP-2021 was the Mortality Table used for both years ended June 30, 2025 and 2024.

An assumed long-term rate of return of 7.00% for both years ended June 30, 2025 and 2024 was used for pension benefits. In developing this rate, the Society evaluated input from its actuaries on asset class return expectations and long-term inflation.

(in thousands)

12. Employee benefit plans (continued)

Amounts recognized as changes in net assets, but not yet included in net periodic benefit cost, consist of following at June 30:

	2025	2024
Beginning balance of cumulative pension related changes other than net periodic pension cost	$ 8,373	$ 2,090
Changes:		
Amortization gain		
Prior service credit	(802)	(802)
Asset gain	115	7,085
Net change	(687)	6,283
Ending balance of cumulative pension related changes other than net periodic pension cost	$ 7,686	$ 8,373

(in thousands)

12. Employee benefit plans (continued)

The components of net pension cost and net post-retirement benefit cost are as follows for the years ended June 30:

	2025	2024
Service costs	$ 812	$ 799
Interest cost	2,320	2,182
Expected return on assets	(3,572)	(3,185)
Amortization of prior services credit	(802)	(802)
Net change	$ (1,242)	$ (1,006)

The future expected benefits to be paid for the pension benefits are as follows for the years ended June 30:

	Pension benefits
2026	$ 2,903
2027	3,003
2028	3,040
2029	3,078
2030	3,123
2031 - 2035	15,401
	$ 30,548

403(b) Plan

In addition, the Society has established a 403(b) plan for all employees; however, only non-union employees are eligible to participate for purposes of matching contributions. The Society matches employee contributions to the Plan at a rate of 50% up to the first 6% of each employee's salary. Salary deferrals in excess of $12 are not matched. The Society's contributions to the Plan were $250 and $212 during the years ended June 30, 2025 and 2024, respectively.

(in thousands)

13. Commitments and contingencies

The Society leases office space in Staten Island, NY for one of its programs. This office lease will expire on April 30, 2026. In addition, the Society leases various equipment and automobiles under operating leases which expire through July 2027. These leases are below the Society's right-of-use assets capitalization policy of $200. Rent expense for these leases was $99 and $91 for the years ended June 30, 2025 and 2024, respectively.

Minimum annual rental commitments for the remaining term of the Society's noncancelable operating leases are as follows:

Year ending June 30:		
2026	$	64
2027		21
	$	85

14. Litigation

The Society is involved in legal matters arising in the normal course of its operations. In the opinion of management, the outcome of any pending claims will not have a material effect on the Society's financial position or results of operations.

15. Significant source of support

The Society received approximately 92% and 86% of its operating revenue and support, excluding investment returns, for the years ended June 30, 2025 and 2024, respectively, from government agencies. Amounts due the Society from these agencies were $18,318 and $16,628 at June 30, 2025 and 2024, respectively. Contracts with the funding agencies were renewed at comparable amounts for the upcoming fiscal year.

16. Collective bargaining agreement

Certain employees are covered by a collective bargaining agreement. The agreement with 1199 SEIU United Healthcare Workers East is effective through June 30, 2028. Payments made to the National Benefits fund were $1,515 and $1,301 for the years ended June 30, 2025 and 2024, respectively.

17. Subsequent events

Subsequent events have been evaluated through December 19, 2025, which is the date the consolidated financial statements were available to be issued. All subsequent events requiring recognition or disclosure as of June 30, 2025 have been incorporated into these consolidated financial statements. The Society is not aware of any additional material subsequent events.